


Appendix 1 - Local Plan Viability, Affordable Housing and Infrastructure

An example of the residual appraisals undertaken, which built up to form the conclusions, is illustrated below.

		Residential Viability Appraisal			
DEVELOPMENT SCENARIO	Urban Edge Medium Scale			Apartments	0
BASE LAND VALUE SCENARIO	Greenfield			2 bed houses	45
DEVELOPMENT LOCATION (ZONE)	Hucknall & Rural Zone 10% Aff Hsg			3 Bed houses	68
DEVELOPMENT DETAILS	150 Total Units			4 bed houses	22
Affordable Proportion	10%	15 Affordable Units		5 bed house	15
Affordable Mix	25%	Low Cost Ow	25%	Social Rent	50%
Development Floorspace	12947	Sqm Market Housing	1,155	Affordable Rent	
				Sqm Affordable Housing	
Development Value					
Market Houses					
0	Apartments	65	sqm	2138	£ per sqm
41	2 bed houses	75	sqm	2850	£ per sqm
61	3 Bed houses	90	sqm	2755	£ per sqm
20	4 bed houses	120	sqm	2755	£ per sqm
14	5 bed house	150	sqm	2660	£ per sqm
					£0
					£8,656,875
					£15,174,540
					£6,545,880
					£5,386,500
Low Cost Own					
		70%	Open Market Value		
1	Apartments	65	sqm	1496.6	£ per sqm
2	2 Bed house	75	sqm	1995	£ per sqm
2	3 Bed House	90	sqm	1928.5	£ per sqm
					£72,959
					£224,438
					£260,348
Social Rent					
		40%	Open Market Value		
1	Apartments	65	sqm	855.2	£ per sqm
2	2 Bed house	75	sqm	1140	£ per sqm
1	3 Bed House	90	sqm	1102	£ per sqm
					£41,691
					£192,375
					£74,385
Affordable Rent					
		50%	Open Market Value		
2	Apartments	65	sqm	1069	£ per sqm
3	2 Bed house	75	sqm	1425	£ per sqm
2	3 Bed House	90	sqm	1377.5	£ per sqm
					£156,341
					£320,625
					£278,944
150 Total Units					
Development Value					£37,385,900
Development Costs					
Land					
	Apartments	0	Plots	10917	£ per plot
	2 Bed House	41	Plots	27293	£ per plot
	3 Bed House	61	Plots	31191	£ per plot
	4 Bed House	20	Plots	43668	£ per plot
	5 Bed House	14	Plots	54585	£ per plot
					Total Land £4,615,793
					£736,899
Stamp Duty Land Tax					£184,632
Construction					
	Apartments	2021.7	£ per sqm	Market Housing Construction Cost	
	2 bed houses	1198	£ per sqm		
	3 Bed houses	1198	£ per sqm	Affordable Housing Construction Cost	
	4 bed houses	1198	£ per sqm		
	5 bed house	1198	£ per sqm		
					£15,509,907
					£1,524,746
Additional Affordable Housing Land Cost					
					£365,525
Professional Fees					
8.0% Build Cost					£1,362,772
Legal Fees					
0.5% GDV					£186,930
Statutory Fees					
1.1% Build Cost					£187,381
Sales/Marketing Costs					
2.0% Market Units Value					£715,276
Contingencies					
5.0% Build Cost					£870,009
Planning Obligations					
8000 £ per Market Unit					£1,200,000
Interest					
6.0% 12 Month Build					£1,480,480
Arrangement Fee					
0.0% Cost					£0
Development Profit					
Market Hsg 20.0% of GDV					£7,244,244
Aff Hsg 6.0% of Cost					
Total Cost					£35,447,695
VIABILITY MARGIN					£1,938,205
POTENTIAL CIL RATE PER SQ METRE OF MARKET HOUSING (IF APPLICABLE)					£150

In order to evaluate the impact of Affordable Housing provision, residential viability tests were undertaken on the assumption that schemes would deliver 10-30% Affordable Housing and between £6,000 and £10,000 per dwelling towards infrastructure/biodiversity net gain. Each category of development produces a greenfield and brownfield result.

Any positive figures confirm that the category of development evaluated is economically viable in the context of Whole Plan viability and the impact of planning policies. A negative figure identifies that it is unviable.

The minimum margins for each combination of Affordable Housing and S106 Infrastructure contribution are summarised below.

Sutton & Kirkby Sub-Market Area

10% Affordable Housing Delivery

Residential Viability Margin (Sutton & Kirkby)		
	Greenfield	Brownfield
@£6000 per dwelling S106	£188sqm	£42sqm
@£8000 per dwelling S106	£162sqm	£16sqm
@£10000 per dwelling S106	£137sqm	-£9sqm

15% Affordable Housing Delivery

Residential Viability Margin (Sutton & Kirkby)		
	Greenfield	Brownfield
@£6000 per dwelling S106	£149sqm	-£3sqm
@£8000 per dwelling S106	£122sqm	-£30sqm
@£10000 per dwelling S106	£96sqm	-£57sqm

20% Affordable Housing Delivery

Residential Viability Margin (Sutton & Kirkby)		
	Greenfield	Brownfield
@£6000 per dwelling S106	£106sqm	-£53sqm
@£8000 per dwelling S106	£78sqm	-£82sqm
@£10000 per dwelling S106	£49sqm	-£111sqm

25% Affordable Housing Delivery

Residential Viability Margin (Sutton & Kirkby)		
	Greenfield	Brownfield
@£6000 per dwelling S106	£57sqm	-£111sqm
@£8000 per dwelling S106	£27sqm	-£141sqm
@£10000 per dwelling S106	-£4sqm	-£172sqm

Hucknall & Rural Sub-Market Area

10% Affordable Housing Delivery

Residential Viability Margin (Hucknall & Rural)		
	Greenfield	Brownfield
@£6000 per dwelling S106	£223sqm	£77sqm
@£8000 per dwelling S106	£198sqm	£52sqm
@£10000 per dwelling S106	£172sqm	£26sqm

20% Affordable Housing Delivery

Residential Viability Margin (Hucknall & Rural)		
	Greenfield	Brownfield
@£6000 per dwelling S106	£144sqm	-£16sqm
@£8000 per dwelling S106	£115sqm	-£44sqm
@£10000 per dwelling S106	£87sqm	-£73sqm

25% Affordable Housing Delivery

Residential Viability Margin (Hucknall & Rural)		
	Greenfield	Brownfield
@£6000 per dwelling S106	£96sqm	-£72sqm
@£8000 per dwelling S106	£66sqm	-£102sqm
@£10000 per dwelling S106	£35sqm	-£133sqm

30% Affordable Housing Delivery

Residential Viability Margin (Hucknall & Rural)		
	Greenfield	Brownfield
@£6000 per dwelling S106	£42sqm	-£135sqm
@£8000 per dwelling S106	£9sqm	-£168sqm
@£10000 per dwelling S106	-£23sqm	-£201sqm