

Kirklees Council Community Infrastructure Levy Examination

Response to the Examiners request for the Council to provide further information on issues raised during the CIL hearing session

October 2019

Post Hearing Actions

- 1. The Council to confirm the build cost methodology used by Cushman and Wakefield is supported by Homes England**

See appendix 1

- 2. The Council to confirm the Affordable Housing Tenure Splits 2017/18**

The following information has been provided to confirm the split of affordable housing tenures achieved 2017/18:

- 12 housing schemes that have secured onsite affordable housing have delivered 129 units with a tenure split of 65 intermediate units and 64 social rented units, achieving approximately a 50:50 split against a requirement of 46% intermediate 54% of social rented in the Interim Affordable Housing Policy.
- A further 5 sites have delivered 100% starter homes totalling 39 units but these are the exception to the council's usual approach: and
- 8 sites have delivered off site financial contributions.

- 3. The Council to undertake sensitivity testing on all three strategic housing sites within the Viability Appraisal**

See appendix 2

Please note this also confirms the profit levels for Dewsbury Riverside (para 2.6)

- 4. The Council to confirm the Indicative Capacity of the CIL Instalments Policy**

Kirklees CIL Draft Instalments Policy - Indicative Site Capacity by charge zone				
Zone	CIL rate (per sqm)	CIL Charge £0 to £24,999	CIL Charge £25,000 to £149,999	CIL Charge £150,000 and above
Zone 1	£80	0 - 3 dwellings	4 - 20 dwellings	21+ dwellings
Zone 2	£20	0 - 13 dwellings	14 - 83 dwellings	84+ dwellings
Zone 3	£5	0 - 55 dwellings	56 - 333 dwellings	334+ dwellings

5. The Council to confirm Housing Starts and Completions in CIL Charge Zone 2 during 2017 – 2019

Indicative of schemes 2 (25 units), 8 (280 units) and 9 (350 units)

Schemes 20 - 30 units

Site ref.	Address	Locality	Town	Total site Units	Total Starts (all years)	Date development started	Total Completions (all years)	Date development completed
Z0258	UDP Housing Allocation H8.59, Laund Road	Lindley	Huddersfield	21	21	01/04/2016	21	01/04/2018
30390	Albion Mills, Mill Moor Road	Meltham	Holmfirth	22	22	01/04/2015	22	01/04/2018
10220C	Old Bank Works, Old Bank	Slaithwaite	Huddersfield	24	24	01/04/2014	24	01/04/2019
30353A	UDP Housing Allocation H2.12, Colders Lane	Meltham	Huddersfield	24	18	01/04/2018	12	Ongoing
W0108A	38-64 and 92-112, Cowlersley Lane	Cowlersley	Huddersfield	25	25	01/04/2017	25	01/04/2019
30434	Former Pink Link, Crosland Road Industrial Estate	Meltham	Holmfirth	27	27	01/04/2015	27	01/04/2017
30342	UDP Housing Allocation H2.3, Mill Moor Road	Meltham	Huddersfield	28	28	01/04/2018	22	Ongoing
U0325	60 Stile Common Road	Primrose Hill	Huddersfield	29	2	01/04/2017	2	Ongoing
Z0263B	UDP Housing Allocation H8.17 (Phase 2), Cowrakes Road	Lindley	Huddersfield	29	29	01/04/2014	29	01/04/2018
G0354	WY Fire & Rescue Service Head Quarters, Bradford Road	Birkenshaw	Cleckheaton	30	5	01/04/2019	-	Ongoing
Z0407	Crosland Farm, Crosland Road	Lindley	Huddersfield	30	30	01/04/2016	30	01/04/2017

Schemes over 200 units

Site ref.	Address	Locality	Town	Total site Units	Total Starts (all years)	Date development started	Total Completions (all years)	Date development completed
J0054A	Butt End Mills, Chadwick Fold Lane	Lower Hopton	Mirfield	205	128	01/04/2008	98	Ongoing
D0454	Dewsbury Rams RFLC, Owl Lane		Dewsbury	210	168	01/04/2015	141	Ongoing
Z0263A	UDP Housing Allocation H8.17 (phase 1)	Lindley	Huddersfield	250	250	01/04/2013	250	01/04/2018
Z0408	B8.1, Lindley Moor Road		Huddersfield	252	247	01/04/2016	237	Ongoing

6. The Council to provide Indicative CIL Income

Full Local Plan Land Allocation

The table below provides an indicative CIL income generated in each CIL charge zone, based on the total dwellings on housing allocations within each zone.

Zone	CIL rate (per sqm)	Land allocated for Housing in the local plan		
		Dwellings	Gross	Net ¹
Zone 1	£80	4208	£30,299,271	£18,179,562
Zone 2	£20	12001	£21,601,262	£12,960,757
Zone 3	£5	6760	£3,042,027	£1,825,216
Total		22969	£54,942,560	£32,965,536

Full Local Plan Land Allocation (revised to take account of Planning Permissions and sites phased to start pre April 2020)

The table below revises the land allocated in the local plan to take account of extant planning permissions on allocated housing sites and sites within the local plan that are phased to commence pre-April 2020.

Zone	CIL rate (per sqm)	Land allocated for Housing in the local plan		
		Dwellings	Gross	Net ¹
Zone 1	£80	2260	£16,272,088	£9,763,253
Zone 2	£20	8925	£16,064,950	£9,638,970
Zone 3	£5	5054	£2,274,307	£1,364,584
Total		16239	£34,611,345	£20,766,807

Windfall (4500 units over the plan period)

The local plan includes a windfall allowance of 4500 dwellings over the plan period. Whilst this cannot be spatially distributed the table below indicates the potential level of CIL income if the total 4500 units were to come forward in each zone.

Zone	CIL rate (per sqm)	CIL Income Gross	CIL Income Net ¹
Zone 1 (all 4500 units)	£80	£32,400,000	£19,440,000
Zone 2 (all 4500 units)	£20	£8,100,000	£4,860,000
Zone 3 (all 4500 units)	£5	£2,025,000	£1,215,000

¹ Net income:

- 20% affordable housing removed from gross CIL total as affordable housing is exempt from CIL
- 20% other exemptions removed from gross CIL total

7. The Council to provide new charge zone map with clearer OS base.

See Appendix 3

Upon adoption of CIL, the Council will have online interactive mapping of the CIL Charge Zones alongside the CIL Charge Zone map provided in appendix 3.

Please note this map includes the action to amalgamate rates Retail Warehousing £0 sqm and All Other Uses £0 sqm

8. The Council to provide a map of Bradley strategic site showing the CIL charge zone split

See Appendix 4

Appendix 1:

The Council to confirm the build cost methodology used by Cushman and Wakefield is supported by Homes England



Homes
England

Making homes happen

Planning Inspectorate
c/o Programme Officer
Miny Schofield
5 Stoney Hill, Little Bolehill,
Derbyshire, DE4 4GH

4th October 2019

Dear Ms Schofield

Kirklees CIL Examination

On behalf of Homes England I wish to confirm that Cushman and Wakefield is a member of our Property Framework and has worked extensively on our behalf in producing valuations and viability assessments of residential development schemes.

As part of their specific appointment on the viability assessment of schemes aiming to be supported by the Agency's Accelerated Construction Programme, I can confirm that the approach that they have taken to assessing the costs that volume house builders will incur is one that we have accepted. We understand this methodology involves taking the lower quartile of BCIS costs, making a deduction by 5% and then adding back 10% for plot external works.

Yours sincerely,

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Appendix 2:

The Council to undertake sensitivity testing on all three strategic housing sites within the Viability Appraisal

Kirklees Community Infrastructure Levy

Post Hearing Statement

KIRKLEES COUNCIL

October 2019

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Disclaimer

The development appraisals reported in this paper are indicative and should not in any circumstances be interpreted as valuations.

1.0 Introduction

- 1.1 This paper has been prepared by Cushman and Wakefield following the hearing session relating to the Examination of the Kirklees Community Infrastructure Levy Draft Charging Schedule. At the hearing, the Examiner requested further scenario testing be carried out in connection with the three large strategic sites that are allocated in the recently adopted Local Plan:
- Dewsbury Riverside
 - Chidswell
 - Former Bradley Golf Course
- 1.2 The Examiner has requested that further modelling be presented incorporating variations in S106 cost alongside more specific infrastructure cost information where it is available.
- 1.3 The evidence collected below has been prepared by Cushman and Wakefield which should be read as a further addendum to the viability assessments already produced as part of the CIL evidence which sets out the parameters of our appointment in accordance with RICS Financial Viability in Planning Conduct in Reporting (May 2019).

2.0 Dewsbury Riverside

- 2.1 Preliminary infrastructure cost information has been prepared for Dewsbury Riverside based on collaborative work between Kirklees Council and Miller Homes over recent months in the refinement of masterplanning of the site. The schedule of works and costs includes items that we expect would realistically be included as S106 items (including, for example the school and off-site highway works), therefore the schedule addresses the Examiner's request for both S106 and more specific abnormal site information together.
- 2.2 The schedule of works includes access works, utilities removal/diversions, education and a Calder River Bridge into the site. In total, these works amount to £78.8million, although it should be noted that these are for the entire site of 4,000 units, and that not all costs are required for the scheme that is expected to come forward in the current Local Plan period, nor for the scheme of 2310 units that was subject assessment in the Viability Update report (2019). As a result of the discussions in the Examination hearing, we have produced further appraisals that incorporate these costs on the basis of both the original 2310 unit scheme (with an appropriate attribution of the £78.8million of infrastructure costs), as well as for the larger 4,000 unit scheme, including the total package of infrastructure works. We have also modelled the impact of including and excluding the expensive Calder River Bridge which represents a proposed access requirement from 2000 units into the programme. Therefore, there are four sensitivities in total that have been modelled:
- Sensitivity 1: 2310 unit scheme, including Calder River Bridge
- Sensitivity 2: 2310 unit scheme, excluding Calder River Bridge
- Sensitivity 3: 4000 unit scheme, including Calder River Bridge
- Sensitivity 4: 4000 unit scheme, excluding Calder River Bridge
- 2.3 For the original 2310 unit scheme, we have taken officer advice on those costs that would be incurred by the development in the early phases together with a per unit apportionment for those items which could be phased proportionately throughout the life of the development. The result is a total cost of £60,955,834, equating to just over £26,000 per plot. This is a higher rate per unit than the total infrastructure requirements across the 4,000 units, which equates to £19,700 per unit, which reflects

the front loaded nature of the majority of infrastructure works.

2.4 Details of the costs with individual apportionment are provided below:

Table 2.1: Dewsbury Riverside, Site Infrastructure Requirements

Cost Item	Timing	Phase	4000 unit scheme	2310 unit scheme
Remediation	s curve over 1st 12 months	1	£2,000,000	£1,155,000
Underground drainage/ storage and SUDs	S curve over 1st 12 months of each phase	All	£13,000,000	£7,507,500
Forge Lane Access to LC	S curve over Jan 2019 - end 2020	1	£800,000	£800,000
Pylon Removal	S curve over Jan 2021 - End 2022	3	£7,000,000	£7,000,000
Gas Main Diversion	S curve over Jan 2021 - End 2022	3	£6,000,000	£6,000,000
Primary School 1	S curve over Jan 2022 - end 2023	1	£7,000,000	£7,000,000
Off site highways 1st instalment	S curve over 12 months in 2025	2	£2,666,667	£2,666,667
Green Infrastructure	S curve over Jan 2024 - end 2025	2	£8,000,000	£4,620,000
Off site highways 2nd instalment	S curve over 12 months in 2029	3	£2,666,667	£2,666,667
Offsite highways 3rd instalment	S curve over 12 months in 2035	5	£2,666,667	£1,540,000
Primary School 2	S curve over Jan 2034 - end 2035	5	£7,000,000	
Potential Calder River Bridge	S curve over 12 months in 2033	4	£20,000,000	£20,000,000
TOTAL			£78,800,001	£60,955,834

2.5 These costs have been inserted in to the development appraisal to replace the previous abnormal

allowance of £370,650 per ha, with all other assumptions remaining as per the Viability update dated May 2019. Two sensitivities have been modelled, one with the proposed Calder Bridge and one without, to reflect the possibility of alternative solutions being identified which remove the need for this proposed access into the site.

- 2.6 In response to the Examiner's question regarding profit levels, the profit rate applied to Dewsbury Riverside is 18.76% of GDV per phase, which represents a blended rate of 20% of GDV on market units and 6% on affordable units (although the appraisal summaries indicate a slightly higher rate of profit, this is a presentational issue as a result of the summary merging cashflows together).
- 2.7 The results of the reappraisal are summarised below and indicate that in both scenarios, viability is marginal. Sensitivity 1 (with the £20million Calder Bridge) indicates a negative residual land value, and Sensitivity 2 delivers a positive residual land value but one that is below the land value benchmark of £370,650 per ha indicating that it cannot viably withstand a CIL tariff. Sensitivity 3 and 4, produce positive residual land values but do not provide the requisite level of land value to meet the benchmark land value and therefore provide no headroom to meet the costs of a CIL charge.

Table 2.2: Appraisal results and CIL headroom

	Net area (ha)	GIA of market units (Sq m)	Gross residual land value	Allowance for land costs	Allowance for abnormals and site infrastructure	Headroom for CIL	Headroom for CIL per sq m
Dewsbury Riverside 2310 units	66.00	178794	£-5,003,794	£24,462,900	Included	£0	£0
Sensitivity 1, with Calder Bridge				£370,650	£0		
Dewsbury Riverside 2310 units	66.00	178794	£14,773,663	£24,462,900	Included	£0	£0
Sensitivity 2, without Calder Bridge				£370,650	£0		
Dewsbury Riverside 4000 units	114.00	309600	£20,321,371	£42,254,100	Included	£0	£0
Sensitivity 3, with Calder Bridge				£370,650	£0		
Dewsbury Riverside 4000 units	114.00	309600	£39,571,018	£42,254,100	Included	£0	£0
Sensitivity 4, without Calder Bridge				£370,650	£0		

- 2.8 An appraisal assumptions proforma and appraisal output schedule for Dewsbury Riverside is provided at Appendix 1.

3.0 Chidswell

- 3.1 In relation to the Chidswell site, no specific infrastructure or site development costs are available and therefore a simple sensitivity has been modelled on the potential for a higher rate of S106 requirements against the abnormals allowance of £370,650 per ha. Three sensitivities have been modelled:
- £2,500 per unit for 1535 homes = £3,837,500
 - £5,000 per unit for 1535 homes = £7,675,000
 - £7,500 per unit for 1535 homes = £11,512,500
- 3.2 The results indicate that assuming these costs, Chidswell remains able to support a CIL charge of up to £95 psm for Sensitivity 1, £65 psm for Sensitivity 2 and £35 psm for Sensitivity 3, demonstrating that at the applicable rate in the Draft Charging Schedule of £20 psm, CIL is viable and unlikely to place delivery at risk.
- 3.3 The results are summarised below and further details are provided in Appendix 2 of the appraisal

assumptions and appraisal output summary:

Table 3.1: Results

	Net area (ha)	GIA of market units (Sq m)	Gross residual land value	Allowance for land costs	Allowance for abnormal and site infrastructure	Headroom for CIL	Headroom for CIL per sq m
Chidswell	43.86	118809	£43,795,482	£16,256,709.00	£16,256,709	£11,282,064	£95
Sensitivity 1, £2,500 per unit S106				£370,650	£370,650 per ha		
Chidswell	43.86	118809	£40,213,041	£16,256,709.00	£16,256,709	£7,699,623	£65
Sensitivity 1 £5,000 per unit S106				£370,650	£370,650 per ha		
Chidswell	43.86	118809	£36,630,618	£16,256,709.00	£16,256,709	£4,117,200	£35
Sensitivity 1 £7,500 per unit S106				£370,650	£370,650 per ha		

4.0 Former Bradley Golf Course

- 4.1 In relation to the former Bradley Golf Course, a preliminary infrastructure study was produced as part of the Local Plan evidence which indicated a gross cost of infrastructure works of £42.8million¹. This included allowances for on and off site highway works, green infrastructure earthworks and ground remediation, drainage attenuation and community facilities. Whilst not a final / definitive infrastructure cost plan it provided a reasonable indication of the likely costs that would be encountered encompassing those elements that would also form part of the planning requirements via condition or S106 agreement.
- 4.2 Limited details have been prepared regarding the timing of each of these elements therefore the total cost has been attributed in equal proportion to each of the five phases of development (£8,560,000 to each phase).
- 4.3 The results are as follows:

Table 4.1: Bradley Golf Course Results

	Net area (ha)	GIA of market units (Sq m)	Gross residual land value	Allowance for land costs	Allowance for abnormal and site infrastructure	Headroom for CIL	Headroom for CIL per sq m
Bradley Golf Course	55.94	151548	£21,794,086	£20,735,220	Included	£1,058,866	£6.99
				£370,650			

- 4.4 The results indicate a headroom of just under £7 psm, suggesting that the scheme could not afford the applicable CIL rate of £20psm in the draft charging schedule.

5.0 Summary and Conclusions

- 5.1 Table 5.1 below summarises the results of the additional sensitivity tests requested by the Examiner. In relation to Dewsbury Riverside, the analysis indicates that on the basis of the site infrastructure cost estimates, the scheme is unlikely to be capable of viably supporting a CIL at the level proposed in the Draft Charging Schedule, and that there is a justification for reviewing the charge rate to a lower level.

¹ *Bradley Park Delivery Statement (January 2018) para 6.5.* <https://www.kirklees.gov.uk/beta/planning-policy/pdf/examination/matters-issues-and-questions/matter-30/M30-1-Council-response-H1747-H351.pdf>

“An initial calculation of site development costs on the basis of the technical information available at that time was undertaken as part of the phase 1 masterplanning exercise by Gardiner & Theobald LLP (G&T). The cost report was updated to account for the technical design work completed with the second phase of masterplanning work in September 2016. The cost of the Site Infrastructure at Bradley Park was assessed to be in the region of £42.8m as at September 2016.”

- 5.2 In relation to Chidswell, whilst robust site cost information is not available, the results of the increased S106 allowance sensitivity testing confirms that CIL at the proposed rate of £20psm is likely to be viable.
- 5.3 In relation to the former Bradley Golf Course site, viability is also marginal and the updated appraisals would allow for an adjustment to the rate of CIL to either a nominal or zero charge.

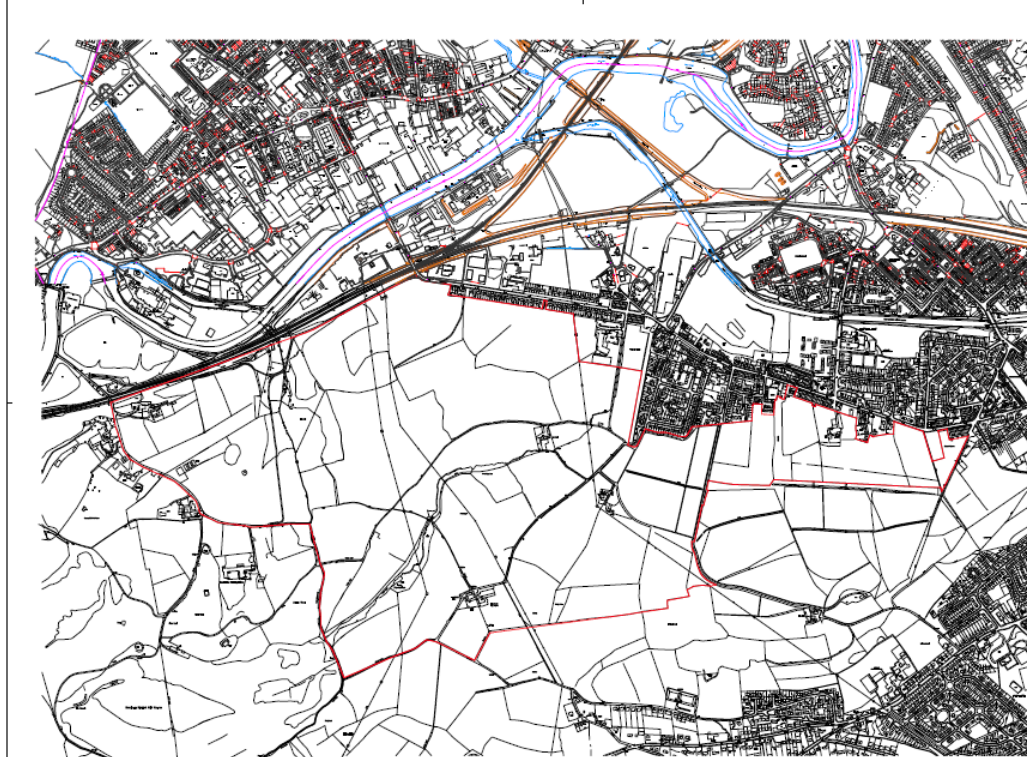
Table 5.1: Summary All Results

	Net area (ha)	GIA of market units (Sq m)	Gross residual land value	Allowance for land costs	Allowance for abnormals and site infrastructure	Headroom for CIL	Headroom for CIL per sq m
Dewsbury Riverside 2310 units	66.00	178794	-£5,003,794	£24,462,900	Included	£0	£0
Sensitivity 1, with Calder Bridge				£370,650	£0		
Dewsbury Riverside 2310 units	66.00	178794	£14,773,663	£24,462,900	Included	£0	£0
Sensitivity 2, without Calder Bridge				£370,650	£0		
Dewsbury Riverside 4000 units	114.00	309600	£20,321,371	£42,254,100	Included	£0	£0
Sensitivity 3, with Calder Bridge				£370,650	£0		
Dewsbury Riverside 4000 units	114.00	309600	£39,571,018	£42,254,100	Included	£0	£0
Sensitivity 4, without Calder Bridge				£370,650	£0		
Chidswell	43.86	118809	£43,795,482	£16,256,709.00	£16,256,709	£11,282,064	£95
Sensitivity 1, £2,500 per unit S106				£370,650	£370,650 per ha		
Chidswell	43.86	118809	£40,213,041	£16,256,709.00	£16,256,709	£7,699,623	£65
Sensitivity 1 £5,000 per unit S106				£370,650	£370,650 per ha		
Chidswell	43.86	118809	£36,630,618	£16,256,709.00	£16,256,709	£4,117,200	£35
Sensitivity 1 £7,500 per unit S106				£370,650	£370,650 per ha		
Bradley Golf Course	55.94	151548	£21,794,086	£20,735,220	Included	£1,058,866	£6.99
				£370,650			

Appendix 1 Dewsbury Riverside Appraisal Assumptions and Summary

Kirklees Council
Site Specific Viability Analysis
Site 1 - Residential development
Sensitivity 1 and 2 (2310 unit scheme)

Location plan



Site address and reference	Land south of Ravensthorpe Road, Thornhill Lees, Dewsbury (H2089)
Site size	159 ha (assumed 66 ha net based on 2310 units at 35 DPH)
Land ownership /tenure	Part Council owned / part private ownership
Details of proposed development including current planning status	Current Status: Housing Allocation, Safeguarded Land, Green Belt, Local Plan Housing Allocation
Site constraints	No known site information

**Accommodation
schedule**

2,310 residential units

The site-specific appraisal assumes:

Residential development in six phases:

Phase 1 delivering 140 dwellings:

	Housing Mix				
	2 bed house	3 bed house	4 bed house	5 bed house	Total
No of units	35	56	35	14	140
Total floor space	2,450	5,040	4,095	1,960	13,545
Total market floor space	1,960	4,032	3,276	1,568	10,836
Total AH floor space	490	1,008	819	392	2,709
AR / SR floor space	271	558	454	217	1,501
SO floor space	219	450	365	175	1,208

Phase 2 delivering 280 dwellings:

	Housing Mix				
	2 bed house	3 bed house	4 bed house	5 bed house	Total
No of units	70	112	70	28	280
Total floor space	4,900	10,080	8,190	3,920	27,090
Total market floor space	3,920	8,064	6,552	3,136	21,672
Total AH floor space	980	2,016	1,638	784	5,418
AR / SR floor space	543	1,117	907	434	3,002
SO floor space	437	899	731	350	2,416

Phase 3 delivering 630 dwellings:

	Housing Mix				
	2 bed house	3 bed house	4 bed house	5 bed house	Total
No of units	158	252	158	63	630
Total floor space	11,025	22,680	18,428	8,820	60,953
Total market floor space	8,820	18,144	14,742	7,056	48,762
Total AH floor space	2,205	4,536	3,686	1,764	12,191
AR / SR floor space	1,222	2,513	2,042	977	6,754
SO floor space	983	2,023	1,644	787	5,437

Phase 4 delivering 630 dwellings:

	Housing Mix				
	2 bed house	3 bed house	4 bed house	5 bed house	Total
No of units	158	252	158	63	630
Total floor space	11,025	22,680	18,428	8,820	60,953
Total market floor space	8,820	18,144	14,742	7,056	48,762
Total AH floor space	2,205	4,536	3,686	1,764	12,191
AR / SR floor space	1,222	2,513	2,042	977	6,754
SO floor space	983	2,023	1,644	787	5,437

Phase 5 delivering 630 dwellings:

Housing Mix				
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		2 bed house	3 bed house	4 bed house	5 bed house	Total
	No of units	158	252	158	63	630
	Total floor space	11,025	22,680	18,428	8,820	60,953
	Total market floor space	8,820	18,144	14,742	7,056	48,762
	Total AH floor space	2,205	4,536	3,686	1,764	12,191
	AR / SR floor space	1,222	2,513	2,042	977	6,754
	SO floor space	983	2,023	1,644	787	5,437
Anticipated start date	<ul style="list-style-type: none"> Start on site 2017 with two outlets open delivering 70 units per annum 2019 four outlets open delivering 140 units per annum 2021 six outlets open This delivery programme is based on evidence provided by the site promoters 					
Build period	<ul style="list-style-type: none"> 3 months lead in period from first land payment Phase 1 - 24 month construction period Phase 2 - 24 month construction period Phase 3 - 38 month construction period Phase 4 - 38 month construction period Phase 5 - 38 month construction period 					
Phasing	<p>The scheme will be delivered through</p> <ul style="list-style-type: none"> Phase 1 – 2 outlets at a total delivery rate of 70 units per annum Phase 2 – 4 outlets at a total delivery rate of 140 units per annum Phase 3 – 6 outlets at a total delivery rate of 200 units per annum Phase 4 – 6 outlets at a total delivery rate of 200 units per annum Phase 5 – 6 outlets at a total delivery rate of 200 units per annum Phase 6 – 6 outlets at a total delivery rate of 200 units per annum 					
Planning gain (including AH) & timing of payments	<ul style="list-style-type: none"> 20% affordable housing with tenure and transfer values consistent with area wide assumptions, phased through life of development. 					
Revenue	<p>Market units:</p> <ul style="list-style-type: none"> First 2 phases, 1,884 psm (£175 psf) Phase 3 onward £2,152.78 psm (£200 psf) 					
Affordable housing revenues	<ul style="list-style-type: none"> Shared ownership £999 per sq m / £92.81 per sq ft Rented (affordable and social) – 29.53% of market value £588 per sq m / £54.62 per sq ft 					

Build costs	<ul style="list-style-type: none"> • £1038 per sq m inclusive of external works • Professional fees – 8% • Contingency – 3%
Abnormal costs	Infrastructure costs of £60,955,834, see detailed schedule above.
Profit	Profit level set at blended rate to reflect 20% GDV on market units and 6% on affordable units in accordance with the area wide model. This represents a figure of 18.76% of GDV for each phase.
Land value	Land values residualised and benchmarked against model comparators.

APPRAISAL SUMMARY**CUSHMAN & WAKEFIELD****Land South of Ravensthorpe Road, Dewsbury
Residential Development****Summary Appraisal for Merged Phases 1 2 3 4 5**

Currency in £

REVENUE

Sales Valuation	Units	m	Sales Rate m²	Unit Price	Gross Sales
Phase 1 Market units	1	10,836.00	1,884.00	20,415,024	20,415,024
Phase 1 Affordable & Social Rented	1	1,501.00	588.00	882,588	882,588
Phase 1 Shared Ownership	1	1,208.00	999.05	1,206,852	1,206,852
Phase 2 Market units	1	21,672.00	1,884.00	40,830,048	40,830,048
Phase 2 Affordable & Social Rented	1	3,002.00	588.00	1,765,176	1,765,176
Phase 2 Shared Ownership	1	2,416.00	999.05	2,413,705	2,413,705
Phase 3 Market units	1	48,762.00	2,152.85	104,977,272	104,977,272
Phase 3 Affordable & Social Rented	1	6,754.00	588.00	3,971,352	3,971,352
Phase 3 Shared Ownership	1	5,437.00	999.00	5,431,563	5,431,563
Phase 4 Market units	1	48,762.00	2,152.85	104,977,272	104,977,272
Phase 4 Affordable & Social Rented	1	6,754.00	588.00	3,971,352	3,971,352
Phase 4 Shared Ownership	1	5,437.00	999.00	5,431,563	5,431,563
Phase 5 Market units	1	48,762.00	2,152.85	104,977,272	104,977,272
Phase 5 Affordable & Social Rented	1	6,754.00	588.00	3,971,352	3,971,352
Phase 5 Shared Ownership	1	<u>5,437.00</u>	999.00	5,431,563	<u>5,431,563</u>
Totals	15	223,494.00			410,653,953

NET REALISATION**410,653,953****OUTLAY****ACQUISITION COSTS**

Residualised Price	10,969,644	
Residualised Price (Negative land)	(15,973,438)	
		(5,003,794)
Stamp Duty	537,982	
Agent and Legal Fees inc VAT	1.80%	197,454
		735,436

CONSTRUCTION COSTS

Construction	m	Build Rate m²	Cost
Phase 1 Market units	10,836.00	1,038.00	11,247,768
Phase 1 Affordable & Social Rented	1,501.00	1,038.00	1,558,038
Phase 1 Shared Ownership	1,208.00	1,038.00	1,253,904
Phase 2 Market units	21,672.00	1,038.00	22,495,536
Phase 2 Affordable & Social Rented	3,002.00	1,038.00	3,116,076
Phase 2 Shared Ownership	2,416.00	1,038.00	2,507,808
Phase 3 Market units	48,762.00	1,038.00	50,614,956
Phase 3 Affordable & Social Rented	6,754.00	1,038.00	7,010,652
Phase 3 Shared Ownership	5,437.00	1,038.00	5,643,606
Phase 4 Market units	48,762.00	1,038.00	50,614,956
Phase 4 Affordable & Social Rented	6,754.00	1,038.00	7,010,652
Phase 4 Shared Ownership	5,437.00	1,038.00	5,643,606
Phase 5 Market units	48,762.00	1,038.00	50,614,956
Phase 5 Affordable & Social Rented	6,754.00	1,038.00	7,010,652
Phase 5 Shared Ownership	<u>5,437.00</u>	1,038.00	<u>5,643,606</u>
Totals	223,494.00		231,986,772

Contingency	3.00%	6,959,603
		6,959,603

Other Construction

Phase 1 SUDS	1,501,500
Remediation	231,000
Forge Lane Access	800,000
Green infrastructure	924,000
Remediation	231,000
Drainage SUDS	1,501,500
Primary school	7,000,000

APPRAISAL SUMMARY**CUSHMAN & WAKEFIELD****Land South of Ravensthorpe Road, Dewsbury
Residential Development**

Green infrastructure	924,000	
Phase 3 SUDS	1,501,500	
Pylon removal	7,000,000	
Gas main diversion	6,000,000	
Off site highways	2,666,667	
Remediation	231,000	
Green infrastructure	924,000	
Remediation	231,000	
Drainage SUDS	1,501,500	
Green infrastructure	924,000	
Off site highways	2,666,667	
Remediation	231,000	
Drainage and SUDS	1,501,500	
Green infrastructure	924,000	
Pro rata contribution to road bridg	20,000,000	
Other Construction	1,540,000	
		60,955,834

PROFESSIONAL FEES

Professional Fees	8.00%	19,359,182	
			19,359,182

DISPOSAL FEES

Marketing, sales agent and legal fe	3.50%	13,166,191	
			13,166,191

FINANCE

Debit Rate 6.00%, Credit Rate 0.50% (Nominal)			
Total Finance Cost			(750,365)

TOTAL COSTS**327,408,859****PROFIT****83,245,094****Performance Measures**

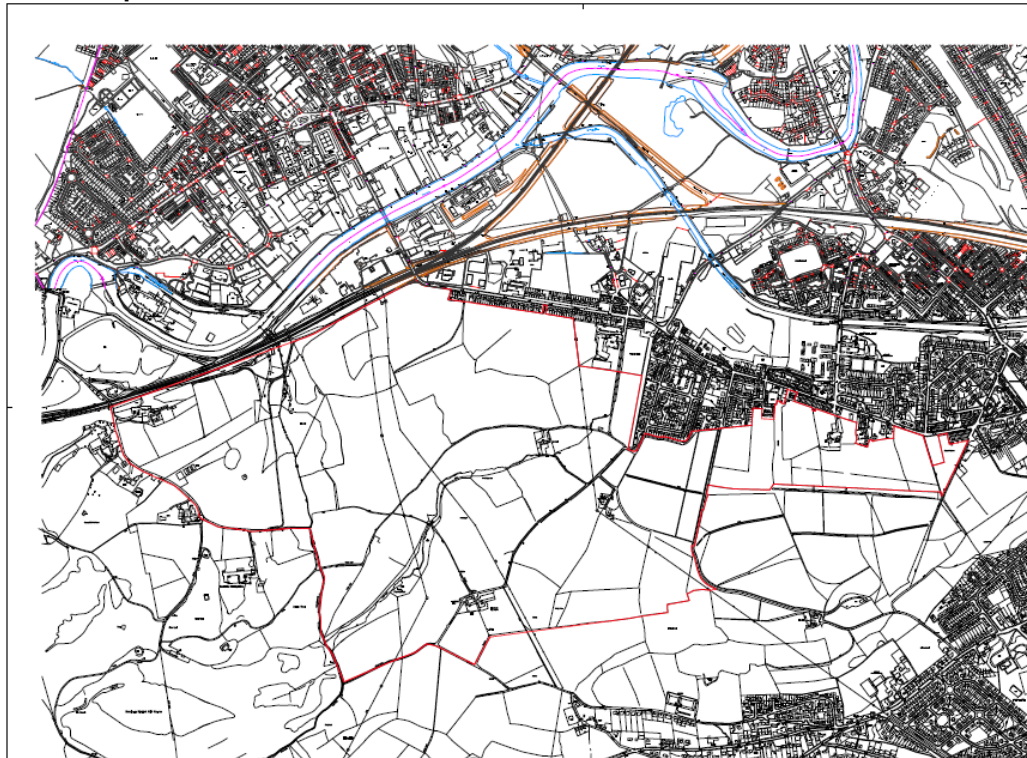
Profit on Cost%	25.43%
Profit on GDV%	20.27%
Profit on NDV%	20.27%

IRR	48.92%
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Profit Erosion (finance rate 6.000)	3 yrs 10 mths
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Kirklees Council
Site Specific Viability Analysis
Site 1 - Residential development
Sensitivity 3 and 4 – 4,000 unit scheme

Location plan



Site address and reference	Land south of Ravensthorpe Road, Thornhill Lees, Dewsbury (H2089)
Site size	114 ha developable area (on 35 DPH)
Land ownership /tenure	Part Council owned / part private ownership
Details of proposed development including current planning status	Current Status: Housing Allocation, Safeguarded Land, Local Plan Housing Allocation
Site constraints	No known site information
	4000 residential units The site-specific appraisal assumes: Residential development in eight phases:

Accommodation schedule	Phase 1 delivering 140 dwellings:					
	Housing Mix					
	2 bed house	3 bed house	4 bed house	5 bed house	Total	
	No of units	35	56	35	14	140
	Total floor space	2,450	5,040	4,095	1,960	13,545
	Total market floor space	1,960	4,032	3,276	1,568	10,836
	Total AH floor space	490	1,008	819	392	2,709
	AR / SR floor space	271	558	454	217	1,501
	SO floor space	219	450	365	175	1,208
	Phase 2 delivering 280 dwellings:					
	Housing Mix					
	2 bed house	3 bed house	4 bed house	5 bed house	Total	
	No of units	70	112	70	28	280
	Total floor space	4,900	10,080	8,190	3,920	27,090
	Total market floor space	3,920	8,064	6,552	3,136	21,672
	Total AH floor space	980	2,016	1,638	784	5,418
	AR / SR floor space	543	1,117	907	434	3,002
	SO floor space	437	899	731	350	2,416
Phase 3 delivering 630 dwellings:						
	Housing Mix					
	2 bed house	3 bed house	4 bed house	5 bed house	Total	
	No of units	158	252	158	63	630
	Total floor space	11,025	22,680	18,428	8,820	60,953
	Total market floor space	8,820	18,144	14,742	7,056	48,762
	Total AH floor space	2,205	4,536	3,686	1,764	12,191
	AR / SR floor space	1,222	2,513	2,042	977	6,754
	SO floor space	983	2,023	1,644	787	5,437
Phase 4 delivering 630 dwellings:						
	Housing Mix					
	2 bed house	3 bed house	4 bed house	5 bed house	Total	
	No of units	158	252	158	63	630
	Total floor space	11,025	22,680	18,428	8,820	60,953
	Total market floor space	8,820	18,144	14,742	7,056	48,762
	Total AH floor space	2,205	4,536	3,686	1,764	12,191
	AR / SR floor space	1,222	2,513	2,042	977	6,754
	SO floor space	983	2,023	1,644	787	5,437
Phase 5 delivering 630 dwellings:						
	Housing Mix					
	2 bed house	3 bed house	4 bed house	5 bed house	Total	
	No of units	158	252	158	63	630
	Total floor space	11,025	22,680	18,428	8,820	60,953

Total market floor space	8,820	18,144	14,742	7,056	48,762
Total AH floor space	2,205	4,536	3,686	1,764	12,191
AR / SR floor space	1,222	2,513	2,042	977	6,754
SO floor space	983	2,023	1,644	787	5,437

Phase 6 delivering 630 dwellings:

	Housing Mix				
	2 bed house	3 bed house	4 bed house	5 bed house	Total
No of units	158	252	158	63	630
Total floor space	11,025	22,680	18,428	8,820	60,953
Total market floor space	8,820	18,144	14,742	7,056	48,762
Total AH floor space	2,205	4,536	3,686	1,764	12,191
AR / SR floor space	1,222	2,513	2,042	977	6,754
SO floor space	983	2,023	1,644	787	5,437

Phase 7 delivering 630 dwellings:

	Housing Mix				
	2 bed house	3 bed house	4 bed house	5 bed house	Total
No of units	158	252	158	63	630
Total floor space	11,025	22,680	18,428	8,820	60,953
Total market floor space	8,820	18,144	14,742	7,056	48,762
Total AH floor space	2,205	4,536	3,686	1,764	12,191
AR / SR floor space	1,222	2,513	2,042	977	6,754
SO floor space	983	2,023	1,644	787	5,437

Phase 8 430 units

	Housing Mix				
	2 bed house	3 bed house	4 bed house	5 bed house	Total
No of units	108	172	108	43	430
Total floor space	7,525	15,480	12,578	6,020	41,603
Total market floor space	6,020	12,384	10,062	4,816	33,282
Total AH floor space	1,505	3,096	2,516	1,204	8,321

	AR / SR floor space		834	1715	1394	667	4,610
	SO floor space		671	1381	1122	537	3,711
Anticipated start date	<ul style="list-style-type: none">Start on site 2017 with two outlets open delivering 70 units per annum2019 four outlets open delivering 140 units per annum2021 six outlets open, 200 units per annumThis delivery programme is based on evidence provided by the site promoters						
Build period	<ul style="list-style-type: none">3 months lead in period from first land paymentPhase 1 - 24 month construction periodPhase 2 - 24 month construction periodPhase 3 - 38 month construction periodPhase 4 - 38 month construction periodPhase 5 - 38 month construction periodPhase 6 - 38 month construction periodPhase 7 - 38 month construction periodPhase 8 - 26 month construction period						
Phasing	<p>The scheme will be delivered through</p> <ul style="list-style-type: none">Phase 1 – 2 outlets at a total delivery rate of 70 units per annumPhase 2 – 4 outlets at a total delivery rate of 140 units per annumPhase 3 – 6 outlets at a total delivery rate of 200 units per annumPhase 4 – 6 outlets at a total delivery rate of 200 units per annumPhase 5 – 6 outlets at a total delivery rate of 200 units per annumPhase 6,7,8 – 6 outlets at a total delivery rate of 200 units per annum						
Planning gain (including AH) & timing of payments	<ul style="list-style-type: none">20% affordable housing with tenure and transfer values consistent with area wide assumptions, phased through life of development.						
Revenue	<p>Market units:</p> <ul style="list-style-type: none">First 2 phases, 1,884 psm (£175 psf)Phase 3 onward £2,152.78 psm (£200 psf)						
Affordable housing revenues	<ul style="list-style-type: none">Shared ownership £999 per sq m / £92.81 per sq ftRented (affordable and social) – 29.53% of market value £588 per sq m / £54.62 per sq ft						

Build costs	<ul style="list-style-type: none"> • £1038 per sq m inclusive of external works • Professional fees – 8% • Contingency – 3%
Abnormal costs	Infrastructure costs of £78,801,000, see detailed schedule above.
Profit	Profit level set at blended rate to reflect 20% GDV on market units and 6% on affordable units in accordance with the area wide model. This represents a figure of 18.76% of GDV for each phase.
Land value	Land values residualised and benchmarked against model comparators.

APPRAISAL SUMMARY**CUSHMAN & WAKEFIELD****Land South of Ravensthorpe Road, Dewsbury
Residential Development**

Summary Appraisal for Merged Phases 1 2 3 4 5 6 7 8

Currency in £

REVENUE

Sales Valuation	Units	mSales	Rate m²	Unit Price	Gross Sales
Phase 1 Market units	1	10,836.00	1,884.00	20,415,024	20,415,024
Phase 1 Affordable & Social Rented	1	1,501.00	588.00	882,588	882,588
Phase 1 Shared Ownership	1	1,208.00	999.05	1,206,852	1,206,852
Phase 2 Market units	1	21,672.00	1,884.00	40,830,048	40,830,048
Phase 2 Affordable & Social Rented	1	3,002.00	588.00	1,765,176	1,765,176
Phase 2 Shared Ownership	1	2,416.00	999.05	2,413,705	2,413,705
Phase 3 Market units	1	48,762.00	2,152.85	104,977,272	104,977,272
Phase 3 Affordable & Social Rented	1	6,754.00	588.00	3,971,352	3,971,352
Phase 3 Shared Ownership	1	5,437.00	999.00	5,431,563	5,431,563
Phase 4 Market units	1	48,762.00	2,152.85	104,977,272	104,977,272
Phase 4 Affordable & Social Rented	1	6,754.00	588.00	3,971,352	3,971,352
Phase 4 Shared Ownership	1	5,437.00	999.00	5,431,563	5,431,563
Phase 5 Market units	1	48,762.00	2,152.85	104,977,272	104,977,272
Phase 5 Affordable & Social Rented	1	6,754.00	588.00	3,971,352	3,971,352
Phase 5 Shared Ownership	1	5,437.00	999.00	5,431,563	5,431,563
Phase 5 Market units	1	48,762.00	2,152.85	104,977,272	104,977,272
Phase 5 Affordable & Social Rented	1	6,754.00	588.00	3,971,352	3,971,352
Phase 5 Shared Ownership	1	5,437.00	999.00	5,431,563	5,431,563
Phase 5 Market units	1	48,762.00	2,152.85	104,977,272	104,977,272
Phase 5 Affordable & Social Rented	1	6,754.00	588.00	3,971,352	3,971,352
Phase 5 Shared Ownership	1	5,437.00	999.00	5,431,563	5,431,563
Phase 5 Market units	1	33,282.00	2,152.85	71,651,154	71,651,154
Phase 5 Affordable & Social Rented	1	4,610.00	588.00	2,710,680	2,710,680
Phase 5 Shared Ownership	1	<u>3,711.00</u>	999.00	3,707,289	<u>3,707,289</u>
Totals	24	387,003.00			717,483,449

NET REALISATION

717,483,449

OUTLAY**ACQUISITION COSTS**

Residualised Price	35,726,263
Residualised Price (Negative land)	(15,404,892)
	20,321,371
Stamp Duty	564,024
Stamp Duty	5.00% 1,211,789
Agent and Legal Fees inc VAT	1.80% 643,073
	2,418,886

CONSTRUCTION COSTS

Construction	mBuild	Rate m²	Cost
Phase 1 Market units	10,836.00	1,038.00	11,247,768
Phase 1 Affordable & Social Rented	1,501.00	1,038.00	1,558,038
Phase 1 Shared Ownership	1,208.00	1,038.00	1,253,904
Phase 2 Market units	21,672.00	1,038.00	22,495,536
Phase 2 Affordable & Social Rented	3,002.00	1,038.00	3,116,076
Phase 2 Shared Ownership	2,416.00	1,038.00	2,507,808
Phase 3 Market units	48,762.00	1,038.00	50,614,956
Phase 3 Affordable & Social Rented	6,754.00	1,038.00	7,010,652
Phase 3 Shared Ownership	5,437.00	1,038.00	5,643,606
Phase 4 Market units	48,762.00	1,038.00	50,614,956
Phase 4 Affordable & Social Rented	6,754.00	1,038.00	7,010,652
Phase 4 Shared Ownership	5,437.00	1,038.00	5,643,606
Phase 5 Market units	48,762.00	1,038.00	50,614,956
Phase 5 Affordable & Social Rented	6,754.00	1,038.00	7,010,652
Phase 5 Shared Ownership	5,437.00	1,038.00	5,643,606
Phase 5 Market units	48,762.00	1,038.00	50,614,956
Phase 5 Affordable & Social Rented	6,754.00	1,038.00	7,010,652

APPRAISAL SUMMARY**CUSHMAN & WAKEFIELD****Land South of Ravensthorpe Road, Dewsbury****Residential Development**

Phase 5 Shared Ownership	5,437.00	1,038.00	5,643,606
Phase 5 Market units	48,762.00	1,038.00	50,614,956
Phase 5 Affordable & Social Rented	6,754.00	1,038.00	7,010,652
Phase 5 Shared Ownership	5,437.00	1,038.00	5,643,606
Phase 5 Market units	33,282.00	1,038.00	34,546,716
Phase 5 Affordable & Social Rented	4,610.00	1,038.00	4,785,180
Phase 5 Shared Ownership	<u>3,711.00</u>	1,038.00	<u>3,852,018</u>
Totals	387,003.00		401,709,114

Contingency	3.00%	12,051,273	
			12,051,273

Other Construction

Phase 1 SUDS		1,625,000	
Remediation		250,000	
Forge Lane Access		800,000	
Green infrastructure		1,000,000	
Remediation		250,000	
Drainage SUDS		1,625,000	
Primary school		7,000,000	
Green infrastructure		1,000,000	
Phase 3 SUDS		1,625,000	
Pylon removal		7,000,000	
Gas main diversion		6,000,000	
Off site highways		2,666,667	
Remediation		250,000	
Green infrastructure		1,000,000	
Remediation		250,000	
Drainage SUDS		1,625,000	
Green infrastructure		1,000,000	
Off site highways		2,666,667	
Remediation		250,000	
Drainage and SUDS		1,625,000	
Green infrastructure		1,000,000	
Pro rata contribution to road bridg		20,000,000	
Other Construction		2,666,667	
Remediation		250,000	
Drainage and SUDS		1,625,000	
Green infrastructure		1,000,000	
Second Primary School		7,000,000	
Remediation		250,000	
Drainage and SUDS		1,625,000	
Green infrastructure		1,000,000	
Remediation		250,000	
Drainage and SUDS		1,625,000	
Green infrastructure		1,000,000	
			78,800,001

PROFESSIONAL FEES

Professional Fees	8.00%	32,956,729	
			32,956,729

DISPOSAL FEES

Marketing, sales agent and legal fe	3.50%	23,022,390	
			23,022,390

FINANCE

Debit Rate 6.00%, Credit Rate 0.50% (Nominal)			
Total Finance Cost			(4,332,298)

TOTAL COSTS

566,947,467

PROFIT

150,535,982

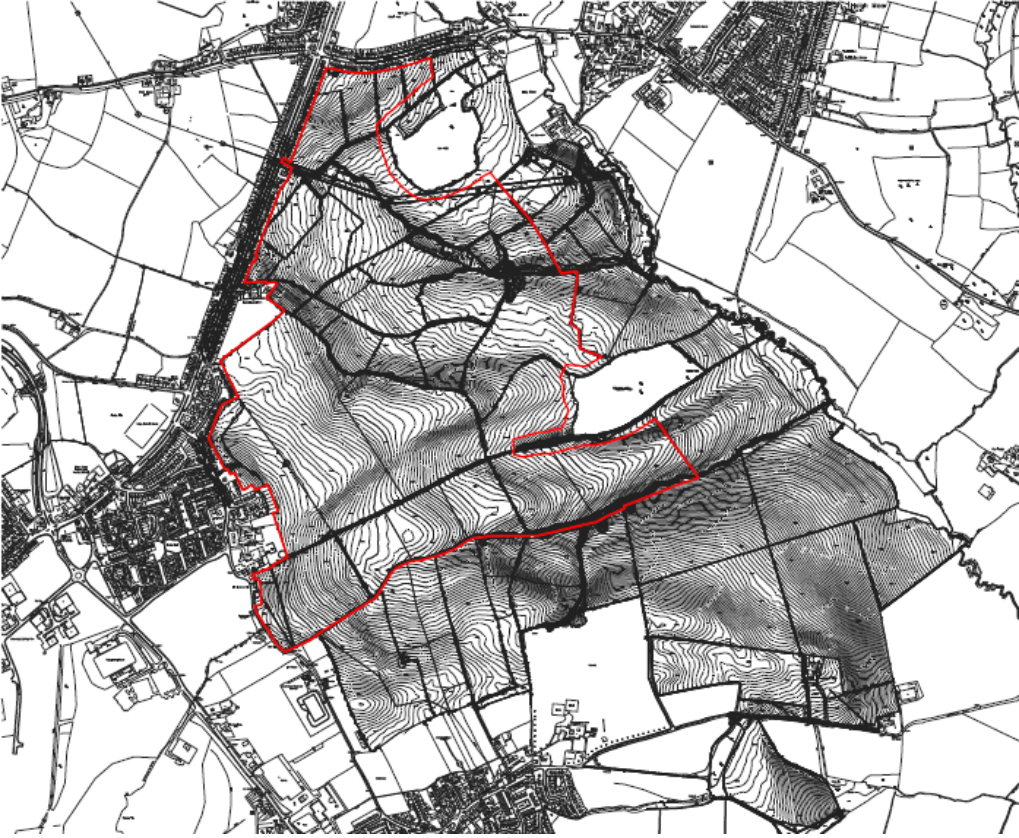
Performance Measures

Profit on Cost%	26.55%
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APPRAISAL SUMMARY**CUSHMAN & WAKEFIELD****Land South of Ravensthorpe Road, Dewsbury****Residential Development**

Profit on GDV%	20.98%
Profit on NDV%	20.98%
IRR	45.23%
Profit Erosion (finance rate 6.000)	3 yrs 11 mths

Appendix 2 Chidswell Appraisal Assumptions and Summary

Kirklees Council Site Specific Viability Analysis Site 2 – Mixed Use Development	
Location plan 	
Site address / Reference	Chidswell, Land East of Leeds Road, Shaw Cross, Dewsbury (MX1905)
Site size	117 ha gross 43.86 ha residential net
Land ownership/tenure	Private Sector Ownership
Details of proposed development including current planning status	Local Plan: Mixed Use Allocation Mixed Use Proposal of Employment and Housing

Site constraints	<p>There are no insurmountable site constraints however there will be significant works involved in respect of infrastructure, site preparation and access.</p>																																																																																																																																																
Accommodation schedule	<p>Master planning work is ongoing based on the delivery of circa 1,535 units and 122,500 sq m commercial floor space.</p> <p>The site specific appraisal assumes:</p> <p><u>Residential</u></p> <p>Residential development in five phases:</p> <p>Phase 1 delivering 310 dwellings</p> <table><tr><th colspan="6">Housing Mix</th></tr><tr><th></th><th>2 bed house</th><th>3 bed house</th><th>4 bed house</th><th>5 bed house</th><th>Total</th></tr><tr><td>No of units</td><td>78</td><td>124</td><td>78</td><td>31</td><td>310</td></tr><tr><td>Total floor space</td><td>5,425</td><td>11,160</td><td>9,068</td><td>4,340</td><td>29,993</td></tr><tr><td>Total market floor space</td><td>4,340</td><td>8,928</td><td>7,254</td><td>3,472</td><td>23,994</td></tr><tr><td>Total AH floor space</td><td>1,085</td><td>2,232</td><td>1,814</td><td>868</td><td>5,999</td></tr><tr><td>AR / SR floor space</td><td>601</td><td>1,237</td><td>1,005</td><td>481</td><td>3,323</td></tr><tr><td>SO floor space</td><td>484</td><td>995</td><td>809</td><td>387</td><td>2,675</td></tr></table> <p>Phase 2 delivering 313 dwellings</p> <table><tr><th colspan="6">Housing Mix</th></tr><tr><th></th><th>2 bed house</th><th>3 bed house</th><th>4 bed house</th><th>5 bed house</th><th>Total</th></tr><tr><td>No of units</td><td>78</td><td>125</td><td>78</td><td>31</td><td>313</td></tr><tr><td>Total floor space</td><td>5,478</td><td>11,268</td><td>9,155</td><td>4,382</td><td>30,283</td></tr><tr><td>Total market floor space</td><td>4,382</td><td>9,014</td><td>7,324</td><td>3,506</td><td>24,226</td></tr><tr><td>Total AH floor space</td><td>1,096</td><td>2,254</td><td>1,831</td><td>876</td><td>6,057</td></tr><tr><td>AR / SR floor space</td><td>607</td><td>1,248</td><td>1,014</td><td>486</td><td>3,355</td></tr><tr><td>SO floor space</td><td>489</td><td>1,005</td><td>817</td><td>391</td><td>2,701</td></tr></table> <p>Phase 3 delivering 312 dwellings</p> <table><tr><th colspan="6">Housing Mix</th></tr><tr><th></th><th>2 bed house</th><th>3 bed house</th><th>4 bed house</th><th>5 bed house</th><th>Total</th></tr><tr><td>No of units</td><td>78</td><td>125</td><td>78</td><td>31</td><td>312</td></tr><tr><td>Total floor space</td><td>5,460</td><td>11,232</td><td>9,126</td><td>4,368</td><td>30,186</td></tr><tr><td>Total market floor space</td><td>4,368</td><td>8,986</td><td>7,301</td><td>3,494</td><td>24,149</td></tr><tr><td>Total AH floor space</td><td>1,092</td><td>2,246</td><td>1,825</td><td>874</td><td>6,037</td></tr><tr><td>AR / SR floor space</td><td>605</td><td>1,245</td><td>1,011</td><td>484</td><td>3,345</td></tr><tr><td>SO floor space</td><td>487</td><td>1,002</td><td>814</td><td>390</td><td>2,693</td></tr></table>	Housing Mix							2 bed house	3 bed house	4 bed house	5 bed house	Total	No of units	78	124	78	31	310	Total floor space	5,425	11,160	9,068	4,340	29,993	Total market floor space	4,340	8,928	7,254	3,472	23,994	Total AH floor space	1,085	2,232	1,814	868	5,999	AR / SR floor space	601	1,237	1,005	481	3,323	SO floor space	484	995	809	387	2,675	Housing Mix							2 bed house	3 bed house	4 bed house	5 bed house	Total	No of units	78	125	78	31	313	Total floor space	5,478	11,268	9,155	4,382	30,283	Total market floor space	4,382	9,014	7,324	3,506	24,226	Total AH floor space	1,096	2,254	1,831	876	6,057	AR / SR floor space	607	1,248	1,014	486	3,355	SO floor space	489	1,005	817	391	2,701	Housing Mix							2 bed house	3 bed house	4 bed house	5 bed house	Total	No of units	78	125	78	31	312	Total floor space	5,460	11,232	9,126	4,368	30,186	Total market floor space	4,368	8,986	7,301	3,494	24,149	Total AH floor space	1,092	2,246	1,825	874	6,037	AR / SR floor space	605	1,245	1,011	484	3,345	SO floor space	487	1,002	814	390	2,693
	Housing Mix																																																																																																																																																
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	Total floor space	5,425	11,160	9,068	4,340	29,993																																																																																																																																											
	Total market floor space	4,340	8,928	7,254	3,472	23,994																																																																																																																																											
	Total AH floor space	1,085	2,232	1,814	868	5,999																																																																																																																																											
	AR / SR floor space	601	1,237	1,005	481	3,323																																																																																																																																											
	SO floor space	484	995	809	387	2,675																																																																																																																																											
	Housing Mix																																																																																																																																																
	2 bed house	3 bed house	4 bed house	5 bed house	Total																																																																																																																																												
No of units	78	125	78	31	313																																																																																																																																												
Total floor space	5,478	11,268	9,155	4,382	30,283																																																																																																																																												
Total market floor space	4,382	9,014	7,324	3,506	24,226																																																																																																																																												
Total AH floor space	1,096	2,254	1,831	876	6,057																																																																																																																																												
AR / SR floor space	607	1,248	1,014	486	3,355																																																																																																																																												
SO floor space	489	1,005	817	391	2,701																																																																																																																																												
Housing Mix																																																																																																																																																	
	2 bed house	3 bed house	4 bed house	5 bed house	Total																																																																																																																																												
No of units	78	125	78	31	312																																																																																																																																												
Total floor space	5,460	11,232	9,126	4,368	30,186																																																																																																																																												
Total market floor space	4,368	8,986	7,301	3,494	24,149																																																																																																																																												
Total AH floor space	1,092	2,246	1,825	874	6,037																																																																																																																																												
AR / SR floor space	605	1,245	1,011	484	3,345																																																																																																																																												
SO floor space	487	1,002	814	390	2,693																																																																																																																																												

	Phase 4 delivering 300 units					
		Housing Mix				
		2 bed house	3 bed house	4 bed house	5 bed house	Total
	No of units	75	120	75	30	300
	Total floor space	5,250	10,800	8,775	4,200	29,025
	Total market floor space	4,200	8,640	7,020	3,360	23,220
	Total AH floor space	1,050	2,160	1,755	840	5,805
	AR / SR floor space	582	1,197	972	465	3,216
	SO floor space	468	963	783	375	2,589
	Phase 5 delivering 300 units					
		Housing Mix				
		2 bed house	3 bed house	4 bed house	5 bed house	Total
	No of units	75	120	75	30	300
	Total floor space	5,250	10,800	8,775	4,200	29,025
	Total market floor space	4,200	8,640	7,020	3,360	23,220
	Total AH floor space	1,050	2,160	1,755	840	5,805
	AR / SR floor space	582	1,197	972	465	3,216
	SO floor space	468	963	783	375	2,589
Build period and phasing	<ul style="list-style-type: none"> • 3 months lead in period from grant of planning consent • Phase 1 - 31 month construction period • Phase 2 - 31 month construction period • Phase 3 - 31 month construction period • Phase 4 - 30 month construction period • Phase 5 - 30 month construction period <p>Assumes three developer outlets per phase delivering a total of 120 units per annum.</p>					
Planning gain (including AH) & timing of payments	<ul style="list-style-type: none"> • 20% affordable housing with tenure and transfer values consistent with area wide assumptions. • Planning gain incorporated into allowance £2,500 per unit, £5,000 per unit and £10,000 per unit scenarios 					

APPRAISAL SUMMARY**CUSHMAN & WAKEFIELD****Chidswell, Land East of Leeds Road, Dewsbury
Residential Development****Summary Appraisal for Merged Phases 1 2 3 4 5**

Currency in £

REVENUE

Sales Valuation	Units	m	Sales Rate m²	Unit Price	Gross Sales
Phase 1 Market Units	1	23,994.00	2,260.00	54,226,440	54,226,440
Phase 1 Affordable & social rented units	1	3,323.00	588.04	1,954,057	1,954,057
Phase 1 Shared ownership	1	2,675.00	999.05	2,672,459	2,672,459
Phase 2 Market Units	1	24,226.00	2,260.00	54,750,760	54,750,760
Phase 2 Affordable & social rented units	1	3,355.00	588.04	1,972,874	1,972,874
Phase 2 Shared ownership	1	2,701.00	999.05	2,698,434	2,698,434
Phase 3 Market Units	1	24,149.00	2,260.00	54,576,740	54,576,740
Phase 3 Affordable & social rented units	1	3,345.00	588.00	1,966,860	1,966,860
Phase 3 Shared ownership	1	2,693.00	999.00	2,690,307	2,690,307
Phase 4 Market Units	1	23,220.00	2,260.00	52,477,200	52,477,200
Phase 4 Affordable & social rented units	1	3,216.00	588.00	1,891,008	1,891,008
Phase 4 Shared ownership	1	2,589.00	999.00	2,586,411	2,586,411
Phase 5 Market Units	1	23,220.00	2,260.00	52,477,200	52,477,200
Phase 5 Affordable & social rented units	1	3,216.00	588.00	1,891,008	1,891,008
Phase 5 Shared ownership	1	<u>2,589.00</u>	999.00	2,586,411	<u>2,586,411</u>
Totals	15	148,511.00			291,418,169

NET REALISATION**291,418,169****OUTLAY****ACQUISITION COSTS**

Residualised Price	40,213,041	
		40,213,041
Stamp Duty	1,958,152	
Agent and Legal Fees inc VAT	1.80%	723,835
		2,681,987

CONSTRUCTION COSTS

Construction	m	Build Rate m²	Cost
Phase 1 Market Units	23,994.00	1,038.00	24,905,772
Phase 1 Affordable & social rented units	3,323.00	1,038.00	3,449,274
Phase 1 Shared ownership	2,675.00	1,038.00	2,776,650
Phase 2 Market Units	24,226.00	1,038.00	25,146,588
Phase 2 Affordable & social rented units	3,355.00	1,038.00	3,482,490
Phase 2 Shared ownership	2,701.00	1,038.00	2,803,638
Phase 3 Market Units	24,149.00	1,038.00	25,066,662
Phase 3 Affordable & social rented units	3,345.00	1,038.00	3,472,110
Phase 3 Shared ownership	2,693.00	1,038.00	2,795,334
Phase 4 Market Units	23,220.00	1,038.00	24,102,360
Phase 4 Affordable & social rented units	3,216.00	1,038.00	3,338,208
Phase 4 Shared ownership	2,589.00	1,038.00	2,687,382
Phase 5 Market Units	23,220.00	1,038.00	24,102,360
Phase 5 Affordable & social rented units	3,216.00	1,038.00	3,338,208
Phase 5 Shared ownership	<u>2,589.00</u>	1,038.00	<u>2,687,382</u>
Totals	148,511.00		154,154,418

Contingency	3.00%	4,624,633
		4,624,633

Section 106 Costs

Section 106	1,550,000
Section 106	1,565,000
Section 106	1,560,000
Section 106	1,500,000
Section 106	1,500,000
	7,675,000

PROFESSIONAL FEES

APPRAISAL SUMMARY**CUSHMAN & WAKEFIELD****Chidswell, Land East of Leeds Road, Dewsbury****Residential Development**

Professional Fees	8.00%	12,332,353	
			12,332,353

DISPOSAL FEES

Marketing, sales agent & legal fees	3.50%	9,397,792	
			9,397,792

FINANCE

Debit Rate 6.00%, Credit Rate 0.50% (Nominal)			
Total Finance Cost			504,247

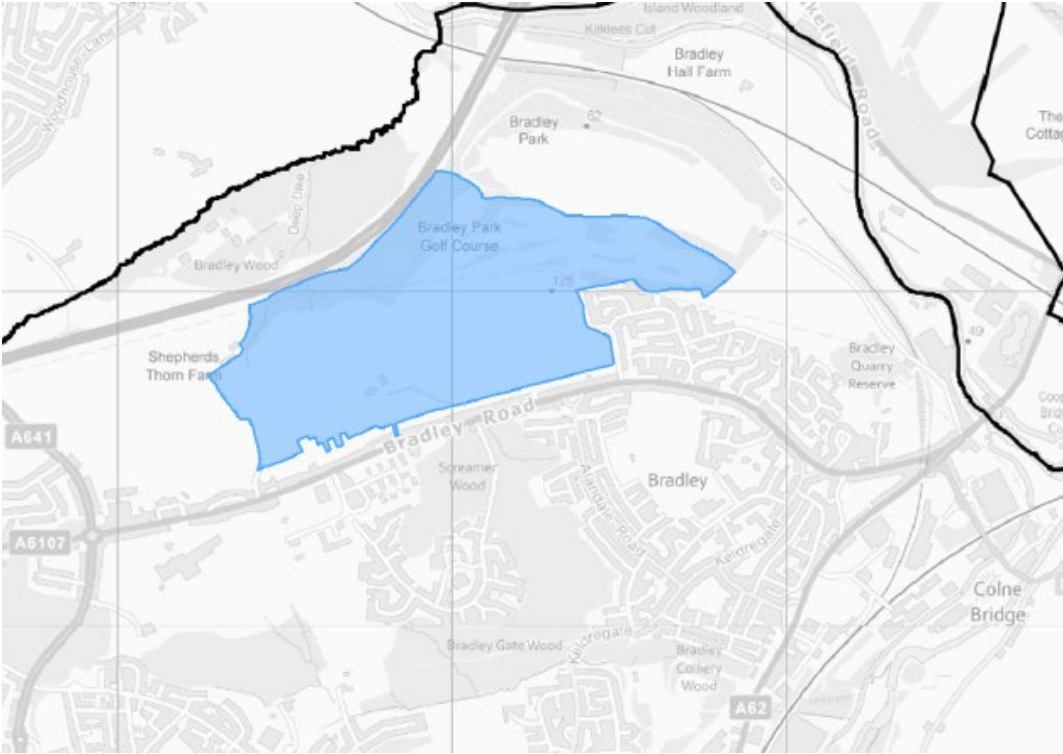
TOTAL COSTS**231,583,471****PROFIT****59,834,698****Performance Measures**

Profit on Cost%	25.84%
Profit on GDV%	20.53%
Profit on NDV%	20.53%

IRR	32.74%
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Profit Erosion (finance rate 6.000)	3 yrs 10 mths
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Appendix 3 Former Bradley Golf Course Appraisal Assumptions and Summary

Kirklees Council Site Specific Viability Analysis Site 3 - Residential Development	
Location plan 	
Site address and reference	Land north of Bradley Road, Bradley, Huddersfield (H1747 & H351)
Site size	76ha (55.94 net ha assuming 1958 units at 35 DPH)
Land ownership/tenure	64 ha within public sector ownership and 12 ha within private sector ownership
Details of proposed development including current planning status	Golf Course in the green belt Local Plan housing allocation.

	Bradley Golf Course this is a Council owned site and masterplanning is at an early stage																																																
Site constraints	Connectivity to the nearby motorway constrained despite close proximity. There are also likely to be upgrades / reinforcement to utility provision																																																
Accommodation schedule	The site specific appraisals assume delivery of 1,958 units (1,577 on the land within public sector ownership and 381 on land within private sector ownership): Residential development in five phases: Phase 1 delivering 400 units																																																
	<table><tr><td></td><td colspan="5">Housing Mix</td></tr><tr><td></td><td>2 bed house</td><td>3 bed house</td><td>4 bed house</td><td>5 bed house</td><td>Total</td></tr><tr><td>No of units</td><td>100</td><td>160</td><td>100</td><td>40</td><td>400</td></tr><tr><td>Total floor space</td><td>7,000</td><td>14,400</td><td>11,700</td><td>5,600</td><td>38,700</td></tr><tr><td>Total market floor space</td><td>5,600</td><td>11,520</td><td>9,360</td><td>4,480</td><td>30,960</td></tr><tr><td>Total AH floor space</td><td>1,400</td><td>2,880</td><td>2,340</td><td>1,120</td><td>7,740</td></tr><tr><td>AR / SR floor space</td><td>776</td><td>1,596</td><td>1,296</td><td>620</td><td>4,288</td></tr><tr><td>SO floor space</td><td>624</td><td>1,284</td><td>1,044</td><td>500</td><td>3,452</td></tr></table>		Housing Mix						2 bed house	3 bed house	4 bed house	5 bed house	Total	No of units	100	160	100	40	400	Total floor space	7,000	14,400	11,700	5,600	38,700	Total market floor space	5,600	11,520	9,360	4,480	30,960	Total AH floor space	1,400	2,880	2,340	1,120	7,740	AR / SR floor space	776	1,596	1,296	620	4,288	SO floor space	624	1,284	1,044	500	3,452
		Housing Mix																																															
		2 bed house	3 bed house	4 bed house	5 bed house	Total																																											
	No of units	100	160	100	40	400																																											
	Total floor space	7,000	14,400	11,700	5,600	38,700																																											
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	SO floor space	624	1,284	1,044	500	3,452																																											
	Phase 2 delivering 400 units																																																
	<table><tr><td></td><td colspan="5">Housing Mix</td></tr><tr><td></td><td>2 bed house</td><td>3 bed house</td><td>4 bed house</td><td>5 bed house</td><td>Total</td></tr><tr><td>No of units</td><td>100</td><td>160</td><td>100</td><td>40</td><td>400</td></tr><tr><td>Total floor space</td><td>7,000</td><td>14,400</td><td>11,700</td><td>5,600</td><td>38,700</td></tr><tr><td>Total market floor space</td><td>5,600</td><td>11,520</td><td>9,360</td><td>4,480</td><td>30,960</td></tr><tr><td>Total AH floor space</td><td>1,400</td><td>2,880</td><td>2,340</td><td>1,120</td><td>7,740</td></tr><tr><td>AR / SR floor space</td><td>776</td><td>1,596</td><td>1,296</td><td>620</td><td>4,288</td></tr><tr><td>SO floor space</td><td>624</td><td>1,284</td><td>1,044</td><td>500</td><td>3,452</td></tr></table>		Housing Mix						2 bed house	3 bed house	4 bed house	5 bed house	Total	No of units	100	160	100	40	400	Total floor space	7,000	14,400	11,700	5,600	38,700	Total market floor space	5,600	11,520	9,360	4,480	30,960	Total AH floor space	1,400	2,880	2,340	1,120	7,740	AR / SR floor space	776	1,596	1,296	620	4,288	SO floor space	624	1,284	1,044	500	3,452
		Housing Mix																																															
		2 bed house	3 bed house	4 bed house	5 bed house	Total																																											
	No of units	100	160	100	40	400																																											
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	AR / SR floor space	776	1,596	1,296	620	4,288																																											
	SO floor space	624	1,284	1,044	500	3,452																																											
	Phase 3 delivering 421 units																																																
	<table><tr><td></td><td colspan="5">Housing Mix</td></tr><tr><td></td><td>2 bed house</td><td>3 bed house</td><td>4 bed house</td><td>5 bed house</td><td>Total</td></tr></table>		Housing Mix						2 bed house	3 bed house	4 bed house	5 bed house	Total																																				
		Housing Mix																																															
	2 bed house	3 bed house	4 bed house	5 bed house	Total																																												

	No of units	105	168	105	42	421
	Total floor space	7,368	15,156	12,314	5,894	40,732
	Total market floor space	5,894	12,125	9,851	4,715	32,585
	Total AH floor space	1,474	3,031	2,463	1,179	8,146
	AR / SR floor space	816	1,679	1,364	653	4,513
	SO floor space	657	1,352	1,098	526	3,633
	Phase 4 delivering 421 units					
	Housing Mix					
		2 bed house	3 bed house	4 bed house	5 bed house	Total
	No of units	105	168	105	42	421
	Total floor space	7,368	15,156	12,314	5,894	40,732
	Total market floor space	5,894	12,125	9,851	4,715	32,585
	Total AH floor space	1,474	3,031	2,463	1,179	8,146
	AR / SR floor space	816	1,679	1,364	653	4,513
	SO floor space	657	1,352	1,098	526	3,633
	Phase 5 delivering 316 units					
	Housing Mix					
		2 bed house	3 bed house	4 bed house	5 bed house	Total
	No of units	79	126	79	32	316
	Total floor space	5530	11376	9243	4424	30,573
	Total market floor space	4424	9101	7394	3539	24,458
	Total AH floor space	1106	2275	1849	885	6,115
	AR / SR floor space	613	1260	1024	490	3,387
	SO floor space	493	1015	824	395	2,727
Build period and phasing	<ul style="list-style-type: none"> • 3 months lead in period from grant of planning consent • Phase 1 - 32 month construction period • Phase 2 - 32 month construction period 					

	<ul style="list-style-type: none"> • Phase 3 - 34 month construction period • Phase 4 - 34 month construction period • Phase 5 - 25 month construction period • Assumes 4 delivery outlets at a build rate of 150 units per annum
Planning gain (including AH) & timing of payments	20% affordable housing with tenure and transfer values consistent with area wide assumptions.
Revenue	Market units: £2,152.78 per sq m (£200 per sq ft)
Affordable housing revenues	<ul style="list-style-type: none"> • Shared ownership 46.40% of market value • £998 per sq m / £92.81 per sq ft (SO) • Rented (affordable and social) 27.31% of market value • £588 per sq m / £54.62 (Rented)
Build costs	<ul style="list-style-type: none"> • £1038 per sq m inclusive of external works • Professional fees – 8% • Contingency – 3%
Abnormal costs	£42.8million split equally across five phases
Profit	Profit level set at blended rate of 18.85% to reflect 20% on market units and 6% affordable in accordance with the area wide model.
Land value	Land values residualised and benchmarked against model comparators.

APPRAISAL SUMMARY**CUSHMAN & WAKEFIELD****Land North of Bradley Road, Huddersfield
Residential Development****Summary Appraisal for Merged Phases 1 2 3 4 5**

Currency in £

REVENUE

Sales Valuation	Units	m	Sales Rate m ²	Unit Price	Gross Sales
Phase 1 Market Units	1	30,960.00	2,260.00	69,969,600	69,969,600
Phase 1 Affordable and Social rented	1	4,288.00	587.92	2,521,001	2,521,001
Phase 1 Shared ownership	1	3,452.00	998.89	3,448,168	3,448,168
Phase 2 Market Units	1	30,960.00	2,260.00	69,969,600	69,969,600
Phase 2 Affordable and Social rented	1	4,288.00	587.92	2,521,001	2,521,001
Phase 2 Shared ownership	1	3,452.00	998.89	3,448,168	3,448,168
Market	1	32,585.00	2,260.00	73,642,100	73,642,100
Phase 3 Affordable and Social rented	1	4,513.00	587.92	2,653,283	2,653,283
Phase 3 Shared ownership	1	3,633.00	998.89	3,628,967	3,628,967
Phase 4 Market Units	1	32,585.00	2,260.00	73,642,100	73,642,100
Phase 4 Affordable and Social rented	1	4,513.00	587.92	2,653,283	2,653,283
Phase 4 Shared ownership	1	3,633.00	998.89	3,628,967	3,628,967
Phase 5 Market Units	1	24,458.00	2,260.00	55,275,080	55,275,080
Phase 5 Affordable and Social rented	1	3,387.00	587.92	1,991,285	1,991,285
Phase 5 Shared ownership	1	<u>2,727.00</u>	998.89	2,723,973	<u>2,723,973</u>
Totals	15	189,434.00			371,716,577

NET REALISATION**371,716,577****OUTLAY****ACQUISITION COSTS**

Residualised Price	21,794,086	
		21,794,086
Stamp Duty	1,037,204	
Agent and legal fees inc VAT	1.80% 392,294	
		1,429,498

CONSTRUCTION COSTS

Construction	m	Build Rate m ²	Cost
Phase 1 Market Units	30,960.00	1,038.00	32,136,480
Phase 1 Affordable and Social rented	4,288.00	1,038.00	4,450,944
Phase 1 Shared ownership	3,452.00	1,038.00	3,583,176
Phase 2 Market Units	30,960.00	1,038.00	32,136,480
Phase 2 Affordable and Social rented	4,288.00	1,038.00	4,450,944
Phase 2 Shared ownership	3,452.00	1,038.00	3,583,176
Market	32,585.00	1,038.00	33,823,230
Phase 3 Affordable and Social rented	4,513.00	1,038.00	4,684,494
Phase 3 Shared ownership	3,633.00	1,038.00	3,771,054
Phase 4 Market Units	32,585.00	1,038.00	33,823,230
Phase 4 Affordable and Social rented	4,513.00	1,038.00	4,684,494
Phase 4 Shared ownership	3,633.00	1,038.00	3,771,054
Phase 5 Market Units	24,458.00	1,038.00	25,387,404
Phase 5 Affordable and Social rented	3,387.00	1,038.00	3,515,706
Phase 5 Shared ownership	<u>2,727.00</u>	1,038.00	<u>2,830,626</u>
Totals	189,434.00		196,632,492

Contingency	3.00%	5,898,975
		5,898,975

Other Construction

Infrastructure and S106	8,560,000
Infrastructure and S106	8,560,000
Infrastructure and S106	8,560,000
Infrastructure and S106	8,560,000
Infrastructure and S106	8,560,000
	42,800,000

PROFESSIONAL FEES

APPRAISAL SUMMARY**CUSHMAN & WAKEFIELD****Land North of Bradley Road, Huddersfield
Residential Development**

Professional Fees	8.00%	15,730,599	
			15,730,599

DISPOSAL FEES

Marketing, sales agent & legal fees	3.50%	11,987,447	
			11,987,447

FINANCE

Debit Rate 6.00%, Credit Rate 0.50% (Nominal)			
Total Finance Cost			(115,619)

TOTAL COSTS**296,157,477****PROFIT****75,559,100****Performance Measures**

Profit on Cost%	25.51%
Profit on GDV%	20.33%
Profit on NDV%	20.33%

IRR	36.09%
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Profit Erosion (finance rate 6.000)	3 yrs 10 mths
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Appendix 3:

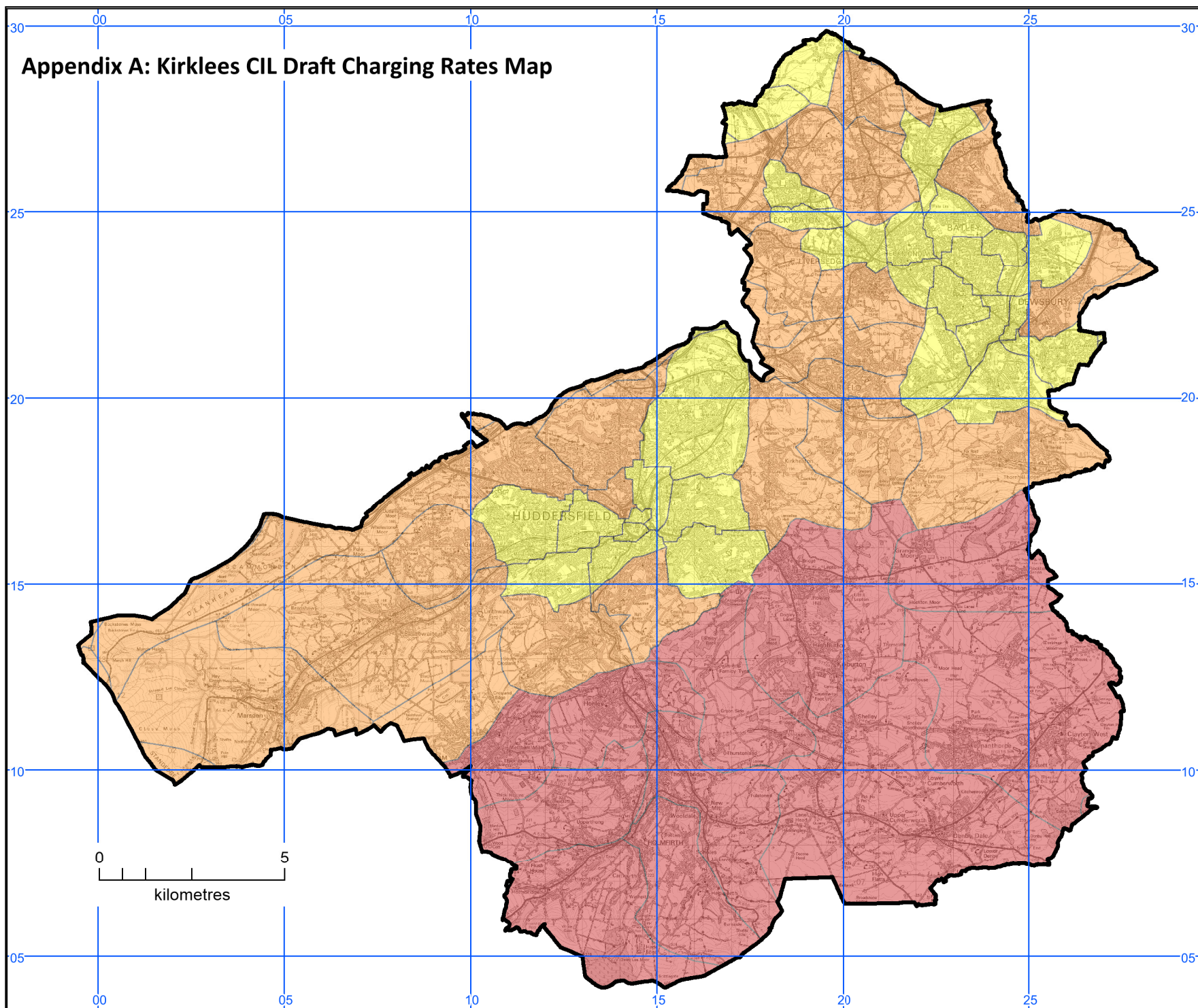
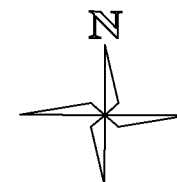
The Council to provide new charge zone map with clearer OS base.

Appendix A: Kirklees CIL Draft Charging Rates Map

Kirklees CIL Draft Charging Rates (per sq.m)

Residential Development	
Zone 1	£80
Zone 2	£20
Zone 3	£5
All other uses	£0

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Appendix 4:

The Council to provide a map of Bradley strategic site showing the CIL charge zone split



Land north of Bradley Road, Bradley (HS11)

Residential Development	
Zone 1	£80
Zone 2	£20
Zone 3	£5
All other uses	£0

