



Bath & North East Somerset Placemaking Plan - Viability Assessment

Prepared for
Bath & North East Somerset Council

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1 Summary

- 1.1 This report tests the financial viability of a range of sites being considered for allocation in Bath & North East Somerset Council's ('the Council') Placemaking Plan. The Placemaking Plan will be a development plan document which will allocate a range of sites for development for a range of uses; set out development management policies which will be used to determine planning applications; facilitate the delivery of key sites; and to safeguard and enhance the quality and diversity of places in Bath and North East Somerset ('BANES'). The study takes account of the cumulative impact of the Council's current and relevant planning policies (i.e. Community Infrastructure Levy), in line with the requirements of the National Planning Policy Framework ('NPPF') and the Local Housing Delivery Group guidance '*Viability Testing Local Plans: Advice for planning practitioners*'.
- 1.2 We have tested a number of high level options for twenty-eight sites in the Placemaking Plan that the Council has selected. At this stage, the options are high level, with broad indications of the quantum of development and floorspace to be tested. This study therefore provides a high-level view on the viability of the twenty-eight sites and issues and opportunities in determining if, when and how a site could be delivered.
- 1.3 This study represents the first stage in the assessment of viability of sites to be considered through the Placemaking Plan and reflects information gathered at this point in time. Whilst detailed viability appraisals have been carried out for the sites, it would be inappropriate to use these for any commercial valuation purpose, since the viability models have been designed as a tool to broadly test policy and options, as opposed to being formal valuations of planning application sites. None of the information set out in this document should be used to determine planning applications. Given that further design work and site analysis will be required, sites are likely to require more detailed viability analysis should they come forward through the development management process.

Methodology

- 1.4 The study methodology compares the residual land values of developments on twenty-eight sites identified in the draft Placemaking Plan to their value in current use (plus a premium), herein after referred to as 'benchmark land value'. If a development incorporating the Council's policy requirements generates a higher residual land value than the benchmark land value, then it can be judged that the site is viable and deliverable. Following the adoption of policies, developers will need to reflect policy requirements in their bids for sites, in line with requirements set out in the RICS Guidance on '*Financial Viability in Planning*'¹. It is therefore important to stress that this study adopts generalised assumptions which should not be replicated in viability assessments submitted in support of specification planning applications.
- 1.5 The study utilises the residual land value method of calculating the value of each development. This method is used by developers when determining how much to bid for land and involves calculating the value of the completed scheme and deducting development costs (construction, fees, finance,

¹ This guidance notes that when considering site-specific viability "Site Value should equate to the market value subject to the following assumption: that the value has regard to development plan policies and all other material planning considerations and disregards that which is contrary to the development plan". Providing therefore that Site Value does not fall below a site's existing use value, there should be no reason why policy requirements cannot be achieved.

sustainability requirements and Community Infrastructure Levy ('CIL') and developer's profit. The residual amount is the sum left after these costs have been deducted from the value of the development, and guides a developer in determining an appropriate offer price for the site.

- 1.6 The housing and commercial property markets are inherently cyclical and the Council is testing the viability of potential development sites in the draft Placemaking Plan at a time when the market has recovered after a severe recession. Forecasts for future house price growth, point to continuing growth in mainstream south-east England housing markets. We have allowed for this by running a sensitivity analysis which varies present day sales values and build costs, with values increasing by 10% and costs by 5% as well as values increasing by 20% and costs by 10%.
- 1.7 This analysis is indicative only, but is intended to assist the Council in understanding the viability of potential development sites in the draft Placemaking Plan on a high level basis, both in today's terms but also with some consideration of the future. Given that further design work and site analysis will be required, sites are likely to require more detailed viability analysis should they come forward through the development management process.

Key findings

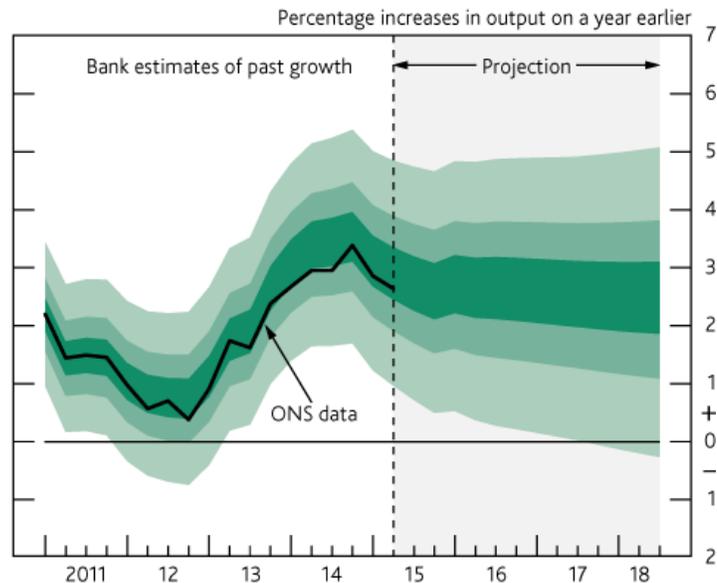
- 1.8 The key findings of the study are as follows:
 - Twenty-one of the twenty-eight site we tested had at least one option which generated a residual value that exceeding the benchmark land value and was therefore viable. With growth in sales values (alongside inflation on build costs) our appraisals indicate that further improvements in viability may materialise over the life of the Plan. It is therefore important that the Council keeps the viability situation under review so that development options and/or policy requirements can be adjusted should conditions change markedly.
 - Three schemes tested were unviable due to market factors, rather than the impact of the Council's policy requirements. These schemes are unlikely to come forward until changes in market conditions (e.g. increases in sales values and/or reductions in build costs) and their current unviable status should not be taken as an indication that the Council's requirements cannot be accommodated on other schemes.
 - All our testing reflects the Council's affordable housing requirements in full (i.e. 40% in some areas and 30% in others). Where viability is challenging, it would be possible to accept a reduced quantum of affordable housing, or an alternative tenure mix, to facilitate delivery of development.
 - The provision of additional car parking for public use (i.e. beyond the level of parking required for residential units at a ratio typically of 0.5 spaces per unit) places additional pressure on viability. The Council may therefore need to review its requirements to consider whether reductions in car parking spaces could be accepted.

2 Introduction

- 2.1 This study has been commissioned to contribute towards an evidence base to inform the Council's emerging *Placemaking Plan: Part 2 of the Local Plan*. The aim of the study is to assess at high level the viability of twelve sites in Bath; one site in Keynsham; three sites in Somer Valley and four sites in the rural area. For most sites, we have tested more than one option in terms of the mixes of uses and quantum of floorspace.
- 2.2 The findings set out in this report should therefore be recognised as providing a viability 'snapshot' and will need to be kept under review as the Placemaking Plan progresses to ensure that any new and relevant evidence, as well as proposed changes to policies, are factored in.
- 2.3 In terms of methodology, we adopted standard residual valuation approaches to test the viability of the potential development sites identified in the Placemaking Plan, including the impact on viability of the Council's existing planning policies alongside the adopted levels of CIL. However, due to the extent and range of financial variables involved in residual valuations, they can only ever serve as a guide. Individual site characteristics (which are unique), mean that conclusions must always be tempered by a level of flexibility in application of policy requirements on a site by site basis and cannot be used to support a planning application. This document does not make any conclusions or recommendations about which sites, should or should not, be allocated for development, as this is entirely a matter for the Council.

Economic and housing market context

- 2.4 Clearly the economics of residential development in B&NES are inextricably linked to the wider regional and national housing markets. The historic highs achieved in the UK housing market by mid-2007 followed a prolonged period of real house price growth. However, a period of 'readjustment' began in the second half of 2007, triggered initially by rising interest rates and the emergence of the US subprime lending problems in the last quarter of 2007. The subsequent reduction in inter-bank lending led to a general "credit crunch" including a tightening of mortgage availability. The real crisis of confidence, however, followed the collapse of Lehman Brothers in September 2008, which forced the government and the Bank of England to intervene in the market to relieve a liquidity crisis.
- 2.5 The combination of successive shocks to consumer confidence and the difficulties in obtaining finance led to a sharp reduction in transactions and a significant correction in house prices in the UK, which fell to a level some 21% lower than at their peak in August 2007 according to the Halifax House Price Index. Consequently, residential land values fell by some 50% from peak levels. One element of government intervention involved successive interest rate cuts and as the cost of servicing many people's mortgages is linked to the base rate, this financial burden has progressively eased for those still in employment. This, together with a return to economic growth in late 2012 (see August 2015 Bank of England Gross Domestic Product ('GDP') fan chart overleaf, in which the green lines show the range of the Bank's predictions for GDP growth to 2018, with the bolder green showing the more likely outturn growth than the lighter green lines) has meant that consumer confidence has started to improve to some extent.



Source: Bank of England

- 2.6 Throughout the first half of 2010 there were some tentative indications that improved consumer confidence was feeding through into more positive interest from potential house purchasers. Against the background of a much reduced supply of new housing, this would lead one to expect some recovery in prices. However, this brief resurgence abated with figures falling and then fluctuating in 2011 and 2012, with the Halifax House Price Indices showing a fall of 0.6% in the year to March 2012. The Halifax attributed some of the recovery during that period with first time buyers seeking to purchase prior to the reintroduction of stamp duty from 1st April 2012. The signs of improvement in the housing market towards the end of 2012 continued through 2013 and into 2014, however in the last quarter of 2014 the pace of the improvement was seen to moderate and this has carried through into 2015.
- 2.7 Both the Halifax and Nationwide continue to report on the moderation of the annual pace of price growth in their February 2015 Housing Price Index Update. Robert Gardiner, Nationwide's Chief Economist identifies that "February saw a further softening in annual house price growth to 5.7% from 6.8% in January. This is the sixth month in a row in which annual growth has moderated." This view on annual price growth is shared by Halifax's Housing Economist Martin Ellis who comments that "annual price growth eased, from 8.5% in January to 8.3%, and is comfortably below last July's peak of 10.2%.
- 2.8 As Nationwide continues to report on the softening of house prices, commenting that "house prices are declining by 0.1% month on month," Halifax reports positively about the quarterly change of the housing market, stating "House prices in the three months to February were 2.6% higher than in the preceding three months." We understand that monthly movements can be volatile and measuring the quarter on quarter change is a more reliable indicator of the underlying trend.
- 2.9 It is noted that Halifax considers the recent "pick-up" in the quarterly trend is due to "a modest rise in activity due to a boost to housing demand as a result of increases in real earnings and spending power, further recent falls in mortgage rates and stamp duty changes." Although Nationwide report that the pace of the housing remains fairly subdued, they share the view that the economic backdrop has remained supportive of housing market activity, they

comment that “mortgage rates remain close to all-time lows and consumer confidence remains buoyant thanks to a further steady improvement in labour market conditions” this is a direct result of a decline in unemployment rate and because “earnings growth has picked up.”

- 2.10 Despite this rise in housing demand Halifax report that “the supply of both new and second hand homes available for sale remains low. Supply remains tight despite house building in England increasing.”
- 2.11 In addition, although real earnings growth and demand has picked-up, Nationwide reports that “home ownership is now at its lowest rate for almost thirty years.” This marked decline in home ownership rate is amongst the younger age group of 25 to 34 with the proportion of households owning their own home “falling from 59% to 36% between 2004 and 2014.”
- 2.12 It should be noted however that over this same period, Nationwide report that the “proportion renting (either privately or through a local housing authority) increased from 41% to 64%.” Nevertheless, Nationwide state that “despite the increase in the proportion of the population renting a home, the aspiration to eventually become a homeowner remains undiminished.” This coincides with the Halifax report who state that although there is a “boost to housing demand” the “supply of homes on the market remains low and has changed little over the past year.”
- 2.13 On this basis the general outlook for the coming year is for continued moderation within a strengthening economy. The sentiment is that the continued moderation is not of concern and the economy and market remain in good shape and condition.
- 2.14 According to the Land Registry House Price Index, residential sales values in Bath have recovered since the lowest point in the cycle in May 2009. Prices increased by 32% between June 2009 and August 2015. In August 2015, sales values were 10% higher than the previous (October 2007) peak value (see figures 2.14.1 and 2.14.2).

Figure 2.14.1: Land Registry House Price Index in B&NES

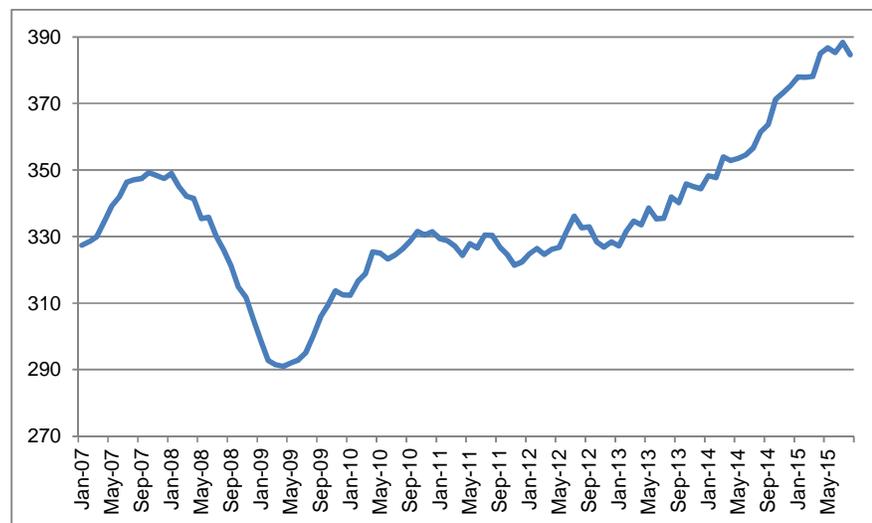
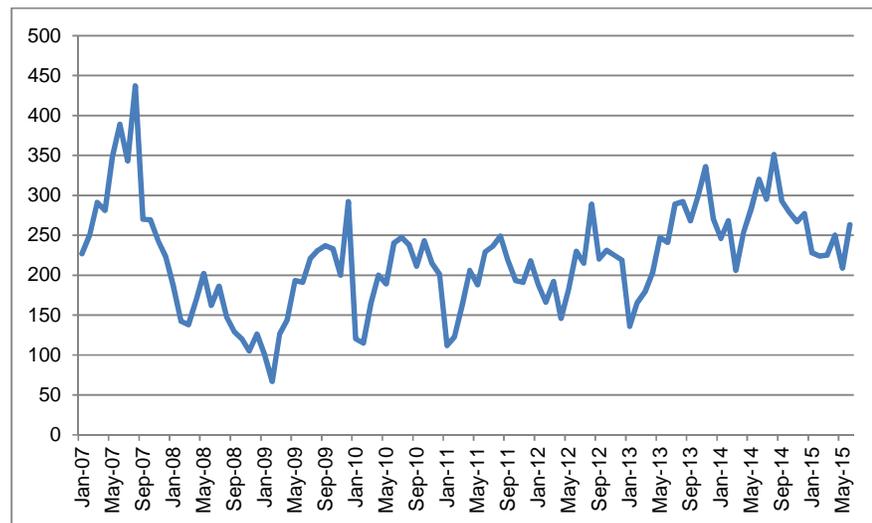


Figure 2.15.2: Sales volumes in B&NES (sales per month)



Source: Land Registry

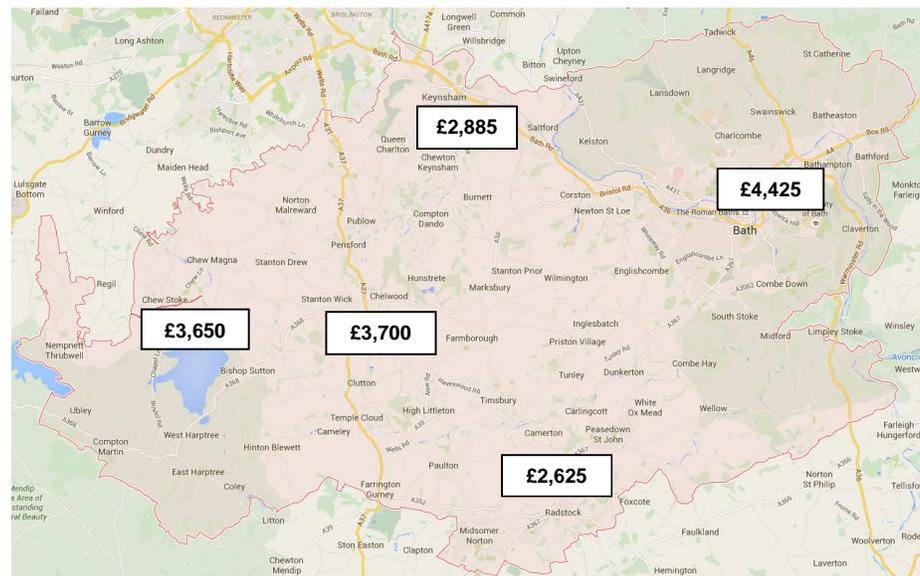
- 2.15 The future trajectory of house prices is currently uncertain, although Savills' Property Focus Issue 1 2015 predicts that values will increase over the next five years. Medium term predictions are that properties in mainstream south-west England markets will grow over the period between 2015 and 2019. Savills predicts that values in mainstream south-west England markets (i.e. non-prime) will increase by 2.5% in 2015, 5.0% in 2016, 5.0% in 2017, 3.5% in 2018 and 3.5% in 2019. This equates to cumulative growth of 21.1% between 2015 and 2019 inclusive.
- 2.16 In common with other districts, there are variations in sales values between different parts of B&NES, as shown in Figure 2.15.1 overleaf. Highest sales values are achieved in Bath City. Values are lower in Keynsham and Radstock.

National Policy Context

The National Planning Policy Framework

- 2.17 The National Planning Policy Framework ('NPPF') which was published in March 2012 sets out the framework for planning policies across England. The NPPF has subsequently been supplemented by the National Planning Practice Guidance ('NPPG').
- 2.18 The NPPF provides more in-depth guidance on viability of development than Planning Policy Statement 3, which limited its attention to requiring local planning authorities to test the viability of their affordable housing targets. The NPPF requires that local planning authorities have regard to the impact on viability of the cumulative effect of all their planning requirements on viability. Paragraph 173 of the NPPF requires that local planning authorities give careful attention "to viability and costs in plan-making and decision-taking". The NPPF requires that "the sites and the scale of development identified in the plan should not be subject to such a scale of obligations and policy burdens that their ability to be developed viably is threatened". After taking account of policy requirements, land values should be sufficient to "provide competitive returns to a willing landowner and willing developer".

Figure 2.15.1: Sales values in B&NES (approx. £s per sqm)



Sources: Map – Google; Values – comparable evidence

- 2.19 The meaning of a “*competitive return*” has been the subject of considerable debate over the past year. For the purposes of testing the viability of a Local Plan, the Local Housing Delivery Group has concluded that the current use value of a site (or a credible alternative use value) plus an appropriate uplift, represents a competitive return to a landowner. Some members of the RICS consider that a competitive return is determined by market value², although there is no consensus around this view.

Community Infrastructure Levy (‘CIL’)

- 2.20 The Council approved its CIL Charging Schedule on 17 February 2015 and it came into effect on 6 April 2015. Table 2.22.1 below summarises the rates of CIL charged. All residential development is charged at a rate of £100 per square metre of net additional floorspace (excluding affordable housing, which attracts Social Housing Relief). Strategic sites and urban extensions are charged at £50 per square metre and residential within Bath Western Riverside has a nil rate. Rates for other uses are summarised in Table 2.22.1.

Table 2.22.1: CIL rates in the adopted Charging Schedule

Development type	Location	CIL (£s per sqm GIA)
Residential C3 including Specialised, Extra Care and Retirement accommodation	District wide	£100
	Strategic sites/urban extensions	£50
	Bath Western Riverside	Nil
Hotel C1	Bath	£100
	Bath Western Riverside	Nil
	Rest of District	Nil

² RICS Guidance Note: Financial Viability in Planning, August 2012

Table 2.22.1: CIL rates in the adopted Charging Schedule (continued)

Development type	Location	CIL (£s per sqm GIA)
Retail – in-centre and high street	Bath City Centre	£150
	Other centres	Nil
	Bath Western Riverside	Nil
Supermarkets, superstores and retail warehouses over 280 sqm	District wide	£150
	Bath Western Riverside	Nil
Offices	District wide	Nil
Industrial & warehousing	District wide	Nil
Student accommodation	Schemes with market rents	£200
	Schemes with sub market rents	Nil
	Bath Western Riverside	Nil
Any other development	District wide	Nil

Local Policy context

- 2.21 In addition to financing infrastructure through CIL and Section 106 (subject to pooling restrictions), the Council expects residential developments to provide a mix of affordable housing tenures to help meet identified housing needs. The Council expects developments of 10 or more units or sites of 0.5 hectares or more to contribute towards affordable housing. The Council has a two-zone approach, with sites in Prime Bath, Bath North and East and Bath Rural hinterland to provide 40%. Sites in Bath North and West, Midsomer Norton, Radstock, Peasedown St John, Paulton and Chew Valley are expected to provide 30% affordable housing. The tenure and mix of the affordable housing is determined by reference to housing needs, but it typically 75% rent and 25% intermediate. The Council will also seek provision of 60% of the affordable units as family housing.
- 2.22 In November 2014, the Council published its *Placemaking Plan: Part 2 of the Local Plan Options Document*, which sets out various other requirements, including the following requirements which may have an impact on scheme viability:
- Accessibility standards
 - Energy efficiency
 - Internal space standards for affordable housing
 - Public realm improvements
- 2.23 The Council has supplied cost estimates for the requirements above, as detailed in Section 5.

Development context

- 2.24 Developments in the District are diverse, reflecting its part urban and part rural characteristics. Sites in the area range from regeneration sites in Bath City Centre and the other town centres; and small in-fill sites in residential areas. The Council is seeking to meet its future growth needs as far as possible on previously developed land, to avoid the need to develop on Greenfield sites as far as possible. The Council is seeking to promote new office development in Bath City Centre and development for employment in Keynsham, Midsomer Norton and Radstock.

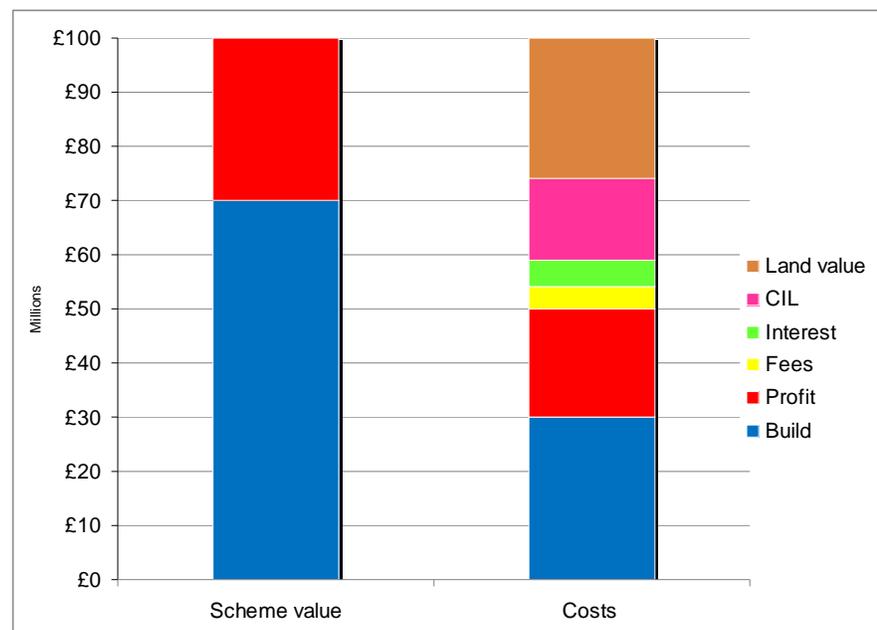
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- 2.25 The Council's November 2014 Monitoring Report indicate that over the period April 2011 to March 2014, a total of 1,523 dwellings were completed, 1,048 (68.8%) of which were private and 475 (31.2%) were affordable. In 2013/14, 73% of housing development was completed on previously developed land.

3 Methodology and appraisal inputs

- 3.1 Our methodology follows standard development appraisal conventions, using locally-based assumptions that reflect local market and planning policy circumstances. It is recognised that planning policies and their requirements may change in future and this will need to be considered as part of any further viability testing that the Council undertake as their new policies for the Local Plan evolve.
- 3.2 The approach is consistent with the methodology adopted for viability testing of the Core Strategy and for CIL. However, this study differs in that it tests the viability of identified development sites rather than hypothetical scenarios.

Approach to testing development viability

- 3.3 Appraisal models can be summarised by the following diagram. The total scheme value is calculated, as represented by the left hand bar. This includes the sales receipts from the private housing (the blue portion of the left hand bar) and the payment from a Registered Provider ('RP') for the completed affordable housing units (the red portion of the left hand bar). For a commercial scheme, scheme value equates to the capital value of the rental income after allowing for rent free periods and purchaser's costs. The model then deducts the build costs, fees, interest, CIL and developer's profit. A 'residual' amount is left after all these costs are deducted – this is the land value that the developer would pay to the landowner. The residual land value is represented by the brown portion of the right hand bar in the diagram.



- 3.4 The Residual Land Value is normally a key variable in determining whether a scheme will proceed. If a proposal generates sufficient positive land value (in excess of existing use value, discussed later), it will be implemented. If not, the proposal will not go ahead, unless there are alternative funding sources to bridge the 'gap'.

- 3.5 Problems with key appraisal variables can be summarised as follows:
- Development costs are subject to national and local monitoring and can be reasonably accurately assessed in 'normal' circumstances (i.e. non-recessionary markets). Historically, many of the sites in Bath have been previously developed and these sites can sometimes encounter 'exceptional' costs such as decontamination. Such costs can be very difficult to anticipate before detailed site surveys are undertaken;
 - Assumptions about development phasing, phasing of Section 106 contributions and infrastructure required to facilitate each phase of the development will affect residual values. Where the delivery of the obligations are deferred, the less the real cost to the applicant (and the greater the scope for increased affordable housing and other planning obligations). This is because the interest cost is reduced if the costs are incurred later in the development cashflow; and
 - While Developer's Profit has to be assumed in any appraisal, its level is closely correlated with risk. The greater the risk, the higher the profit level required by lenders. While profit levels were typically up to around 15% of completed development value at the peak of the market in 2007, banks currently require schemes to show a higher profit to reflect the current risk. Typically developers and banks are targeting around 17% to 20% profit on value of the private housing element.
- 3.6 Ultimately, the landowner will make a decision on implementing a project on the basis of return and the potential for market change, and whether alternative developments might yield a higher value. The landowner's 'bottom line' will be achieving a residual land value that sufficiently exceeds 'existing use value'³ or another appropriate benchmark to make development worthwhile. The margin above existing use value may be considerably different on individual sites, where there might be particular reasons why the premium to the landowner should be lower or higher than other sites.
- 3.7 Clearly, however, landowners have expectations of the value of their land which often exceed the value of the current use. Ultimately, if landowners' expectations are not met, they will not voluntarily sell their land and (unless a Local Authority is prepared and/or in a position to use its compulsory purchase powers) some may simply hold on to their sites, in the hope that policy may change at some future point with reduced requirements. It is within the scope of those expectations that developers have to formulate their offers for sites. The task of formulating an offer for a site is complicated further still during buoyant land markets, where developers have to compete with other developers to secure a site, often speculating on increases in value.

Viability benchmark

- 3.8 The NPPF is not prescriptive on the type of methodology local planning authorities should use when assessing viability. The National Planning Practice Guidance ('NPPG') indicates that the NPPF requirement for a 'competitive return' to the landowner will need to allow for an incentive for the land owner to sell and options may include "*the current use value of the land or its value for a realistic alternative use that complies with planning policy*" (para 024; reference ID 10-024-20140306).

³ For the purposes of this report, existing use value is defined as the value of the site in its existing use, assuming that it remains in that use. We are not referring to the RICS Valuation Standards definition of 'Existing Use Value', which is a definition used for valuations undertaken for accounting purposes.

- 3.9 The Local Housing Delivery Group published guidance in June 2012 which provides guidance on testing viability of Local Plan policies. The guidance notes that *“consideration of an appropriate Threshold Land Value [or viability benchmark] needs to take account of the fact that future plan policy requirements will have an impact on land values and landowner expectations. Therefore, using a market value approach as the starting point carries the risk of building-in assumptions of current policy costs rather than helping to inform the potential for future policy”*.
- 3.10 In light of the weaknesses in the market value approach, the Local Housing Delivery Group guidance⁴ recommends that benchmark land value *“is based on a premium over current use values”* with the *“precise figure that should be used as an appropriate premium above current use value [being] determined locally”*. The guidance considers that this approach *“is in line with reference in the NPPF to take account of a “competitive return” to a willing land owner”*.
- 3.11 The examination on the Mayor of London’s CIL charging schedule considered the issue of an appropriate land value benchmark. The Mayor had adopted existing use value, while certain objectors suggested that ‘Market Value’ was a more appropriate benchmark. The Examiner concluded that:
- “The market value approach... while offering certainty on the price paid for a development site, suffers from being based on prices agreed in an historic policy context.” (para 8) and that “I don’t believe that the EUV approach can be accurately described as fundamentally flawed or that this examination should be adjourned to allow work based on the market approach to be done” (para 9).*
- 3.12 In his concluding remark, the Examiner points out that
- “the price paid for development land may be reduced [so that CIL may be accommodated]. As with profit levels there may be cries that this is unrealistic, but a reduction in development land value is an inherent part of the CIL concept. It may be argued that such a reduction may be all very well in the medium to long term but it is impossible in the short term because of the price already paid/agreed for development land. The difficulty with that argument is that if accepted the prospect of raising funds for infrastructure would be forever receding into the future. In any event in some instances it may be possible for contracts and options to be re-negotiated in the light of the changed circumstances arising from the imposition of CIL charges. (para 32 – emphasis added).*
- 3.13 It is important to stress, therefore, that there is no single threshold land value at which land will come forward for development. The decision to bring land forward will depend on the type of owner and, in particular, whether the owner occupies the site or holds it as an asset; the strength of demand for the site’s current use in comparison to others; how offers received compare to the owner’s perception of the value of the site, which in turn is influenced by prices achieved by other sites. Given the lack of a single threshold land value, it is difficult for policy makers to determine the minimum land value that sites should achieve. This will ultimately be a matter of judgement for each planning authority.
- 3.14 Respondents to consultations on planning policy documents in other authorities have made various references to the RICS Guidance on ‘Viability in Planning’ and have suggested that councils should run their analysis on

⁴ Viability Testing Local Plans: Advice for planning practitioners, Local Housing Delivery Group, Chaired by Sir John Harman, June 2012

market values. This would be an extremely misleading measure against which to test viability, as market values should reflect existing policies already in place, and would consequently tell us nothing as to how future (as yet un-adopted) policies might impact on viability. It has been widely accepted elsewhere that market values are inappropriate for testing planning policy requirements.

- 3.15 Relying upon historic transactions is a fundamentally flawed approach, as offers for these sites will have been framed in the context of current planning policy requirements, so an exercise using these transactions as a benchmark would tell the Council nothing about the potential for sites to absorb as yet unadopted policies. Various Local Plan inspectors and CIL examiners have accepted the key point that Local Plan policies and CIL will ultimately result in a reduction in land values, so benchmarks must consider a reasonable minimum threshold which landowners will accept.
- 3.16 The 'bottom line' in terms of land value will be the value of the site in its existing use. This fundamental point is recognised by the RICS at paragraph 3.4.4. of their Guidance Note on 'Financial Viability in Planning':
- "For a development to be financially viable, any uplift from current use value to residual land value that arises when planning permission is granted should be able to meet the cost of planning obligations while ensuring an appropriate Site Value for the landowner and a market risk adjusted return to the developer in delivering that project (the NPPF refers to this as 'competitive returns' respectively). The return to the landowner will be in the form of a land value in excess of current use value".*
- 3.17 The Guidance goes on to state that *"it would be inappropriate to assume an uplift based on set percentages ... given the diversity of individual development sites"*.
- 3.18 The Guidance argues that the premium above current use value should be determined by market value, but relying on prices paid by purchasers is just as arbitrary as adopting an uplift based on a percentage, for the reasons set out below.
- 3.19 Commentators also make reference to 'market testing' of benchmark land values. This is another variant of the benchmarking advocated by respondents outlined at paragraph 3.13. These respondents advocate using benchmarks that are based on the prices that sites have been bought and sold for. There are significant weaknesses in this approach which respondents who advocate this have not addressed. In brief, prices paid for sites are a highly unreliable indicator of their actual value, due to the following reasons:
- Transactions are often based on bids that 'take a view' on squeezing planning policy requirements below target levels. This results in prices paid being too high to allow for policy targets to be met. If these transactions are used to 'market test' CIL rates, the outcome would be unreliable and potentially highly misleading.
 - Historic transactions of housing sites are often based on the receipt of grant funding, which is no longer available.
 - There would be a need to determine whether the developer who built out the comparator sites actually achieved a profit at the equivalent level to the profit adopted in the viability testing. If the developer achieved a sub-optimal level of profit, then any benchmarking using these transactions would produce unreliable and misleading results.

- 3.20 Developers often build assumptions of growth in sales values into their appraisals, which provides a higher gross development value than would actually be achieved today. Given that our appraisals are based on current values, using prices paid would result in an inconsistent comparison (i.e. current values against the developer's assumed future values). Using these transactions would produce unreliable and misleading results.
- 3.21 These issues are evident from an unpublished recent BNP Paribas Real Estate review in 2015 of the differences between the value ascribed to developments by applicants and the amounts the sites were purchased for by the same parties. The prices paid exceeded the value of the consented schemes by between 52% and 1,300%.
- 3.22 For the reasons set out above, the approach of using current use values is a more reliable indicator of viability than using market values or prices paid for sites, as advocated by certain respondents. Our assessment follows this approach, as set out in Section 4.

4 Baseline information on sites tested

4.1 We have appraised 20 residential and mixed use developments included in the Placemaking Plan. This covers most of the undeveloped sites identified. The sites are identified in Table 4.1.1 below.

Table 4.1.1: Sites tested in the study

Site ref	Site name	Site area (hectares)	Area
1	Cattlemarket	0.17	Bath
2	Mineral Water Hospital	0.26	Bath
3	Manvers Street	1.32	Bath
4	Bath Quays North	1.81	Bath
5	Bath FE College	0.45	Bath
6	South Quays (Newark Works)	0.82	Bath
7	Riverside Court	0.30	Bath
8	South Bank	1.02	Bath
9	Green Park, Station	2.01	Bath
10	Sydenham Park	2.69	Bath
11	Bath Press	2.11	Bath
12	Roseberry Place	1.37	Bath
13	Riverside & Fire Station	0.85	Keynsham
14	Charlton Timber Yard	0.43	Radstock
15	Ryman Engineering Services	0.34	Radstock
16	Radstock County Infants School	0.36	Radstock
17	Land north of the Street, Compton Martin	2.60	Rural
18	East of St Mary's Primary School, Timsbury	0.30	Rural
19	Pinkers Lane, East Harptree	0.36	Rural
20	Leacroft House, Bristol Road, West Harptree	1.70	Rural
21	South Road Car Park	0.99	Midsomer Norton
22	Former Welton Bag Factory	5.32	Midsomer Norton
23	Windsor Bridge Road, Upper Bristol Road	0.72	Bath Western Riverside ⁵
24	Argos, Upper Bristol Road	0.27	Bath Western Riverside
25	TA Centre, Upper Bristol Road	0.34	Bath Western Riverside
26	Comfortable Place, Upper Bristol Road	0.10	Bath Western Riverside
27	Onega Centre, Upper Bristol Road	0.30	Bath Western Riverside
28	Hartwell's Motor Company, Upper Bristol Road	1.67	Bath Western Riverside

⁵ These sites are located adjacent to the Bath Western Riverside CIL zone and therefore do not benefit from the nil rate for this zone.

- 4.2 The Council has estimated the capacity of each site on reflection of acceptable densities and character of the local area and any information available relating to planning permissions on nearby sites etc. Capacity has also been considered with site constraints and other planning requirements in mind such as infrastructure provision that may prevent part of the site area being developed in its entirety. The estimated numbers of units shown in Table 4.1.1 result in densities of between 10 and 311 dwellings per gross hectare (4 to 126 per gross acre) which in general is reflective of the mixed urban and rural nature of the District.
- 4.3 Table 4.3.1 summarises the options the Council has formulated for testing purposes. All areas are in square metres. Table 4.3.2 sets out the existing uses of the sites.

Table 4.3.1: Options for viability testing (all areas in square metres)

Site	Option	Office	Retail (food)	Retail (comparison)	Retail A3	Residential	Hotel	Resi Parking	Public parking	Office parking	Retail parking	Other uses
Cattlemarket	1	0	0	500	500	4,500	0	26	0	0	0	0
	2	4,500	0	500	500	0	0	0	0	0	0	0
	3	0	0	500	500	1,000	0	6	160	0	0	0
	4 (PMP)	2,500	0	500	500	2,000	0	12	0	0	0	0
Mineral Water Hospital	1	0	0	3,500	0	0	3,000	0	0	0	0	0
	2	0	0	1,000	0	2,500	3,000	0	0	0	0	0
	3 (PMP)	0	0	1,000	0	0	5,500	0	0	0	0	0
Manvers Street	1	6,500	0	1,000	1,000	9,000	6,000	53	0	0	0	0
	2	5,500	0	5,500	1,000	6,000	5,500	35	0	0	0	0
	3 (PMP)	9,000	0	1,000	1,000	6,500	6,000	38	0	0	0	0
	4 (PMP)	9,000	0	1,000	1,000	6,500	6,000	38	160	0	0	0
Bath Quays North	1	25,000	0	2,000	2,000	6,000	0	35	500	0	0	0
	2	20,000	0	2,000	2,000	6,000	0	35	500	0	0	0
	3	5,000	0	17,000	2,000	6,000	0	35	500	0	0	0
	4	12,000	0	6,000	2,000	6,000	6,000	35	500	0	0	0
	5 (PMP)	20,000	0	2,000	2,000	6,000	0	35	500	0	0	0
	6 (PMP)	20,000	0	2,000	2,000	6,000	0	35	0	0	0	0
Bath FE College	1	0	0	0	0	0	0	0	0	0	0	16,000 education
	2	0	0	1,500	0	0	0	0	0	0	0	14,500 education
	3	7,500	0	1,500	0	7,000	0	41	0	0	0	0
	4 (PMP)	7,000	0	1,500	0	0	0	0	0	0	0	7,500 education
South Quays (Newark Works)	1	6,000	0	0	500	9,500	0	55	0	0	0	0
	2 (PMP)	9,500	0	0	500	6,000	0	35	0	0	0	0

Table 4.3.1: Options for viability testing (all areas in square metres) continued

Site	Option	Office	Retail (food)	Retail (comparison)	Retail A3	Residential	Hotel	Resi Parking	Public parking	Office parking	Retail parking	Other uses
Riverside Court	1	6,000	0	0	0	0	0	0	0	0	0	0
	2	0	0	0	0	6,000	0	35	0	0	0	0
	3	3,000	0	0	0	3,000	0	18	0	0	0	0
South Bank	1	15,500	0	0	500	2,500	0	15	0	0	0	0
	2	9,000	0	0	500	9,000	0	53	0	0	0	0
	3	4,000	0	0	0	4,000	0	23	0	0	0	0
	4 (PMP)	7,000	0	0	500	10,500	0	61	0	0	0	0
Green Park Station West	1	12,000	0	3,000	500	9,000	0	0	0	0	0	0
	2	0	800	200	0	3,000	0	0	0	0	0	0
	3 (PMP)	0	800	0	200	0	0	0	0	0	0	0
Sydenham Park	1	4,500	12,000	27,000	1,500	43,000	0	251	0	0	0	0
	2	35,000	0	6,500	1,500	35,000	0	204	0	0	0	0
	3	22,000	0	6,500	1,500	48,000	0	280	0	0	0	0
	4 (PMP)	14,000	0	7,000	1,000	50,000	6,000	292	0	0	0	0
	5 (PMP)	14,000	0	7,000	1,000	42,000	0	292	500	0	0	0
Bath Press	1	5,000	0	0	0	7,000	0	41	0	30	0	18,000 trade counter
	2	10,000	0	0	0	10,000	0	48	0	30	0	0
	3	3,000	0	0	0	17,000	0	99	0	30	0	0
	4 (PMP)	1,485	0	0	0	21,350	0	174	0	30	0	0
Roseberry Place	1	5,500	1,000	0	0	10,500	0	62	0	46	40	0
	2	6,000	1,000	0	0	13,000	0	76	0	46	40	0
	3 (PMP)	4,700	1,400	0	0	13,000	0	84	0	46	40	0

Table 4.3.1: Options for viability testing (all areas in square metres) continued

Site	Option	Office	Retail (food)	Retail (comparison)	Retail A3	Residential	Hotel	Resi Parking	Public parking	Office parking	Retail parking	Other uses
Riverside & Fire Station	1	2,500	0	1,000	500	10,500	0	61	0	0	0	0
	2	0	0	1,000	500	10,300	0	60	0	0	0	2,700 leisure centre
	3	2,500	0	1,000	500	7,800	0	46	0	0	0	2,700 leisure centre
	4	1,000	500	1,000	500	8,800	0	51	0	0	0	2,700 leisure centre
	5	0	0	1,000	500	6,800	0	40	0	0	0	2,700 leisure centre
	6	2,500	0	1,000	500	4,300	0	25	0	0	0	2,700 leisure centre
	7	2,500	0	1,000	500	7,000	0	41	0	0	0	0
Charlton Timber Yard	1	0	0	230	1,870	0	0	0	0	0	0	0
	2	0	0	0	0	0	0	0	0	0	0	687 GP surgery and health & wellbeing facility
Ryman Engineering Services	1	0	0	0	0	0	0	0	0	0	0	687 community space
	2	0	0	0	0	950	0	0	6	0	0	0
	3	1,000 B1c	0	0	0	0	0	0	0	0	0	0
Radstock County Infants School	1	0	0	0	0	950 (10 units)	0	11	0	0	0	0
Land North of The Street, Compton Martin	1	0	0	0	0	950 (10 units)	0	10	0	0	0	0
Land East of St Mary's Primary School	1	0	0	0	0	2,375 (25 units)	0	25	0	0	0	0

Table 4.3.1: Options for viability testing (all areas in square metres) continued

Site	Option	Office	Retail (food)	Retail (comparison)	Retail A3	Residential	Hotel	Resi Parking	Public parking	Office parking	Retail parking	Other uses
Pinkers Lane adj to Coombe Lane, East Harptree	1	0	0	0	0	950 (10 dwellings)	0	10	0	0	0	0
Leacroft House, Bristol Road, West Harptree	1	0	0	0	0	1,615 (17 dwellings)	0	17	0	0	0	0
South Road Car Park	1	0	4,000	0	0	0	0	0	0	0	100 ⁶	0
	2	0	1,500	0	0	0	0	0	0	0	50 ⁷	0
Former Welton Bag Factory	1	7,500	300	0	0	30,000	0	60	0	0	10	1,000 sqm community
	2	6,300	1,500	0	0	30,000	0	60	0	0	50	1,000 sqm community
	3	0		0	0	38,500	0	80	0	0	0	1,000 sqm community
Windsor Bridge Road	1	0	0	0	0	10,320	0	48	0	0	0	0
Argos, Upper Bristol Road	1	0	0	0	0	2,752	0	13	0	0	0	0
TA Centre, Upper Bristol Road	1	0	0	0	0	3,440	0	16	0	0	0	0
Comfortable Place	1	0	0	0	0	1,032	0	5	0	0	0	0
Omega Centre	1	0	0	0	0	3,096	0	14	0	0	0	0
Hartwell's Motors	1	0	0	0	0	6,880	0	80	0	0	0	0

⁶ Undercroft

⁷ Surface

Table 4.3.2: Existing uses

Site ref	Site name	Site area (hectares)	Existing use
1	Cattlemarket	0.17	Car parking (57 spaces)
2	Mineral Water Hospital	0.26	Hospital
3	Manvers Street	1.32	166 car parking spaces and former Police Station and Mail Sorting Office
4	Bath Quays North	1.81	617 car parking spaces and 41 coach parking spaces
5	Bath FE College	0.45	FE College
6	South Quays (Newark Works)	0.82	Unused former industrial buildings
7	Riverside Court	0.30	Offices 4,500 sqm
8	South Bank	1.02	Car showroom (4,660 sqm) Travis Perkins (5,660 sqm)
9	Green Park, Station	2.01	Option 1 - Sainsbury's supermarket; Option 2 – industrial floorspace and health centre; Option 3 – airspace development
10	Sydenham Park	2.69	7,000 sqm Homebase DIY store and associated car parking. Trade retail units 2,770 sqm Petrol Station Existing office building 6,000 sqm
11	Bath Press	2.11	Vacant industrial building 13,000 sqm
12	Roseberry Place	1.37	Largely vacant industrial buildings and former Unigate Dairy site
13	Riverside & Fire Station	0.85	Fire Station, Leisure Centre, offices with ground floor retail 8.500 sqm
14	Charlton Timber Yard	0.43	Former timber warehouse with ancillary retail
15	Ryman Engineering Services	0.34	Industrial unit
16	Radstock County Infants School	0.36	Former Primary School
17	Land north of the Street, Compton Martin	2.60	Greenfield
18	East of St Mary's Primary School, Timsbury	0.30	Greenfield
19	Pinkers Lane, East Harptree	0.36	Agricultural buildings
20	Leacroft House, Bristol Road, West Harptree	1.70	Greenfield
21	South Road Car Park	0.99	Car Park
22	Former Welton Bag Factory	5.32	Disused former manufacturing unit
23	Windsor Bridge Road	0.72	Mostly vacant with 700sqm industrial
24	Argos, Upper Bristol Road	0.27	Retail store (Argos)
25	TA Centre, Upper Bristol Road	0.34	TA Centre
26	Comfortable Place	0.10	700 sqm of industrial space
27	Onega Centre	0.30	1,200 sqm of industrial space
28	Hartwell's Motors	1.67	Car dealership and concrete batching

5 Appraisal assumptions

In this section, we summarise the assumptions we have adopted in our appraisals of the 20 Placemaking Plan sites.

Housing mix

- 5.1 At this stage, detailed unit mixes for each of the sites is yet to be established and this will only take place once preferred land allocations are identified through the Local Plan. For the purposes of our assessment, we have assumed a gross area of 86 square metres (926 square feet). This is based on the indicative mix in Table 5.1.1. The unit sizes are based on the floor areas that the Council seeks for affordable housing. For the purposes of establishing a unit size, we have applied these minimum sizes to all tenures. On smaller schemes, we have assumed larger unit sizes of 200 square metres, reflecting larger average unit sizes indicated by CIL returns. These unit sizes also comply with DCLG 'Technical housing standards – nationally described space standard' (March 2015).

Table 5.1.1: Assumed unit mix and average floor area per unit

No of beds	Bedspaces	Floor area (square metres per unit)	Unit mix
1	2	50	10%
2	4	70	30%
3	5	93	35%
4	6	106	20%
5	7	119	5%
6	8	132	0%
Average unit size based on mix		86	100%

Private sales values

- 5.2 As noted in Section 2, private sales values vary across the District. Our research into sales of residential properties across the District indicates that values achieved in the settlements where the Placemaking Plan sites are located are as follows:

Table 5.2.1: Private sales values

Area	Resi values (£s per square metre)
Bath	£4,425
Keynsham	£2,885
Somer Valley	£2,625
Rural areas	£3,700

Commercial floorspace assumptions

- 5.3 For modelling purposes, we have assumed that the following inputs for the commercial floorspace within the development options. A one year rent free period has been applied to all uses.

Table 5.3.1: Commercial rents (per square metre)

	Retail	Office	B2/B8	C1	C2	D1/D2
Bath	269	242	70	259	0	161
Keynsham	215	215	70	259	0	161
Somer Valley	215	215	70	259	0	161

Table 5.3.2: Commercial yields

	Retail	Office	B2/B8	C1	C2	D1/D2
Bath	5.00%	7.00%	7.00%	6.00%	7.00%	7.00%
Keynsham	5.50%	7.00%	7.00%	6.00%	7.00%	7.00%
Somer Valley	5.50%	7.00%	7.00%	6.00%	7.00%	7.00%

Affordable housing tenure and values

- 5.4 The Council's policy requirements are set out in Core Strategy Policy CP9. Affordable housing is required on sites of 10 or more units, or greater than 0.5 hectares. The Council has a two zone affordable housing target, with parts of bath required to provide 40% and other parts of the District required to provide 30%. The tenure split of the affordable housing requires the provision of up to 75% social rented housing, but the split is determined to reflect local housing needs and individual site circumstances.
- 5.5 For modelling purposes, we have assumed that 40% (or where relevant, 30%) of units on qualifying sizes of development are provided as affordable housing, with a tenure split of 75% rented housing and 25% intermediate.
- 5.6 The Council's current Tenancy Strategy 2012-2017 sets out the Council's position with regards to rent levels. Registered Providers may set rents at up to 80% of market rents, providing they do not exceed the Local Housing Allowance rate; and that rents do not exceed 40% of the Universal Credit. The Local Housing Allowance 'Broad Market Rental Area' ('BMRA') for the District are Bath and Bristol. Local Housing Allowances for each area are summarised in Table 5.6.1. The table also shows the rents that we have adopted for modelling purposes.

Table 5.6.1: Local Housing Allowances and rent levels (£s per week)

Unit type	Bath BMRA	Bristol BMRA	Rent used in appraisals
One bed	£135.74	£121.19	£135.74
Two bed	£167.23	£151.50	£167.23
Three bed	£189.86	£175.74	£189.86
Four bed	£291.90	£242.33	£199.00 ⁸
Five bed ⁹	£291.90	£242.33	£199.00 ¹⁰

⁸ Rent capped to avoid breaching 40% of LHA.

- 5.7 The CLG/HCA '2015-2018 Affordable Homes Programme – Prospectus' document clearly states that RPs will not receive grant funding for any affordable housing secured through a legal agreement under Section 106 of the 1990 Town & Country Planning. Consequently, all our appraisals assume nil grant.
- 5.8 In the 2015 Budget, the Chancellor announced that the government will require RPs to reduce their rents by 1% per annum over the next four years. Our model reflects this requirement, which results in a reduction in capital value of rented affordable units. Based on the housing mix in Table 5.1.1, our appraisals indicate that RPs will be able to acquire affordable rented units for £1,894 per square metre.
- 5.9 For shared ownership units, we have assumed that RPs will sell 30% initial equity stakes so that units are affordable to households on moderate incomes and charge a rent of 2.5% on the retained equity, the latter being slightly lower than the maximum charge permitted by the Homes and Communities Agency (2.75%). We have capitalised the rent using a yield of 6%. Based on these assumptions, RPs would pay the following rates per square metre for completed shared ownership units:

Table 5.9.1: Shared ownership values

Area	Market value per square metre	Shared ownership value per square metre
Bath	£4,250	£2,515
Keynsham	£2,885	£1,707
Somer Valley	£2,625	£1,553
Rural areas	£3,700	£2,189

Public car parking

- 5.10 Where options include the provision of public car parking, we have incorporated a value on the basis that the Council (or other owner) would receive revenue from car parking charges. The Council currently charges for parking on Monday to Saturday between the hours of 08:00 to 19:00 (11 hours per day), excluding bank holidays. Each space would have a total of 3,355 chargeable hours per annum
- 5.11 Charges are typically circa £2.50 per hour. If the spaces achieved an average utilisation rate of 25%, total income per space would be £2,100 per annum. We have applied a 7% yield to arrive at a capital value of £30,000 per space.

Build costs

- 5.12 We have sourced build costs from the RICS Building Cost Information Service (BCIS), which is based on tenders for actual schemes (see Appendix 1). This is a standard approach for viability studies for planning policy testing and is an approach identified by the NPPG (paragraph 013 Reference ID 10-013-20140306). For schemes in Bath, we have adopted the Upper Quartile costs in the BCIS database of £1,423 per square metre. For flats outside Bath, we have adopted the mean cost of £1,250 per square metre and for houses we have adopted the upper quartile cost of £1,142 per square metre.

⁹ There is no published LHA rate for properties of more than four units.

¹⁰ Rent capped to avoid breaching 40% of LHA.

5.13 In addition to the base costs above, our appraisals incorporate the following allowances:

- External works and on-site infrastructure allowance equating to 10% of base build costs;
- The cost of the Council's policy requirements regarding sustainability (discussed later in this section);
- Contingency of 5% of build costs.

5.14 For non- residential development, we have adopted the following costs from the BCIS database:

- Offices (air-conditioned): £1,502 per square metre;
- Retail: £1,049 per square metre;
- Health centres: £1,726 per square metre;
- Leisure centres; £2,033 per square metre;
- Hotels: £1,658 per square metre;
- Colleges: £1,650 per square metre.

5.15 In addition to the base costs above, our appraisals add 15% for external works and on-site infrastructure. The Council's public realm requirements and sustainability requirements (discussed later) are included separately.

5.16 The cost of car parking is accounted for separately in our appraisal. For each surface car parking space, we have incorporated an allowance of £10,000 per space and for basement spaces we have allowed £25,000 per space.

Professional fees

5.17 In addition to base build costs, schemes will incur professional fees, covering design, valuation, highways consultants and so on. Our appraisals incorporate a 10% allowance, which is at the middle to higher end of the range for most schemes.

Development finance

5.18 Our appraisals assume that development finance can be secured at a rate of 7%, inclusive of arrangement and exit fees, reflective of current funding conditions for most schemes.

Marketing costs

5.19 Our appraisals incorporate an allowance of 3% for marketing costs, which includes show homes, agents' fees, plus 0.5% for sales legal fees.

Bath CIL

5.20 The Council's CIL for residential development is £100 per net additional square metre, excluding affordable housing, which qualifies for social housing relief. CIL for strategic sites and urban extensions is £50 per square metre and Bath Western Riverside is nil rated. The Council's Instalments Policy (April 2015) makes provision for payment of CIL in instalments depending on the total amount payable. The instalments policy is attached as Appendix 2.

- 5.21 The amended CIL Regulations specify that if any part of an existing building is in lawful use for 6 months within the 36 months prior to the time at which planning permission first permits development, all of the existing floorspace will be deducted when determining the amount of chargeable floorspace. This will be the case for many development sites in Bath. However, for the purposes of our appraisals, we have assumed that there is no deduction for existing floorspace to reflect a cautious approach given the uncertainties of whether existing space will satisfy the occupancy criteria.

Table 5.21.1: CIL rates in the adopted Charging Schedule

Development type	Location	CIL (£s per sqm GIA)
Residential C3 including Specialised, Extra Care and Retirement accommodation	District wide	£100
	Strategic sites/urban extensions	£50
	Bath Western Riverside	Nil
Hotel C1	Bath	£100
	Bath Western Riverside	Nil
	Rest of District	Nil
Retail – in-centre and high street	Bath City Centre	£150
	Other centres	Nil
	Bath Western Riverside	Nil
Supermarkets, superstores and retail warehouses over 280 sqm	District wide	£150
	Bath Western Riverside	Nil
Offices	District wide	Nil
Industrial & warehousing	District wide	Nil
Student accommodation	Schemes with market rents	£200
	Schemes with sub market rents	Nil
	Bath Western Riverside	Nil
Any other development	District wide	Nil

Section 106 costs

- 5.22 To account for residual Section 106 and S278 requirements, we have included an allowance of £1,000 per unit for residential development, which is reflective of the assumption underpinning the CIL Viability Study. The actual amounts will of course be subject to site-specific negotiations. For commercial floorspace, we have incorporated an allowance of £5 per square metre for residual Section 106 costs.

Development and sales periods

- 5.23 Development and sales periods vary between type of scheme. However, our sales periods are based on an assumption of a sales rate of 6 units per month. This is reflective of current market conditions, whereas in improved markets, a sales rate of up to 8 units per month might be expected. The timings adopted for each site are set out in the 'Sites Details' appendix (Appendix 4).

Acquisition costs

5.24 The appraisals apply the following acquisition costs to the residual land values:

- 4% stamp duty;
- 1% agents fees; and
- 0.8% legal fees.

Developer's profit

- 5.25 Developer's profit is closely correlated with the perceived risk of residential development. The greater the risk, the greater the required profit level, which helps to mitigate against the risk, but also to ensure that the potential rewards are sufficiently attractive for a bank and other equity providers to fund a scheme. In 2007, profit levels were at around 15-17% of development costs. However, following the impact of the credit crunch and the collapse in interbank lending and the various government bailouts of the banking sector, profit margins have increased. It is important to emphasise that the level of minimum profit is not necessarily determined by developers (although they will have their own view and the Boards of the major housebuilders will set targets for minimum profit).
- 5.26 The views of the banks which fund development are more important; if the banks decline an application by a developer to borrow to fund a development, it is very unlikely to proceed, as developers rarely carry sufficient cash to fund it themselves. Consequently, future movements in profit levels will largely be determined by the attitudes of the banks towards development proposals.
- 5.27 The near collapse of the global banking system in the final quarter of 2008 is resulting in a much tighter regulatory system, with UK banks having to take a much more cautious approach to all lending. In this context, and against the backdrop of the current sovereign debt crisis in the Eurozone, the banks may not allow profit levels to decrease much lower than their current level of 17% to 20%. Our appraisals assume a profit of 18%, which is within the current range.
- 5.28 Our assumed return on the affordable housing GDV is 6%. A lower return on the affordable housing is appropriate as there is very limited sales risk on these units for the developer; there is often a pre-sale of the units to an RP prior to commencement. Any risk associated with take up of intermediate housing is borne by the acquiring RP, not by the developer. A reduced profit level on the affordable housing reflects the GLA 'Development Control Toolkit' guidance (February 2014) and Homes and Communities Agency's guidelines in its Development Appraisal Tool (August 2013).

Exceptional costs

- 5.29 Exceptional costs can be an issue for development viability on previously developed land. Exceptional costs relate to works that are 'atypical', such as remediation of sites in former industrial use and that are over and above standard build costs. However, in the absence of detailed site investigations, it is not possible to provide a reliable estimate of what exceptional costs might be. Our analysis therefore excludes exceptional costs, as to apply a blanket allowance would generate misleading results. An 'average' level of costs for abnormal ground conditions and some other 'abnormal' costs is already reflected in BCIS data. As such costs are frequently encountered on sites that form the basis of the BCIS data sample. Any site that the Council identify

through the Placemaking Plan will need to undergo further consideration at development management stage and so a high level approach at this time is standard practice.

Cost of policy requirements

Water efficiency

- 5.30 Element Energy and Davis Langdon (2011) estimate that measures to reduce water consumption to meet the optional standard on water efficiency will amount to £250 per residential unit.

Regulated emissions delivered via on-site renewables

- 5.31 The Council has advised that the cost of its on-site renewable energy target amounts to £3.91 per square metre (GIA). We have incorporated this cost into our appraisals.
- 5.32 For commercial development, the Council has advised that the average additional cost of installing solar PV panels into a mixed use development across the Bath Enterprise Area is £9.60 per square metre.

Accessibility standards

- 5.33 The Council has estimated the costs of its accessibility standards, which will replace cost allowances for Lifetime Homes included in previous viability assessments. The Council intends to introduce two standards; new level 2 enhanced standards and new level 3 wheelchair accessibility standards. These standards will be applied as follows:
- 20% of the affordable housing to meet level 2 enhanced standard;
 - 10% of the affordable housing to meet level 3 wheelchair accessibility standards; and
 - 3% of private housing to meet level 4 wheelchair accessibility standards.

- 5.34 The Council has estimated the costs of achieving standards as follows:

Table 5.34.1: Accessibility standards

Standard	Cost for 2 bed flat	Cost for 2 bed house	Cost for 3 bed house	Cost for 4 bed house
Level 2	£980	£389	£449	£451
Level 3	£12,584	£11,758	£13,939	£16,220

- 5.35 Based on the unit mix in Table 5.1.1, the cost of meeting the requirements for affordable housing is £1,469 per unit as an average across all affordable units. The cost of meeting the requirements for private housing is £412 per unit as an average across all private units.

Public realm works

- 5.36 The Council has provided estimates of public realm works for each of the major sites. These costs are summarised in Table 5.36.1.

Table 5.36.1: Public realm works

Site	Public realm works
Cattlemarket	£1,024,000
Mineral Water Hospital	£20,000
Manvers Street	£2,640,000
Bath Quay North	£4,360,000
Bath FE College	£400,000
South Quays	£1,000,000
Riverside Court	£500,000
South Bank	£1,000,000
Green Park Station West	-
Sydenham Park	£2,750,000
Bath Press	£150,000
Roseberry Place	£100,000
All other sites	No requirements

Benchmark land values

- 5.37 Benchmark land values, based on the existing use value or alternative use value of sites are key considerations in the assessment of development economics for testing planning policies and tariffs. Clearly, there is a point where the Residual Land Value (what the landowner receives from a developer) that results from a scheme may be less than the land's existing use value. Existing use values can vary significantly, depending on the demand for the type of building relative to other areas. Similarly, subject to planning permission, the potential development site may be capable of being used in different ways – as a hotel rather than residential for example; or at least a different mix of uses. Existing use value or alternative use value are effectively the 'bottom line' in a financial sense and therefore a key factor in this study.
- 5.38 The bulk of the 22 sites have been previously developed and are in various uses, or in some cases currently not occupied. The existing uses of the 22 sites are summarised in Table 4.3.2. We have calculated an indicative benchmark land value for each of the sites which have been previously developed by capitalising their rateable value (which is based on a Valuation Office assessment of the market rent of a building/use on a site). The assumptions for each site are included in Appendix 4.
- 5.39 There are four greenfield sites for which we have adopted a benchmark land value of £370,000 per gross hectare for testing purposes. This is the upper end of the range of values identified by research by the Department for Communities and Local Government¹¹.
- 5.40 Five of the sites are in public ownership and do not have any intrinsic value in their current use, as they would not be operated as a commercial operation (i.e. a fire station, leisure centre, a college, a car park with no use charges and a school). Three of the sites also include an element of reprovision of the existing use within the development proposal. We have therefore assumed a

¹¹ DCLG 'Cumulative Impact of planning policy requirements'

nil benchmark land value for these sites. Green Park Station West has an option where no existing buildings are demolished and development takes place in the 'airspace' above existing structures. For this option, we have assumed a nil land value.

- 5.41 The sample includes two houses and their gardens which would be redeveloped at a higher density. For these two properties, we have based their benchmark land value on the current estimated value.

6 Appraisal outputs

- 6.1 The full inputs to our appraisals of the various options for each site are set out in Appendix 4. We have appraised potential options for development on 20 sites. Each appraisal incorporates (where relevant) the Council's 40% or 30% affordable housing requirement, although it should be noted that the policy is applied with a degree of flexibility where viability issues arise. We have also run a sensitivity analysis which increases sales values by 10% and 20%, alongside build cost inflation of 5% and 10%.
- 6.2 For each site, where relevant, the results of the following analyses are provided with regards to the Council's sustainability requirements:
- Cost allowance for regulated emissions – assumption 1: £855 per unit;
 - Cost allowance for regulated emissions – assumption 2: £1,521 per unit;
- 6.3 Where public parking is required (i.e. provision in excess of the number of spaces required to provide 0.5 spaces per residential unit), we have tested two options; the first assumes these additional spaces are provided and the second assumes no additional spaces are provided.
- 6.4 Viability summaries are provided for each option, an example of which is provided below.

Figure 6.4.1: Example of Viability Summary

Bath & North East Somerset - Placemaking Plan viability testing	
Cattlemarket - Opt 1	0.17 ha
Development mix (square metres GIA)	
Residential	4,500
Retail (comparison and A3)	1,000
Retail (food store)	-
Office	-
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	-
Total floor area (GIA)	5,500
Car Parking (residential)	26
Car Parking (public)	-
Summary viability	
Gross development value	£16,541,698
Development costs	£11,101,389
Developer's profit	£2,601,219
Interest	£1,068,103
Gross Residual Land Value	£1,770,988
Stamp duty, agents and legal fees	£102,717
NET RESIDUAL LAND VALUE	£1,668,271
Benchmark land value	£589,149
Viable or unviable	Viable

- 6.5 The Viability Summary summarises key information on floor areas for each use assumed to be included, as well as the number of car parking spaces assumed (residential and public). The Viability Summary then summarises the key financial information (i.e. total scheme value and total scheme costs). The residual land value is the amount remaining after total scheme costs and profit have been deducted from scheme value.
- 6.6 If the residual land value (after deduction of stamp duty and fees) is greater than the benchmark land value, the option is shown to be 'Viable'. However, if the residual value is lower than the benchmark land value, the option is shown to be 'unviable'.

7 Assessment of appraisal results

- 7.1 This section considers the results of our appraisals with the residual land values calculated for scenarios with sales values and capital values reflective of market conditions across the district. These RLVs are then compared to benchmark land values for each site to determine whether options are viable.
- 7.2 Table 7.2.1 summarises the outputs of our appraisals and the various sensitivity analyses. Cells are shaded green where a residual value exceeds the benchmark land value, indicating that the development is viable. Where residual values are lower than benchmark land values, cells are shaded red, indicating that the development is unviable. In some cases, schemes generate a negative residual land value, even before the benchmark land value is taken into account. These figures are also shown in red, but also with a negative sign.
- 7.3 The table tests the impact of the provision of additional car parking for use by members of the public; the impact of higher regulated emissions costs (see para 5.28); and with growth on sales values alongside inflation on costs. Two growth scenarios are tested: 10% growth on values and 5% inflation on costs; and 20% growth on values and 10% inflation on costs.

Table 7.2.1: Summary of appraisal outputs

Site	Option	(A) Additional car parking included	(B) No additional car parking	(D) With growth of 10% on values applied to scenario A	(E) With growth of 20% on values applied to scenario A
Cattlemarket	1	n/a	£1,654,778	£2,135,784	£2,616,790
	2	n/a	£3,801,968	£4,727,312	£5,652,658
	3	-£104,754	£728,084	£169,837	£442,743
	4	n/a	£2,829,514	£3,545,977	£4,262,442
Mineral Water Hospital	1	n/a	£4,195,459	£5,278,207	£6,360,955
	2	n/a	£1,172,327	£1,847,524	£2,517,340
	3	n/a	£2,426,106	£3,402,065	£4,378,023
Manvers Street	1	n/a	£9,755,823	£12,390,447	£15,025,071
	2	n/a	£13,883,719	£17,067,626	£20,251,532
	3	n/a	£11,066,636	£14,000,944	£16,935,253
	4	£10,160,552	£10,876,300	£13,044,394	£15,928,236
Bath Quays North	1	£17,201,303	£19,477,158	£21,991,607	£26,781,910
	2	£13,947,351	£16,223,205	£18,028,277	£22,109,203
	3	£22,376,337	£24,652,191	£27,163,533	£31,950,729
	4	£14,481,051	£16,756,905	£18,699,542	£22,918,033
	5	£13,947,351	£16,223,205	£18,028,277	£22,109,203
	6	n/a	£16,223,205	£20,304,131	£24,385,057
Bath FE College	1	n/a	-£4,288,368	-£3,211,026	-£2,133,682
	2	n/a	-£1,939,572	-£654,453	£620,517
	3	n/a	£8,637,133	£10,520,517	£12,403,902
	4	n/a	£4,660,118	£6,525,298	£8,390,478

Table 7.2.1: Summary of appraisal outputs (continued)

Site	Option	(A) Additional car parking included	(B) No additional car parking	(D) With growth of 10% on values applied to scenario A	(E) With growth of 20% on values applied to scenario A
South Quays	1	n/a	£6,587,239	£8,273,784	£9,952,679
	2	n/a	£7,880,350	£9,777,030	£11,673,710
Riverside Court	1	n/a	£3,727,101	£4,639,525	£5,551,948
	2	n/a	£1,430,819	£1,911,458	£2,388,661
	3	n/a	£2,652,941	£3,345,990	£4,039,038
South Bank	1	n/a	£11,081,159	£13,666,015	£16,250,871
	2	n/a	£8,379,562	£10,434,271	£12,480,264
	3	n/a	£3,179,725	£4,095,919	£5,012,112
	4	n/a	£7,223,515	£9,073,151	£10,917,696
Green Park Station West	1	n/a	£14,419,186	£17,217,150	£20,015,114
	2	n/a	£2,247,451	£2,626,982	£3,006,513
	3	n/a	£1,322,616	£1,528,699	£1,734,782
Sydenham Park	1	n/a	£52,496,003	£62,648,820	£72,801,636
	2	n/a	£34,446,306	£42,745,452	£51,044,598
	3	n/a	£30,052,265	£37,318,243	£44,584,221
	4	n/a	£28,420,737	£35,488,462	£42,556,189
	5	£24,200,085	£25,683,703	£32,183,083	£38,682,465
Bath Press	1	n/a	£3,508,474	£5,296,658	£7,073,133
	2	n/a	£9,565,634	£11,721,490	£13,859,830
	3	n/a	£5,531,918	£7,143,375	£8,752,217
	4	n/a	£5,659,200	£4,041,259	£5,671,442
Roseberry Place	1	n/a	£7,515,829	£9,300,282	£11,080,065
	2	£9,009,417 ¹²	£7,432,857	£10,998,314	£12,981,971
	3	n/a	£7,333,370	£9,126,971	£10,920,572
Riverside and Fire Station	1	n/a	£1,203,607	£2,059,601	£2,915,188
	2	n/a	£-1,591,871	£-907,430	£-222,988
	3	n/a	£-25,832	£896,434	£1,818,283
	4	n/a	£-375,882	£467,398	£1,304,629
	5	n/a	£-1,481,100	£-968,095	£-455,091
	6	n/a	£-116,219	£616,094	£1,345,703
	7	n/a	£1,329,591	£2,021,405	£2,712,393
Charlton Timber Yard	1	n/a	£2,212,510	£2,561,807	£2,911,103
	2	n/a	£-444,649	£-407,275	£-369,901

¹² Additional spaces are surface spaces with a lower cost than basement spaces, hence increase in residual value

Table 7.2.1: Summary of appraisal outputs (continued)

Site	Option	(A) Additional car parking included	(B) No additional car parking	(D) With growth of 10% on values applied to scenario A	(E) With growth of 20% on values applied to scenario A
Ryman Engineering	1	n/a	-£444,649	-£407,275	-£369,901
	2	n/a	£246,229	£344,260	£442,293
	3	n/a	-£76,144	-£42,058	-£7,973
Radstock School	1	n/a	£197,011	£295,042	£393,073
Compton Martin	1	n/a	£1,380,949	£1,597,775	£1,814,600
Timsbury	1	n/a	£1,588,049	£1,827,876	£2,067,702
E Harptree	1	n/a	£1,380,949	£1,597,775	£1,814,600
W Harptree	1	n/a	£1,146,579	£1,317,127	£1,487,676
South Road Car Park	1	n/a	£2,551,789	£3,217,116	£3,882,442
	2	n/a	£827,037	£1,076,535	£1,326,032
Fmr Welton Bag Factory	1	n/a	£8,704,204	£11,118,945	£13,533,644
	2	n/a	£8,733,499	£11,176,930	£13,618,925
	3	n/a	£6,423,564	£8,255,214	£10,086,864
Windsor Bridge	1	n/a	£5,171,994	£5,867,381	£6,562,768
Argos Store	1	n/a	£1,612,336	£1,823,445	£2,034,555
TA Centre	1	n/a	£2,015,420	£2,279,307	£2,543,194
Comfortable Plc	1	n/a	£633,611	£716,025	£798,437
Omega Centre	1	n/a	£1,813,878	£2,051,376	£2,288,874
Hartwells Motors	1	n/a	£3,389,532	£3,896,429	£4,403,325

- 7.4 The Council has also requested that we establish the reduction in affordable housing required to achieve viable outcomes on the Bath Western Riverside sites. Windsor Bridge, TA Centre, Comfortable Place and Omega Centre are all viable at 40% affordable housing. The Argos and Hartwells Motors sites are not viable, although it should be noted that the Hartwells site becomes viable with growth (20% on sales and 10% inflation on costs). On present values, the Harwells Motors site becomes viable at 27% affordable housing. However, the Argos site does is still significantly short of becoming viable as a 100% private housing scheme (the residual value is £3.34 million against a benchmark land value of £9.24 million).
- 7.5 Given the scale of the deficit on the Argos site, it is unlikely that the owner of the site will be prepared to dispose of the site for residential development. An increase in density would be required to generate a residual value that would come closer to the Site's existing use value. Other forms of residential development, such as extra-care or retirement living would achieve higher densities, but their viability is impacted by a requirement for a larger amount of communal floorspace in comparison to a non-retirement housing scheme.

Commentary on the results

- 7.6 Twenty-one of the twenty-eight sites have a viable option, and fourteen of the viable sites show viability across all the options modelled. There are three sites where no options are viable at current values (Riverside Court, Ryman Engineering and Argos), one of which does not become viable with growth (Ryman Engineering).
- 7.7 The three options for the Ryman Engineering site are for community use; a low number of housing units; or an industrial (B1c) use. None of the options generates sufficient value to exceed the value of the existing facility unless there is growth in values.
- 7.8 Riverside Court is an existing office building and the options involve reprovision of offices with office and/or residential. None of the three options generate higher value than the existing offices. A similar result emerges for the Argos Store site.
- 7.9 Provision of public car parking also has an impact on viability. The Council is suggesting that car parking for public use might be required at Cattlemarket, Manvers Street, Bath Quays North and Sydenham Park. Taking Bath Quays North as an example, the requirement for car parking reduces the residual land value by circa £2 million.

8 Conclusions and recommendations

- 8.1 This report tests the ability of sites identified in the Council's Placemaking Plan to be developed viably, so that when taking account of the cumulative impact of local planning authority standards and policies, landowners and developers can achieve 'competitive returns'.
- 8.2 The NPPF states that planning requirements "*should not put implementation of the plan at serious risk, and should facilitate development throughout the economic cycle*". This report and its supporting appendices test this proposition in the District of Bath.
- 8.3 We have tested the impact of the Council's affordable housing policies and other requirements, including CIL and sustainability measures. The results generated by this base position indicate that there are viable options on twenty-one of the twenty-eight sites, with residual land values that exceed indicative benchmark land values. For the three sites where no options are viable, alternative mixes of uses or alternative densities might help to achieve a viable outcome. However, in all three cases, the sites have high existing use values and it is likely that the sites will stay in their existing use in the medium term.
- 8.4 In considering the outputs of the appraisals, it is important to recognise that some developments will be unviable regardless of the Council's requirements. In these cases, the value of the existing building will be higher than a redevelopment opportunity over the medium term. However, this situation should not be taken as an indication of the viability (or otherwise) of the Council's policies and requirements. Further, this is a high level assessment of viability and where developers disagree with the information set out, it is an opportunity for them to share their more detailed information with the Council when their sites come forward.
- 8.5 The results of our appraisals indicate that the Council's target of 30% or 40% affordable housing should be deliverable on most sites that we tested. However, it is critical that developers do not over-pay for sites such that the value generated by developments is paid to the landowner, rather than being used to provide affordable housing. The Council should work closely with developers to ensure that landowners' expectations of land value are appropriately framed by the local policy context as the Local Plan evolves.
- 8.6 Our appraisals do not consider the potential impact that grant funding might have on scheme viability. The nil grant assumption we have adopted is a realistic assumption for the short term, given the constraints on public spending and the significant drop in funding during the current spending round. Levels of grant funding may change in the future and an increase in subsidy would clearly improve viability. The Council should therefore monitor the situation closely over the medium term and work with developers to ensure that further work on viability has regard to this where applicable.
- 8.7 The Council needs to strike a balance between achieving its objectives and ensuring that developments generate acceptable returns to willing landowners and willing developers. This study demonstrates that there are options that are viable and, when taken alongside the Council's flexible approach to applying its affordable housing requirements most sites are deliverable.

Appendix 1 - BCIS costs

£/m² study

Description: Rate per m² gross internal floor area for the building Cost including prelims.

Last updated: 17-Oct-2015 12:20

► Rebased to Bath (101; sample 14)

Maximum age of results: Default period

Building function (Maximum age of projects)	£/m ² gross internal floor area						Sample
	Mean	Lowest	Lower quartiles	Median	Upper quartiles	Highest	
New build							
Car parks (Multi-storey) (15)	430	288	364	440	477	565	10
Car parks (Underground) (20)	704	584	-	663	-	907	4
Offices							
Generally (15)	1,502	630	1,085	1,418	1,653	4,780	170
Air-conditioned							
Generally (15)	1,631	630	1,231	1,514	1,708	4,780	56
1-2 storey (15)	1,391	630	1,075	1,232	1,490	2,847	19
3-5 storey (15)	1,648	1,007	1,380	1,540	1,670	4,780	28
6+ storey (15)	2,068	1,468	1,616	1,752	2,329	3,636	8
Not air-conditioned							
Generally (15)	1,425	716	1,016	1,341	1,678	2,735	75
1-2 storey (15)	1,342	716	984	1,275	1,645	2,586	39
3-5 storey (15)	1,474	796	1,158	1,383	1,614	2,735	33
6+ storey (20)	1,986	1,488	-	2,084	-	2,288	4
Retail warehouses							
Generally (20)	742	380	568	674	757	2,269	53
Up to 1000m ² (20)	850	562	630	698	801	2,269	10
1000 to 7000m ² GFA (20)	743	380	568	672	799	1,598	36
7000 to 15000m ² (20)	560	441	531	557	595	675	5
Over 15000m ² GFA (25)	638	568	-	-	-	708	2
Shopping centres (25)	1,121	874	-	1,080	-	1,450	4
Department stores (35)	907	-	-	-	-	-	1
Hypermarkets, supermarkets							
Generally (30)	1,354	220	958	1,361	1,736	2,331	56
Up to 1000m ² (30)	1,363	910	-	1,195	-	2,149	4
1000 to 7000m ² GFA (30)	1,380	220	973	1,541	1,759	2,331	47
7000 to 15000m ² (30)	1,015	936	-	1,009	-	1,106	4
Over 15000m ² GFA (30)	1,480	-	-	-	-	-	1
Shops							

Building function (Maximum age of projects)	£/m ² gross internal floor area						Sample
	Mean	Lowest	Lower quartiles	Median	Upper quartiles	Highest	
Generally (30)	1,049	441	667	860	1,197	3,389	61
1-2 storey (30)	1,063	441	645	860	1,356	3,389	55
3-5 storey (30)	916	729	758	897	1,044	1,168	6
Health Centres, clinics, group practice surgeries							
Generally (15)	1,726	914	1,446	1,712	1,901	3,717	80
Public (15)	1,882	914	1,559	1,829	2,169	3,717	36
Private (15)	1,589	933	1,377	1,606	1,797	2,509	43
Community Centres							
Generally (20)	1,726	716	1,329	1,632	1,927	5,546	113
Up to 500m2 GFA							
Generally (20)	1,828	716	1,188	1,579	2,152	5,546	48
Steel framed (20)	2,140	1,041	1,268	1,771	2,472	5,546	19
Concrete framed (45)	1,139	-	-	-	-	-	1
Brick construction (20)	1,392	716	1,062	1,292	1,590	2,462	22
Timber framed (20)	2,364	1,735	1,997	2,280	2,667	3,188	6
500 to 2000m2 GFA							
Generally (20)	1,651	716	1,428	1,632	1,910	2,801	61
Steel framed (20)	1,635	859	1,423	1,626	1,846	2,424	37
Concrete framed (30)	1,654	-	-	-	-	-	1
Brick construction (20)	1,589	716	1,434	1,560	1,877	2,801	18
Timber framed (20)	1,934	1,428	1,760	1,989	2,201	2,240	6
Over 2000m2 GFA							
Generally (20)	1,652	1,329	-	1,748	-	1,781	4
Steel framed (25)	1,641	1,106	-	1,748	-	1,964	4
Concrete framed (45)	1,211	-	-	-	-	-	1
Brick construction (45)	906	-	-	-	-	-	1
Timber framed (5)	1,781	-	-	-	-	-	1
Sports centres/recreational centres							
Generally (15)	1,410	717	1,197	1,377	1,546	2,645	55
Up to 500m2 GFA (15)	1,799	1,249	-	1,652	-	2,645	4
500 to 2000m2 GFA (15)	1,437	968	1,200	1,434	1,569	2,251	32
Over 2000m2 GFA (15)	1,282	717	1,164	1,347	1,434	1,672	19
Sports centre/recreation centres inc swimming pools							
Generally (20)	2,033	1,089	1,689	2,056	2,243	3,404	52
Up to 500m2 GFA (30)	2,945	-	-	-	-	-	1
500 to 2000m2 GFA (20)	2,006	1,115	1,430	1,828	2,518	3,404	10
Over 2000m2 GFA (20)	2,039	1,089	1,766	2,103	2,201	3,302	42
Estate housing							

Building function (Maximum age of projects)	£/m ² gross internal floor area						Sample
	Mean	Lowest	Lower quartiles	Median	Upper quartiles	Highest	
Generally (15)	1,033	503	883	1,008	1,142	2,139	1757
Single storey (15)	1,134	601	972	1,099	1,300	1,949	285
2-storey (15)	1,011	503	878	989	1,110	2,038	1340
3-storey (15)	1,031	667	842	982	1,159	2,139	131
4-storey or above (25)	1,498	1,143	-	1,355	-	1,996	3
Estate housing detached (15)	1,107	812	922	1,137	1,249	1,416	16
Estate housing semi detached							
Generally (15)	1,031	531	893	1,007	1,131	1,949	401
Single storey (15)	1,185	712	997	1,165	1,336	1,949	65
2-storey (15)	1,003	531	886	989	1,104	1,784	317
3-storey (15)	971	717	793	958	1,047	1,534	19
Estate housing terraced							
Generally (15)	1,052	517	880	1,013	1,166	2,139	387
Single storey (15)	1,122	681	923	1,030	1,344	1,742	54
2-storey (15)	1,041	517	881	1,009	1,158	2,038	276
3-storey (15)	1,036	677	840	981	1,094	2,139	57
Flats (apartments)							
Generally (15)	1,250	610	1,036	1,198	1,423	4,417	793
1-2 storey (15)	1,168	702	1,007	1,136	1,295	2,254	188
3-5 storey (15)	1,230	610	1,035	1,189	1,408	2,483	528
6+ storey (15)	1,606	913	1,280	1,551	1,706	4,417	73
Hotels (15)	1,658	1,006	1,427	1,606	1,864	2,616	21

Appendix 2 - CIL instalments policy

CIL Liability	Number of instalments	Periods and Amounts
Any amount less than £25,000	No instalments	Total amount payable within 60 days of commencement of development
Amounts equal to or more than £25,000	Three instalments	33% within 60 days of commencement of development 33% within 12 months of commencement of development 34% within within 18 months of commencement of development

Appendix 3 - Sample appraisal model

LOCAL PLAN AND CIL VIABILITY MODEL

This is input source box for reference info that appears on all sheets

Local Authority	BATH AND NORTH EAST SOMERSET
Area(s)	
Author	
Date	15 June 2015
Reference	

Site	50
------	----

77.27272727

DO NOT CHANGE SITE USING THIS CELL - USE M3 IN "RESULTS" PAGE

Values: - NOT USED

Sales values

Affordable housing percentage	<input type="text" value="30%"/>
of which social rented	<input type="text" value="75%"/>
of which intermediate	<input type="text" value="25%"/>

Code for Sustainable Homes

Cost allowance - all tenures (% of base costs)

Grant available check box

Residual Land Values	Total units	Total floor area	Private floor area	Ave unit size	CIL as % of dev costs
-£473,023	88	6,800	4,760	77	2.2%

No of units

77

Scheme above AH threshold	Y	gross area	g to n	net area
Total floor area		6,800	85%	5,780
Private floor area		4,760	85%	4,046
Affordable floor area		2,040	85%	1,734

Additional car parking

Incl 1

Site area increase/decrease (to adjust density) % of original

B&NES policy costs - residential	
Water efficiency	£2.92 per square m
Regulated emissions	£3.91 per square m
Accessibility	£8.50 per square m
Total per unit	£15.33

Growth/inflation	
Sales	20.00%
Build	10.00%

B&NES policy costs - commercial	
Regulated emissions	£9.60 per square metre GIA

LOCAL PLAN AND CIL VIABILITY MODEL

Local Authority	BATH AND NORTH EAST SOMERSET
Area(s)	0
Author	0
Date	15 June 2015
Reference	0

BUILD COSTS

Typology	Build costs per gross sq m	External works and other costs	Gross to net adjustment for flats
Residential	£1,265	£127	

TIMINGS for cash flow

Build start	Build period	Sales period	Sales period start
Quarters 3	Quarters 8	Quarters 5	Quarters from start on site 11

PLANNING OBLIGATIONS / CIL

S106 payments	CIL Charges	Fees
£s per sqm all tenures	£s p sq m private sales only	% of build cost
£12	£100	10%
Quarter paid 2	Instal-ment 1 - Qtr paid 1 Instal-ment 2 - Qtr paid 1 Instal-ment 3 - Qtr paid 1	

Car parking Cost per space

Surface	£10,000
Basement	£25,000

OTHER COSTS

Developer return % GDV	Private	18.00%
Code for Sustainable Homes	Affordable	6.00%
Contingency	All tenures	0%
Marketing costs % of sales values		5%
Legal Fees % of GDV		3.00%
Site acquisition costs % land value		0.50%
Development Finance		5.80%
		7.00%

From test variables

COMMERCIAL INPUTS

Site 50

Value	Retail A1-A5	Retail S'Market	B1 office	B2 industrial	B8 storage	C1 Hotel	C2 resi institutio	D1	D2
Rent per sq m	£258.34	£258.34	£258.34	£83.96	£83.96	£310.80	£0.00	£193.75	£193.75
Yield	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Rent free/void period (years)	1.0	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Net floor area (sq m)	850	-	-	-	-	-	-	-	2,295
Purchaser's costs	5.80%	5.80%	5.80%	5.80%	5.80%	5.80%	5.80%	5.80%	5.80%

Disposal Costs

Letting Agent's fee and legals (% of rent)	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%
Agent's fees (on capital value)	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Legal fees (% of capital value)	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%

Costs

Demolition costs	£50 psm	£50 psm	£50 psm	£50 psm	£50 psm	£50 psm	£50 psm	£50 psm	£50 psm
Demolition area (sq m)	0	0	0	0	0	0	0	0	0
Building costs	£1164 psm	£1164 psm	£1662 psm	£780 psm	£780 psm	£1833 psm	£1385 psm	£1825 psm	£2246 psm
Net to gross floor area	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%
External works	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
Mayoral CIL	£0	£150	£0	£0	£0	£0	£0	£0	£0
Crossrail S106	£0	£0	£0	£0	£0	£0	£0	£0	£0
S106 (per net sq m)	£5 psm	£5 psm	£5 psm	£5 psm	£5 psm	£5 psm	£5 psm	£5 psm	£5 psm

Quarters

Build start	3	3	3	3	3	3	3	3	3
Build period	8	8	8	8	8	8	8	8	8
Investment sale (quarters from start on site)	11	11	11	11	11	11	11	11	11

Cashflow timing

Build start	3	3	3	3	3	3	3	3	3
Build period	8	8	8	8	8	8	8	8	8
Investment sale (quarters from start on site)	11	11	11	11	11	11	11	11	11

Note: demolition of existing floorspace is loaded as a single amount on Retail A1-A5

SUSTAINABILITY ALLOWANCE

£9.60 PER SQM (ADDS TO BUILD COST VIA FORMULAE)

LOCAL PLAN AND CIL VIABILITY MODEL

Local Authority	BATH AND NORTH EAST SOMERSET
Area(s)	
Proxy number	50
Date	15 June 2015
Reference	77.21272727

DEVELOPMENT PERIOD CASHFLOW

dev hectareage			
dev acreage			
Revenue		£ 14,007,252	Revenue per Qtr 2,801,450
Public car parking		£ -	
Investment value of ground rents		£ -	
GDV before costs of sale	Sub Total	£ 14,007,252	
Costs of Sale			
Marketing costs	3.00%	£ 420,218	
Legal fees	0.50%	£ 70,036	
Sub Total		£ -£490,254	
Net commercial investment value		£ 3,833,860	3,833,860
Retail A1-A5		£ 3,833,860	
Retail S/Market		£ -	
B1 office		£ -	
B2 industrial		£ -	
B8 storage		£ -	
C1 Hotel		£ -	
C2 resi institution		£ -	
D1		£ -	
D2		£ 7,763,567	7,763,567
Total commercial value	Sub Total	£ 7,763,567	
Speculative NDV			
Affordable Housing Revenue			Revenue per Qtr 400,465
No fees on sale		£ 3,203,717	
NDV	Total	£ 28,318,142	
Standard Costs			Cost per Qtr
Residential		£ 10,411,142	1,301,393
Retail A1-A5		£ 1,407,065	159,894
Retail S/Market		£ -	
B1 office		£ -	
B2 industrial		£ -	
B8 storage		£ -	
C1 Hotel		£ -	
C2 resi institution		£ -	
D1		£ -	
D2		£ 7,335,276	833,554
Car parking		£ 400,000	50,000
Contingency		£ 937,936	
Sub Total		£ 19,696,662	
Other Costs			
Professional fees	10.00%	£ 1,969,666	
Sub Total		£ 1,969,666	
CIL			
Resi CIL	Total	£ 476,000	
		£ 158,667	
		£ 158,667	
		£ 158,667	
Sub Total		£ 476,000	
Resi Section 106 Costs	Includes public realm and sustainability	£ 154,979	
Sub Total		£ 154,979	
Total Other Costs	Sub Total	£ 630,979	
Total Costs		£ 22,297,306	
Developer's profit on GDV	% of GDV	18.00%	
	% of GDV affordable	6%	
Residual Sum before interest		£ 1,308,016	
Cumulative residual balance for interest calculation			
Interest		£ 1,934,720	
Residual Sum for quarter after interest		£ 626,705	

Project Totals	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 5	Qtr 6	Qtr 7	Qtr 8
	Year 1	Year 1	Year 1	Year 1	Year 2	Year 2	Year 2	Year 2
	1	2	3	4	1	2	3	4
Revenue	0	0	0	0	0	0	0	0
Public car parking	0	0	0	0	0	0	0	0
Investment value of ground rents	0	0	0	0	0	0	0	0
GDV before costs of sale	0	0	0	0	0	0	0	0
Marketing costs	0	0	0	0	0	0	0	0
Legal fees	0	0	0	0	0	0	0	0
Sub Total	0	0	0	0	0	0	0	0
Net commercial investment value	0	0	0	0	0	0	0	0
Retail A1-A5	0	0	0	0	0	0	0	0
Retail S/Market	0	0	0	0	0	0	0	0
B1 office	0	0	0	0	0	0	0	0
B2 industrial	0	0	0	0	0	0	0	0
B8 storage	0	0	0	0	0	0	0	0
C1 Hotel	0	0	0	0	0	0	0	0
C2 resi institution	0	0	0	0	0	0	0	0
D1	0	0	0	0	0	0	0	0
D2	0	0	0	0	0	0	0	0
Total commercial value	0	0	0	0	0	0	0	0
Speculative NDV	0	0	0	0	0	0	0	0
Affordable Housing Revenue	0	0	400,465	400,465	400,465	400,465	400,465	400,465
NDV	0	0	400,465	400,465	400,465	400,465	400,465	400,465
Residential	0	0	1,301,393	1,301,393	1,301,393	1,301,393	1,301,393	1,301,393
Retail A1-A5	0	0	159,894	159,894	159,894	159,894	159,894	159,894
Retail S/Market	0	0	0	0	0	0	0	0
B1 office	0	0	0	0	0	0	0	0
B2 industrial	0	0	0	0	0	0	0	0
B8 storage	0	0	0	0	0	0	0	0
C1 Hotel	0	0	0	0	0	0	0	0
C2 resi institution	0	0	0	0	0	0	0	0
D1	0	0	0	0	0	0	0	0
D2	0	0	833,554	833,554	833,554	833,554	833,554	833,554
Car parking	0	0	50,000	50,000	50,000	50,000	50,000	50,000
Contingency	0	0	117,242	117,242	117,242	117,242	117,242	117,242
Sub Total	0	0	2,462,083	2,462,083	2,462,083	2,462,083	2,462,083	2,462,083
Other Costs	0	0	246,208	246,208	246,208	246,208	246,208	246,208
Sub Total	0	0	246,208	246,208	246,208	246,208	246,208	246,208
CIL	0	0	0	0	0	0	0	0
Resi CIL	158,667	0	0	0	0	0	0	0
	158,667	0	0	0	0	0	0	0
	158,667	0	0	0	0	0	0	0
	158,667	0	0	0	0	0	0	0
Sub Total	476,000	0	0	0	0	0	0	0
Resi Section 106 Costs	0	154,979	0	0	0	0	0	0
Sub Total	0	154,979	0	0	0	0	0	0
Total Other Costs	476,000	154,979	0	0	0	0	0	0
Total Costs	476,000	154,979	2,708,291	2,708,291	2,708,291	2,708,291	2,708,291	2,708,291
Developer's profit on GDV	0	0	0	0	0	0	0	0
	0	0	24,028	24,028	24,028	24,028	24,028	24,028
Residual Sum before interest	-476,000	-164,979	-2,331,854	-2,331,854	-2,331,854	-2,331,854	-2,331,854	-2,331,854
Cumulative residual balance for interest calculation	-476,000	-638,764	-2,981,065	-5,361,675	-7,781,220	-10,240,337	-12,739,674	-15,279,887
Interest	-7,785	-10,447	-48,756	-87,691	-127,263	-167,482	-208,359	-249,905
Residual Sum for quarter after interest	-£ 483,785	-£ 165,426	-£ 2,380,610	-£ 2,419,545	-£ 2,459,117	-£ 2,499,336	-£ 2,540,213	-£ 2,581,759

Land Value		
per developable acre	#DIV/0!	
per developable hectare	#DIV/0!	
Residual land value		£ 483,111
Site acquisition costs	5.80%	£ 28,020
MV (Residual Sum available to offer for Development Opportunity)		£ 455,091

Quarterly Interest

1.75%

£ 483,111

£ 483,111

£ 28,020

£ 455,091

Bath & North East Somerset - Placemaking Plan viability testing

Riverside & Fire Stn - Opt 5	0.85 ha
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Development mix (square metres GIA)

Residential	6,800
Retail (comparison and A3)	1,000
Retail (food store)	-
Office	-
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	2,700
Total floor area (GIA)	10,500
Car Parking (residential)	40
Car Parking (public)	-

Summary viability

Gross development value	£28,318,142
Development costs	£22,297,306
Developer's profit	£4,712,819
Interest	£1,791,127
Gross Residual Land Value	-£483,111
<i>Stamp duty, agents and legal fees</i>	-£28,020
NET RESIDUAL LAND VALUE	-£455,091

Benchmark land value	£1
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Viable or unviable

Unviable

Appendix 4 - Sites details

1	2	3	4	5	6	18	19	20	21	22	23	24	25	26	27	28
BATH SITES AND PLACE MAKING DPD																
Site ref	SITE NAME	REF	NO OF RES	Density	Site area	Floor areas - proposed (square metres)		Floor area		DC includes SG		Resi units		Resi sqm		
						Retail A1-A4	Retail S/Mark	B1 office	B2 industrial	B8 storage	C1 Hotel	C2 resi inst	D1	D2		
1	Cattlemarket - Opt 1	Bath	53	311	0.169	1,000	0	0	0	0	0	0	0	0	86	4,500
2	Cattlemarket - Opt 2	Bath	-	-	0.169	1,000	0	4,500	0	0	0	0	0	0	86	-
3	Cattlemarket - Opt 3	Bath	12	69	0.169	1,000	0	0	0	0	0	0	0	0	86	1,000
4	Cattlemarket - Opt 4	Bath	23	138	0.169	1,000	0	2,500	0	0	0	0	0	0	86	2,000
5	Mineral Water Hospital - Opt 1	Bath	-	-	0.26	3,500	0	0	0	0	3,000	0	0	0	86	-
6	Mineral Water Hospital - Opt 2	Bath	29	113	0.26	1,000	0	0	0	0	3,000	0	0	0	86	2,500
7	Mineral Water Hospital - Opt 3	Bath	-	-	0.26	1,000	0	0	0	0	5,500	0	0	0	86	-
8	Manvers Street - Opt 1	Bath	105.02	80	1.32	2,000	0	6,500	0	0	6,000	0	0	0	86	9,000
9	Manvers Street - Opt 2	Bath	70.01	53	1.32	6,500	0	5,500	0	0	5,500	0	0	0	86	6,000
10	Manvers Street - Opt 3	Bath	75.85	58	1.32	2,000	0	9,000	0	0	6,000	0	0	0	86	6,500
11	Manvers Street - Opt 4	Bath	75.85	58	1.32	2,000	0	9,000	0	0	6,000	0	0	0	86	6,500
12	Bath Quays North - Opt 1	Bath	70.01	39	1.809	4,000	0	25,000	0	0	0	0	0	0	86	6,000
13	Bath Quays North - Opt 2	Bath	70.01	39	1.809	4,000	0	20,000	0	0	0	0	0	0	86	6,000
14	Bath Quays North - Opt 3	Bath	70.01	39	1.809	19,000	0	5,000	0	0	0	0	0	0	86	6,000
15	Bath Quays North - Opt 4	Bath	70.01	39	1.809	6,000	0	12,000	0	0	6,000	0	0	0	86	6,000
16	Bath Quays North - Opt 5	Bath	70.01	39	1.809	4,000	0	20,000	0	0	0	0	0	0	86	6,000
17	Bath Quays North - Opt 6	Bath	70.01	39	1.809	4,000	0	20,000	0	0	0	0	0	0	86	6,000
18	Bath FE College - Opt 1	Bath	-	-	0.45	1,500	0	0	0	0	0	0	16,000	0	86	-
19	Bath FE College - Opt 2	Bath	-	-	0.45	1,500	0	0	0	0	0	0	14,500	0	86	-
20	Bath FE College - Opt 3	Bath	81.68	180	0.45	1,500	0	7,500	0	0	0	0	0	0	86	7,000
21	Bath FE College - Opt 4	Bath	-	-	0.45	1,500	0	7,000	0	0	0	0	7,500	0	86	-
22	South Quays (Newark Works) - Opt 1	Bath	110.85	135	0.819	500	0	6,000	0	0	0	0	0	0	86	9,500
23	South Quays (Newark Works) - Opt 2	Bath	70.01	85	0.819	500	0	9,500	0	0	0	0	0	0	86	6,000
24	Riverside Court - Opt 1	Bath	-	-	0.30	0	0	6,000	0	0	0	0	0	0	86	-
25	Riverside Court - Opt 2	Bath	70.01	232	0.30	0	0	0	0	0	0	0	0	0	86	6,000
26	Riverside Court - Opt 3	Bath	35.01	116	0.30	0	0	3,000	0	0	0	0	0	0	86	3,000
27	South Bank - Opt 1	Bath	29.17	29	1.022	500	0	15,500	0	0	0	0	0	0	86	2,500
28	South Bank - Opt 2	Bath	105.02	103	1.022	500	0	9,000	0	0	0	0	0	0	86	9,000
29	South Bank - Opt 3	Bath	46.67	46	1.022	0	0	4,000	0	0	0	0	0	0	86	4,000
30	South Bank - Opt 4	Bath	122.52	120	1.022	500	0	7,000	0	0	0	0	0	0	86	10,500
31	Green Park Station West - Opt 1	Bath	105.02	52	2.01	3,500	0	12,000	0	0	0	0	0	0	86	9,000
32	Green Park Station West - Opt 2	Bath	35.01	17	2.01	200	800	0	0	0	0	0	0	0	86	3,000
33	Green Park Station West - Opt 3	Bath	-	-	2.01	200	800	0	0	0	0	0	0	0	86	-
34	Sydenham Park - Opt 1	Bath	501.75	187	2.69	28,500	12,000	4,500	0	0	0	0	0	0	86	43,000
35	Sydenham Park - Opt 2	Bath	408.40	152	2.69	8,000	0	35,000	0	0	0	0	0	0	86	35,000
36	Sydenham Park - Opt 3	Bath	560.09	208	2.69	8,000	0	22,000	0	0	0	0	0	0	86	48,000
37	Sydenham Park - Opt 4	Bath	583.43	217	2.69	8,000	0	14,000	0	0	6,000	0	0	0	86	50,000
38	Sydenham Park - Opt 5	Bath	490.08	182	2.69	8,000	0	14,000	0	0	6,000	0	0	0	86	42,000
39	Bath Press - Opt 1	Bath	81.68	39	2.105	0	0	5,000	0	18,000	0	0	0	0	86	7,000
40	Bath Press - Opt 2	Bath	116.69	55	2.105	0	0	10,000	0	0	0	0	0	0	86	10,000
41	Bath Press - Opt 3	Bath	198.37	94	2.105	0	0	3,000	0	0	0	0	0	0	86	17,000
42	Bath Press - Opt 4	Bath	249.12	118	2.105	0	0	1,485	0	0	0	0	0	0	86	21,350
43	Roseberry Place - Opt 1	Bath	122.52	90	1.37	0	1,000	5,500	0	0	0	0	0	0	86	10,500
44	Roseberry Place - Opt 2	Bath	151.69	111	1.37	0	1,000	6,000	0	0	0	0	0	0	86	13,000
45	Roseberry Place - Opt 3	Bath	151.69	111	1.37	0	1,400	4,000	0	0	0	0	0	0	86	13,000
46	Riverside & Fire Stn - Opt 1	Keynsham	122.52	144	0.85	1,500	0	2,500	0	0	0	0	0	0	86	10,500
47	Riverside & Fire Stn - Opt 2	Keynsham	117.05	138	0.85	1,500	0	0	0	0	0	0	0	2,700	88	10,300
48	Riverside & Fire Stn - Opt 3	Keynsham	88.64	104	0.85	1,500	0	2,500	0	0	0	0	0	2,700	88	7,800
49	Riverside & Fire Stn - Opt 4	Keynsham	100.00	118	0.85	1,500	500	1,000	0	0	0	0	0	2,700	88	8,800
50	Riverside & Fire Stn - Opt 5	Keynsham	77.27	91	0.85	1,000	0	0	0	0	0	0	0	2,700	88	6,800
51	Riverside & Fire Stn - Opt 6	Keynsham	48.86	57	0.85	1,000	0	2,500	0	0	0	0	0	2,700	88	4,300
52	Riverside & Fire Stn - Opt 7	Keynsham	79.55	94	0.85	1,000	0	2,500	0	0	0	0	0	0	88	7,000
53	Charlton Timber Yard - Opt 1	Somer Valle	-	-	0.43	2,100	0	0	0	0	0	0	0	0	86	-
54	Charlton Timber Yard - Opt 2	Somer Valle	-	-	0.43	0	0	0	0	0	0	0	0	687	86	-
55	Ryman Engineering Services - Opt 1	Somer Valle	-	-	0.34	0	0	0	0	0	0	0	0	687	86	-
56	Ryman Engineering Services - Opt 2	Somer Valle	10.00	29	0.34	0	0	0	0	0	0	0	0	0	95	950
57	Ryman Engineering Services - Opt 3	Somer Valle	-	-	0.34	0	0	0	1,000	0	0	0	0	0	95	-
58	Radstock County Infants School	Somer Valle	10.00	28	0.36	0	0	0	0	0	0	0	0	0	95	950
59	North of The Street, Compton Martin (Rural)	Rural	10	33	0.30	0	0	0	0	0	0	0	0	0	95	950
60	East of St Mary's Primary School, Tint Rural	Rural	25	10	2.6	0	0	0	0	0	0	0	0	0	95	2,375
61	Pinkers Lane, East Harptree (SR5)	Rural	10	28	0.36	0	0	0	0	0	0	0	0	0	95	950
62	Leacroft House, Bristol Rd, West Harptree	Rural	17	10	1.70	0	0	0	0	0	0	0	0	0	95	1,615
63	South Road Car Park - Opt 1	Somer Valle	-	-	0.99	0	4,000	0	0	0	0	0	0	0	95	-
64	South Road Car Park - Opt 2	Somer Valle	-	-	0.99	0	1,500	0	0	0	0	0	0	0	95	-
65	Fmr Welton Bag Factory - Opt 1	Somer Valle	120	23	5.32	0	300	7,500	0	0	0	0	0	1,000	95	30,000
66	Fmr Welton Bag Factory - Opt 2	Somer Valle	120	23	5.32	0	1,500	6,300	0	0	0	0	0	1,000	95	30,000
67	Fmr Welton Bag Factory - Opt 3	Somer Valle	160	30	5.32	0	300	0	0	0	0	0	0	1,000	95	38,500
68	Windsor Bridge, Upper Bristol Rd	Bath	120	165	0.72	0	0	0	0	0	0	0	0	0	86	10,320
69	Argos, Upper Bristol Rd	Bath	32	120	0.27	0	0	0	0	0	0	0	0	0	86	2,752
70	TA Centre, Upper Bristol Rd	Bath	40	120	0.34	0	0	0	0	0	0	0	0	0	86	3,440
71	Comfortable Place, Upper Bristol Rd	Bath	12	120	0.1	0	0	0	0	0	0	0	0	0	86	1,032
72	Omega Centre, Upper Bristol Rd	Bath	36	120	0.3	0	0	0	0	0	0	0	0	0	86	3,096
73	Hartwells Motors, Upper Bristol Rd	Bath	80	50	1.67	0	0	0	0	0	0	0	0	0	86	6,880

BATH SITE	158	159	160	161	162	163	164	165	166	167	168	169	170	171	172	173	174
Existing floorspace	RV	Yield	EUV	EUV uplift	BLV	Existing use	Area	Site areas Gross	Net	Public realm costs	AH %	Residential Car parking spaces # - surface	Additional car parking spaces # - surface	Car parking value			
1																	
2	£34,367	7%	£490,957	20%	589,149	Car Park	Bath	0.169	0.169	1,024,000	40%	26.00	-	-	-	-	30,000
3	£34,367	7%	£490,957	20%	589,149	Car Park	Bath	0.169	0.169	1,024,000	40%	-	-	-	-	-	30,000
4	£34,367	7%	£490,957	20%	589,149	Car Park	Bath	0.169	0.169	1,024,000	40%	12.00	-	160	-	-	30,000
5						1 Hospital	Bath	0.26	0.259	20,000	40%	-	-	-	-	-	30,000
6						1 Hospital	Bath	0.26	0.259	20,000	40%	-	-	-	-	-	30,000
7						1 Hospital	Bath	0.26	0.259	20,000	40%	-	-	-	-	-	30,000
8	£516,150	7.00%	£7,373,571	20%	8,848,286	Car Parking, Police Stn and Sorting Office	Bath	1.32	1.316	2,640,000	40%	53.00	-	-	-	-	30,000
9	£516,150	7.00%	£7,373,571	20%	8,848,286	Car Parking, Police Stn and Sorting Office	Bath	1.32	1.316	2,640,000	40%	30.00	-	-	-	-	30,000
10	£516,150	7.00%	£7,373,571	20%	8,848,286	Car Parking, Police Stn and Sorting Office	Bath	1.32	1.316	2,640,000	40%	38.00	-	-	-	-	30,000
11	£516,150	7.00%	£7,373,571	20%	8,848,286	Car Parking, Police Stn and Sorting Office	Bath	1.32	1.316	2,640,000	40%	38.00	-	160	-	-	30,000
12	£393,000	7.00%	£5,614,286	20%	6,737,143	617 car parking spaces and 41 coach parking spaces	Bath	1.809	1.809	4,360,000	30%	35.00	-	500	-	-	30,000
13	£393,000	7.00%	£5,614,286	20%	6,737,143	618 car parking spaces and 41 coach parking spaces	Bath	1.809	1.809	4,360,000	30%	35.00	-	500	-	-	30,000
14	£393,000	7.00%	£5,614,286	20%	6,737,143	619 car parking spaces and 41 coach parking spaces	Bath	1.809	1.809	4,360,000	30%	35.00	-	500	-	-	30,000
15	£393,000	7.00%	£5,614,286	20%	6,737,143	620 car parking spaces and 41 coach parking spaces	Bath	1.81	1.809	4,360,000	30%	35.00	-	500	-	-	30,000
16	£393,000	7.00%	£5,614,286	20%	6,737,143	621 car parking spaces and 41 coach parking spaces	Bath	1.81	1.809	4,360,000	30%	35.00	-	500	-	-	30,000
17	£393,000	7.00%	£5,614,286	20%	6,737,143	622 car parking spaces and 41 coach parking spaces	Bath	1.81	1.809	4,360,000	30%	35.00	-	-	-	-	30,000
18						1 FE College	Bath	0.45	0.454	400,000	30%	-	-	-	-	-	30,000
19						1 FE College	Bath	0.45	0.454	400,000	30%	-	-	-	-	-	30,000
20						1 FE College	Bath	0.454	0.454	400,000	30%	41.00	-	-	-	-	30,000
21						1 FE College	Bath	0.45	0.454	400,000	30%	-	-	-	-	-	30,000
22	£188,125	7.00%	£2,687,500	20%	3,225,000	Unused industrial buildings	Bath	0.819	0.819	1,000,000	30%	55.00	-	-	-	-	30,000
23	£188,125	7.00%	£2,687,500	20%	3,225,000	Unused industrial buildings	Bath	0.819	0.819	1,000,000	30%	35.00	-	-	-	-	30,000
24	£367,400	7.00%	£5,248,571	20%	6,298,286	Offices 4,500 sqm	Bath	0.30	0.302	500,000	30%	-	-	-	-	-	30,000
25	£367,400	7.00%	£5,248,571	20%	6,298,286	Offices 4,500 sqm	Bath	0.30	0.302	500,000	30%	35.00	-	-	-	-	30,000
26	£367,400	7.00%	£5,248,571	20%	6,298,286	Offices 4,500 sqm	Bath	0.30	0.302	500,000	30%	18.00	-	-	-	-	30,000
27	£487,889	7.00%	£6,969,843	20%	8,363,811	Car showroom (2,200 sqm) & Travis Perkins (3,140 sqm)	Bath	1.022	1.022	1,000,000	30%	15.00	-	-	-	-	30,000
28	£487,889	7.00%	£6,969,843	20%	8,363,811	Car showroom (2,200 sqm) & Travis Perkins (3,140 sqm)	Bath	1.022	1.022	1,000,000	30%	53.00	-	-	-	-	30,000
29	£487,889	7.00%	£6,969,843	20%	8,363,811	Car showroom (2,200 sqm) & Travis Perkins (3,140 sqm)	Bath	1.02	1.022	1,000,000	30%	23.00	-	-	-	-	30,000
30	£487,889	7.00%	£6,969,843	20%	8,363,811	Car showroom (2,200 sqm) & Travis Perkins (3,140 sqm)	Bath	1.02	1.022	1,000,000	30%	61.00	-	-	-	-	30,000
31	£1,797,750	5.00%	£35,955,000	20%	43,146,000	Sainsbury's store, car park & 1,000 sqm industrial	Bath	2.01	2.012	-	40%	-	-	-	-	-	30,000
32	£288,000	7.00%	£4,114,286	20%	4,937,143	Health Centre and 1,000 sqm of industrial	Bath	2.01	2.012	-	40%	-	-	-	-	-	30,000
33	£1	100.00%	£1	20%	1	Airspace development above existing facilities	Bath	2.01	2.012	-	40%	-	-	-	-	-	30,000
34	£865,000	6.00%	£14,416,667	20%	17,300,000	Homebase DIY store 7,000 sqm, Trade retail 2,770 sqm and Bath	Bath	2.69	2.687	2,750,000	30%	251.00	-	-	-	-	30,000
35	£865,000	6.00%	£14,416,667	20%	17,300,000	Homebase DIY store 7,000 sqm, Trade retail 2,770 sqm and Bath	Bath	2.69	2.687	2,750,000	30%	204.00	-	-	-	-	30,000
36	£865,000	6.00%	£14,416,667	20%	17,300,000	Homebase DIY store 7,000 sqm, Trade retail 2,770 sqm and Bath	Bath	2.69	2.687	2,750,000	30%	280.00	-	-	-	-	30,000
37	£865,000	6.00%	£14,416,667	20%	17,300,000	Homebase DIY store 7,000 sqm, Trade retail 2,770 sqm and Bath	Bath	2.69	2.687	2,750,000	30%	292.00	-	-	-	-	30,000
38	£865,000	6.00%	£14,416,667	20%	17,300,000	Homebase DIY store 7,000 sqm, Trade retail 2,770 sqm and Bath	Bath	2.69	2.687	2,750,000	30%	292.00	-	500	-	-	30,000
39	£177,000	7.00%	£2,528,571	20%	3,034,286	Vacant industrial 13,000 sqm	Bath	2.105	2.105	150,000	30%	71.00	-	-	-	-	30,000
40	£177,000	7.00%	£2,528,571	20%	3,034,286	Vacant industrial 13,000 sqm	Bath	2.11	2.105	150,000	30%	78.00	-	-	-	-	30,000
41	£177,000	7.00%	£2,528,571	20%	3,034,286	Vacant industrial 13,000 sqm	Bath	2.11	2.105	150,000	30%	129.00	-	-	-	-	30,000
42	£177,000	7.00%	£2,528,571	20%	3,034,286	Vacant industrial 13,000 sqm	Bath	2.105	2.105	150,000	30%	61.00	143	-	-	-	30,000
43	£111,175	7.00%	£1,588,214	20%	1,905,857	Largely vacant industrial with former Unigate Dairy site	Bath	1.37	1.365	100,000	30%	108.00	-	-	-	-	30,000
44	£111,175	7.00%	£1,588,214	20%	1,905,857	Largely vacant industrial with former Unigate Dairy site	Bath	1.37	1.365	100,000	30%	122.00	-	-	-	-	30,000
45	£111,175	7.00%	£1,588,214	20%	1,905,857	Largely vacant industrial with former Unigate Dairy site	Bath	1.37	1.365	100,000	30%	130.00	-	-	-	-	30,000
46						1 Fire Stn, Leisure Centre, offices and GF retail	Keynsham	0.85	0.85	61.00	30%	61.00	-	-	-	-	30,000
47						1 Fire Stn, Leisure Centre, offices and GF retail	Keynsham	0.85	0.85	60.00	30%	60.00	-	-	-	-	30,000
48						1 Fire Stn, Leisure Centre, offices and GF retail	Keynsham	0.85	0.85	46.00	30%	46.00	-	-	-	-	30,000
49						1 Fire Stn, Leisure Centre, offices and GF retail	Keynsham	0.85	0.85	51.00	30%	51.00	-	-	-	-	30,000
50						1 Fire Stn, Leisure Centre, offices and GF retail	Keynsham	0.85	0.85	40.00	30%	40.00	-	-	-	-	30,000
51						1 Fire Stn, Leisure Centre, offices and GF retail	Keynsham	0.85	0.85	25.00	30%	25.00	-	-	-	-	30,000
52						1 Fire Stn, Leisure Centre, offices and GF retail	Keynsham	0.85	0.85	41.00	30%	41.00	-	-	-	-	30,000
53						Former timber warehouse	Somer Valley	0.43	0.43	-	30%	-	-	-	-	-	30,000
54						Former timber warehouse	Somer Valley	0.43	0.43	-	30%	-	-	-	-	-	30,000
55						Industrial unit	Somer Valley	0.34	0.34	-	30%	-	-	-	-	-	30,000
56						Industrial unit	Somer Valley	0.34	0.34	6.00	30%	6.00	-	-	-	-	30,000
57						Industrial unit	Somer Valley	0.34	0.34	-	30%	-	-	-	-	-	30,000
58						1 School	Somer Valley	0.36	0.36	-	30%	-	-	-	-	-	30,000
59						Greenfield	Rural	0.30	0.3	11.00	30%	11.00	-	-	-	-	30,000
60						Greenfield	Rural	2.6	2.6	10.00	30%	10.00	-	-	-	-	30,000
61						Agricultural buildings	Rural	0.36	0.36	25.00	30%	25.00	-	-	-	-	30,000
62						Agricultural buildings	Rural	1.70	1.7	10.00	30%	10.00	-	-	-	-	30,000
63						1 Car Park	Somer Valley	0.99	0.99	17.00	30%	17.00	-	-	-	-	30,000
64						1 Car Park	Somer Valley	0.99	0.99	100	30%	100	-	-	-	-	30,000
65						Former factory	Somer Valley	0.99	0.99	50	30%	50	-	-	-	-	30,000
66						Former factory	Somer Valley	5.32	5.32	70	30%	70	-	-	-	-	30,000
67						Former factory	Somer Valley	5.32	5.32	110	30%	110	-	-	-	-	30,000
68	£50,500	7%	£721,429	20%	865,714	Mostly vacant with 700 sqm industrial	Bath	0.72	0.72	48	40%	48	-	-	-	-	30,000
69	£385,000	5%	£7,700,000	20%	9,240,000	Retail unit (Argos)	Bath	0.27	0.27	13	40%	13	-	-	-	-	30,000
70	£67,500	7%	£964,286	20%	1,157,143	TA Centre	Bath	0.34	0.34	16	40%	16	-	-	-	-	30,000
71	£26,500	7%	£378,571	20%	454,286	700 sqm industrial unit	Bath	0.10	0.1	5	40%	5	-	-	-		

Appendix 5 - Viability summaries

Bath & North East Somerset - Placemaking Plan viability testing

Cattlemarket - Opt 1	0.17 ha
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Development mix (square metres GIA)

Residential	4,500
Retail (comparison and A3)	1,000
Retail (food store)	-
Office	-
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	-
Total floor area (GIA)	5,500
Car Parking (residential)	26
Car Parking (public)	-

Summary viability

Gross development value	£16,968,871
Development costs	£11,451,498
Developer's profit	£2,673,357
Interest	£1,087,351
Gross Residual Land Value	£1,756,665
<i>Stamp duty, agents and legal fees</i>	£101,887
NET RESIDUAL LAND VALUE	£1,654,778

Benchmark land value	£589,149
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Viable or unviable

Viable

Bath & North East Somerset - Placemaking Plan viability testing

Cattlemarket - Opt 2	0.17 ha
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Development mix (square metres GIA)

Residential	-
Retail (comparison and A3)	1,000
Retail (food store)	-
Office	4,500
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	-
Total floor area (GIA)	5,500
Car Parking (residential)	-
Car Parking (public)	-

Summary viability

Gross development value	£20,167,701
Development costs	£11,179,950
Developer's profit	£3,630,186
Interest	£1,321,506
Gross Residual Land Value	£4,036,059
<i>Stamp duty, agents and legal fees</i>	£234,091
NET RESIDUAL LAND VALUE	£3,801,968

Benchmark land value	£589,149
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Viable or unviable	Viable
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Bath & North East Somerset - Placemaking Plan viability testing

Cattlemarket - Opt 3	0.17 ha
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Development mix (square metres GIA)

Residential	1,000
Retail (comparison and A3)	1,000
Retail (food store)	-
Office	-
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	-
Total floor area (GIA)	2,000
Car Parking (residential)	6
Car Parking (public)	160

Summary viability

Gross development value	£11,508,997
Development costs	£9,143,983
Developer's profit	£1,986,944
Interest	£489,274
Gross Residual Land Value	-£111,204
<i>Stamp duty, agents and legal fees</i>	-£6,450
NET RESIDUAL LAND VALUE	-£104,754

Benchmark land value	£589,149
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Viable or unviable

Unviable

Bath & North East Somerset - Placemaking Plan viability testing

Cattlemarket - Opt 4	0.17 ha
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Development mix (square metres GIA)

Residential	2,000
Retail (comparison and A3)	1,000
Retail (food store)	-
Office	2,500
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	-
Total floor area (GIA)	5,500
Car Parking (residential)	12
Car Parking (public)	-

Summary viability

Gross development value	£18,745,999
Development costs	£11,305,771
Developer's profit	£3,204,929
Interest	£1,231,570
Gross Residual Land Value	£3,003,730
<i>Stamp duty, agents and legal fees</i>	£174,216
NET RESIDUAL LAND VALUE	£2,829,514

Benchmark land value	£589,149
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Viable or unviable	Viable
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Bath & North East Somerset - Placemaking Plan viability testing

Mineral Water Hospital - Opt 1	0.26 ha
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Development mix (square metres GIA)

Residential	-
Retail (comparison and A3)	3,500
Retail (food store)	-
Office	-
Trade store	-
Hotel	3,000
College	-
Leisure Centre/Community	-
Total floor area (GIA)	6,500
Car Parking (residential)	-
Car Parking (public)	-

Summary viability

Gross development value	£25,508,757
Development costs	£14,508,482
Developer's profit	£4,591,576
Interest	£1,954,921
Gross Residual Land Value	£4,453,778
<i>Stamp duty, agents and legal fees</i>	£258,319
NET RESIDUAL LAND VALUE	£4,195,459

Benchmark land value	£1
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Viable or unviable	Viable
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Bath & North East Somerset - Placemaking Plan viability testing

Mineral Water Hospital - Opt 2	0.26 ha
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Development mix (square metres GIA)

Residential	2,500
Retail (comparison and A3)	1,000
Retail (food store)	-
Office	-
Trade store	-
Hotel	3,000
College	-
Leisure Centre/Community	-
Total floor area (GIA)	6,500
Car Parking (residential)	-
Car Parking (public)	-

Summary viability

Gross development value	£21,885,172
Development costs	£15,498,225
Developer's profit	£3,752,547
Interest	£1,389,891
Gross Residual Land Value	£1,244,509
<i>Stamp duty, agents and legal fees</i>	£72,182
NET RESIDUAL LAND VALUE	£1,172,327

Benchmark land value	£1
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Viable or unviable

Viable

Bath & North East Somerset - Placemaking Plan viability testing

Mineral Water Hospital - Opt 3	0.26 ha
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Development mix (square metres GIA)

Residential	-
Retail (comparison and A3)	1,000
Retail (food store)	-
Office	-
Trade store	-
Hotel	5,500
College	-
Leisure Centre/Community	-
Total floor area (GIA)	6,500
Car Parking (residential)	-
Car Parking (public)	-

Summary viability

Gross development value	£25,134,032
Development costs	£16,298,443
Developer's profit	£4,524,126
Interest	£1,735,979
Gross Residual Land Value	£2,575,484
<i>Stamp duty, agents and legal fees</i>	£149,378
NET RESIDUAL LAND VALUE	£2,426,106

Benchmark land value	£1
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Viable or unviable

Viable

Bath & North East Somerset - Placemaking Plan viability testing

Manvers Street - Opt 1	1.32 ha
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Development mix (square metres GIA)

Residential	9,000
Retail (comparison and A3)	2,000
Retail (food store)	-
Office	6,500
Trade store	-
Hotel	6,000
College	-
Leisure Centre/Community	-
Total floor area (GIA)	23,500
Car Parking (residential)	53
Car Parking (public)	-

Summary viability

Gross development value	£80,362,612
Development costs	£49,384,724
Developer's profit	£13,703,191
Interest	£6,918,197
Gross Residual Land Value	£10,356,500
<i>Stamp duty, agents and legal fees</i>	£600,677
NET RESIDUAL LAND VALUE	£9,755,823

Benchmark land value	£8,848,286
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Viable or unviable	Viable
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Bath & North East Somerset - Placemaking Plan viability testing

Manvers Street - Opt 2	1.32 ha
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Development mix (square metres GIA)

Residential	6,000
Retail (comparison and A3)	6,500
Retail (food store)	-
Office	5,500
Trade store	-
Hotel	5,500
College	-
Leisure Centre/Community	-
Total floor area (GIA)	23,500
Car Parking (residential)	30
Car Parking (public)	-

Summary viability

Gross development value	£84,167,552
Development costs	£47,171,104
Developer's profit	£14,642,107
Interest	£7,615,786
Gross Residual Land Value	£14,738,555
<i>Stamp duty, agents and legal fees</i>	£854,836
NET RESIDUAL LAND VALUE	£13,883,719

Benchmark land value	£8,848,286
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Viable or unviable	Viable
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Bath & North East Somerset - Placemaking Plan viability testing

Manvers Street - Opt 3	1.32 ha
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Development mix (square metres GIA)

Residential	6,500
Retail (comparison and A3)	2,000
Retail (food store)	-
Office	9,000
Trade store	-
Hotel	6,000
College	-
Leisure Centre/Community	-
Total floor area (GIA)	23,500
Car Parking (residential)	38
Car Parking (public)	-

Summary viability

Gross development value	£82,139,740
Development costs	£49,227,448
Developer's profit	£14,234,763
Interest	£6,929,509
Gross Residual Land Value	£11,748,021
<i>Stamp duty, agents and legal fees</i>	£681,385
NET RESIDUAL LAND VALUE	£11,066,636

Benchmark land value	£8,848,286
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Viable or unviable	Viable
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Bath & North East Somerset - Placemaking Plan viability testing

Manvers Street - Opt 4	1.32 ha
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Development mix (square metres GIA)

Residential	6,500
Retail (comparison and A3)	2,000
Retail (food store)	-
Office	9,000
Trade store	-
Hotel	6,000
College	-
Leisure Centre/Community	-
Total floor area (GIA)	23,500
Car Parking (residential)	38
Car Parking (public)	160

Summary viability

Gross development value	£86,771,740
Development costs	£53,847,448
Developer's profit	£15,068,523
Interest	£7,069,620
Gross Residual Land Value	£10,786,149
<i>Stamp duty, agents and legal fees</i>	£625,597
NET RESIDUAL LAND VALUE	£10,160,552

Benchmark land value	£8,848,286
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Viable or unviable	Viable
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Bath & North East Somerset - Placemaking Plan viability testing

Bath Quays North - Opt 1	1.81 ha
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Development mix (square metres GIA)

Residential	6,000
Retail (comparison and A3)	4,000
Retail (food store)	-
Office	25,000
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	-
Total floor area (GIA)	35,000
Car Parking (residential)	35
Car Parking (public)	500

Summary viability

Gross development value	£138,725,187
Development costs	£84,786,237
Developer's profit	£24,589,494
Interest	£11,089,049
Gross Residual Land Value	£18,260,407
Stamp duty, agents and legal fees	£1,059,104
NET RESIDUAL LAND VALUE	£17,201,303

Benchmark land value	£6,737,143
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Viable or unviable

Viable

Bath & North East Somerset - Placemaking Plan viability testing

Bath Quays North - Opt 2	1.81 ha
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Development mix (square metres GIA)

Residential	6,000
Retail (comparison and A3)	4,000
Retail (food store)	-
Office	20,000
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	-
Total floor area (GIA)	30,000
Car Parking (residential)	35
Car Parking (public)	500

Summary viability

Gross development value	£120,753,968
Development costs	£75,187,840
Developer's profit	£21,354,675
Interest	£9,405,349
Gross Residual Land Value	£14,806,105
<i>Stamp duty, agents and legal fees</i>	£858,754
NET RESIDUAL LAND VALUE	£13,947,351

Benchmark land value	£6,737,143
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Viable or unviable	Viable
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Bath & North East Somerset - Placemaking Plan viability testing

Bath Quays North - Opt 3	1.81 ha
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Development mix (square metres GIA)

Residential	6,000
Retail (comparison and A3)	19,000
Retail (food store)	-
Office	5,000
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	-
Total floor area (GIA)	30,000
Car Parking (residential)	35
Car Parking (public)	500

Summary viability

Gross development value	£126,744,375
Development costs	£69,153,543
Developer's profit	£22,432,948
Interest	£11,403,811
Gross Residual Land Value	£23,754,073
Stamp duty, agents and legal fees	£1,377,736
NET RESIDUAL LAND VALUE	£22,376,337

Benchmark land value	£6,737,143
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Viable or unviable	Viable
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Bath & North East Somerset - Placemaking Plan viability testing

Bath Quays North - Opt 4	1.81 ha
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Development mix (square metres GIA)

Residential	6,000
Retail (comparison and A3)	6,000
Retail (food store)	-
Office	12,000
Trade store	-
Hotel	6,000
College	-
Leisure Centre/Community	-
Total floor area (GIA)	30,000
Car Parking (residential)	35
Car Parking (public)	500

Summary viability

Gross development value	£123,049,512
Development costs	£76,265,455
Developer's profit	£21,767,872
Interest	£9,643,518
Gross Residual Land Value	£15,372,666
<i>Stamp duty, agents and legal fees</i>	£891,615
NET RESIDUAL LAND VALUE	£14,481,051

Benchmark land value	£6,737,143
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Viable or unviable	Viable
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Bath & North East Somerset - Placemaking Plan viability testing

Bath Quays North - Opt 5	1.81 ha
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Development mix (square metres GIA)

Residential	6,000
Retail (comparison and A3)	4,000
Retail (food store)	-
Office	20,000
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	-
Total floor area (GIA)	30,000
Car Parking (residential)	35
Car Parking (public)	500

Summary viability

Gross development value	£120,753,968
Development costs	£75,187,840
Developer's profit	£21,354,675
Interest	£9,405,349
Gross Residual Land Value	£14,806,105
<i>Stamp duty, agents and legal fees</i>	£858,754
NET RESIDUAL LAND VALUE	£13,947,351

Benchmark land value	£6,737,143
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Viable or unviable	Viable
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Bath & North East Somerset - Placemaking Plan viability testing

Bath Quays North - Opt 6	1.81 ha
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Development mix (square metres GIA)

Residential	6,000
Retail (comparison and A3)	4,000
Retail (food store)	-
Office	20,000
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	-
Total floor area (GIA)	30,000
Car Parking (residential)	35
Car Parking (public)	-

Summary viability

Gross development value	£106,278,968
Development costs	£60,750,340
Developer's profit	£18,749,175
Interest	£9,557,367
Gross Residual Land Value	£17,222,086
<i>Stamp duty, agents and legal fees</i>	£998,881
NET RESIDUAL LAND VALUE	£16,223,205

Benchmark land value	£6,737,143
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Viable or unviable

Viable

Bath & North East Somerset - Placemaking Plan viability testing

Bath FE College - Opt 1	0.45 ha
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Development mix (square metres GIA)

Residential	-
Retail (comparison and A3)	-
Retail (food store)	-
Office	-
Trade store	-
Hotel	-
College	16,000
Leisure Centre/Community	-
Total floor area (GIA)	16,000
Car Parking (residential)	-
Car Parking (public)	-

Summary viability

Gross development value	£38,338,600
Development costs	£34,123,413
Developer's profit	£6,900,948
Interest	£1,866,647
Gross Residual Land Value	-£4,552,408
<i>Stamp duty, agents and legal fees</i>	-£264,040
NET RESIDUAL LAND VALUE	-£4,288,368

Benchmark land value	£1
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Viable or unviable

Unviable

Bath & North East Somerset - Placemaking Plan viability testing

Bath FE College - Opt 2	0.45 ha
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Development mix (square metres GIA)

Residential	-
Retail (comparison and A3)	1,500
Retail (food store)	-
Office	-
Trade store	-
Hotel	-
College	14,500
Leisure Centre/Community	-
Total floor area (GIA)	16,000
Car Parking (residential)	-
Car Parking (public)	-

Summary viability

Gross development value	£40,734,763
Development costs	£33,237,932
Developer's profit	£7,332,257
Interest	£2,223,567
Gross Residual Land Value	-£2,058,994
Stamp duty, agents and legal fees	-£119,422
NET RESIDUAL LAND VALUE	-£1,939,572

Benchmark land value	£1
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Viable or unviable

Unviable

Bath & North East Somerset - Placemaking Plan viability testing

Bath FE College - Opt 3	0.45 ha
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Development mix (square metres GIA)

Residential	7,000
Retail (comparison and A3)	1,500
Retail (food store)	-
Office	7,500
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	-
Total floor area (GIA)	16,000
Car Parking (residential)	41
Car Parking (public)	-

Summary viability

Gross development value	£54,436,857
Development costs	£30,990,656
Developer's profit	£9,354,088
Interest	£4,923,182
Gross Residual Land Value	£9,168,931
<i>Stamp duty, agents and legal fees</i>	£531,798
NET RESIDUAL LAND VALUE	£8,637,133

Benchmark land value	£1
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Viable or unviable	Viable
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Bath & North East Somerset - Placemaking Plan viability testing

Bath FE College - Opt 4	0.45 ha
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Development mix (square metres GIA)

Residential	-
Retail (comparison and A3)	1,500
Retail (food store)	-
Office	7,000
Trade store	-
Hotel	-
College	7,500
Leisure Centre/Community	-
Total floor area (GIA)	16,000
Car Parking (residential)	-
Car Parking (public)	-

Summary viability

Gross development value	£49,121,331
Development costs	£31,921,694
Developer's profit	£8,841,840
Interest	£3,410,751
Gross Residual Land Value	£4,947,047
<i>Stamp duty, agents and legal fees</i>	£286,929
NET RESIDUAL LAND VALUE	£4,660,118

Benchmark land value	£1
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Viable or unviable	Viable
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Bath & North East Somerset - Placemaking Plan viability testing

South Quays (Newark Works) - Opt 1	0.82 ha
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Development mix (square metres GIA)

Residential	9,500
Retail (comparison and A3)	500
Retail (food store)	-
Office	6,000
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	-
Total floor area (GIA)	16,000
Car Parking (residential)	55
Car Parking (public)	-

Summary viability

Gross development value	£52,726,752
Development costs	£32,156,666
Developer's profit	£8,887,503
Interest	£4,689,760
Gross Residual Land Value	£6,992,823
<i>Stamp duty, agents and legal fees</i>	<i>£405,584</i>
NET RESIDUAL LAND VALUE	£6,587,239

Benchmark land value	£3,225,000
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Viable or unviable	Viable
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Bath & North East Somerset - Placemaking Plan viability testing

South Quays (Newark Works) - Opt 2	0.82 ha
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Development mix (square metres GIA)

Residential	6,000
Retail (comparison and A3)	500
Retail (food store)	-
Office	9,500
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	-
Total floor area (GIA)	16,000
Car Parking (residential)	35
Car Parking (public)	-

Summary viability

Gross development value	£54,561,794
Development costs	£31,922,833
Developer's profit	£9,440,083
Interest	£4,833,326
Gross Residual Land Value	£8,365,552
<i>Stamp duty, agents and legal fees</i>	£485,202
NET RESIDUAL LAND VALUE	£7,880,350

Benchmark land value	£3,225,000
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Viable or unviable	Viable
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Bath & North East Somerset - Placemaking Plan viability testing

Riverside Court - Opt 1	0.30 ha
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Development mix (square metres GIA)

Residential	-
Retail (comparison and A3)	-
Retail (food store)	-
Office	6,000
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	-
Total floor area (GIA)	6,000
Car Parking (residential)	-
Car Parking (public)	-

Summary viability

Gross development value	£21,565,463
Development costs	£12,018,076
Developer's profit	£3,881,783
Interest	£1,709,020
Gross Residual Land Value	£3,956,583
<i>Stamp duty, agents and legal fees</i>	£229,482
NET RESIDUAL LAND VALUE	£3,727,101

Benchmark land value	£6,298,286
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Viable or unviable	Unviable
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Bath & North East Somerset - Placemaking Plan viability testing

Riverside Court - Opt 2	0.30 ha
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Development mix (square metres GIA)

Residential	6,000
Retail (comparison and A3)	-
Retail (food store)	-
Office	-
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	-
Total floor area (GIA)	6,000
Car Parking (residential)	35
Car Parking (public)	-

Summary viability

Gross development value	£18,419,677
Development costs	£12,427,183
Developer's profit	£2,934,502
Interest	£1,539,075
Gross Residual Land Value	£1,518,916
<i>Stamp duty, agents and legal fees</i>	£88,097
NET RESIDUAL LAND VALUE	£1,430,819

Benchmark land value	£6,298,286
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Viable or unviable	Unviable
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Bath & North East Somerset - Placemaking Plan viability testing

Riverside Court - Opt 3	0.30 ha
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Development mix (square metres GIA)

Residential	3,000
Retail (comparison and A3)	-
Retail (food store)	-
Office	3,000
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	-
Total floor area (GIA)	6,000
Car Parking (residential)	18
Car Parking (public)	-

Summary viability

Gross development value	£19,992,570
Development costs	£12,228,404
Developer's profit	£3,408,143
Interest	£1,539,736
Gross Residual Land Value	£2,816,286
<i>Stamp duty, agents and legal fees</i>	£163,345
NET RESIDUAL LAND VALUE	£2,652,941

Benchmark land value	£6,298,286
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Viable or unviable	Unviable
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Bath & North East Somerset - Placemaking Plan viability testing

South Bank - Opt 1	1.02 ha
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Development mix (square metres GIA)

Residential	2,500
Retail (comparison and A3)	500
Retail (food store)	-
Office	15,500
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	-
Total floor area (GIA)	18,500
Car Parking (residential)	15
Car Parking (public)	-

Summary viability

Gross development value	£65,382,446
Development costs	£36,488,198
Developer's profit	£11,610,074
Interest	£5,520,736
Gross Residual Land Value	£11,763,438
<i>Stamp duty, agents and legal fees</i>	£682,279
NET RESIDUAL LAND VALUE	£11,081,159

Benchmark land value	£8,363,811
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Viable or unviable	Viable
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Bath & North East Somerset - Placemaking Plan viability testing

South Bank - Opt 2	1.02 ha
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Development mix (square metres GIA)

Residential	9,000
Retail (comparison and A3)	500
Retail (food store)	-
Office	9,000
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	-
Total floor area (GIA)	18,500
Car Parking (residential)	53
Car Parking (public)	-

Summary viability

Gross development value	£61,974,511
Development costs	£36,932,360
Developer's profit	£10,583,852
Interest	£5,562,798
Gross Residual Land Value	£8,895,501
<i>Stamp duty, agents and legal fees</i>	£515,939
NET RESIDUAL LAND VALUE	£8,379,562

Benchmark land value	£8,363,811
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Viable or unviable	Viable
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Bath & North East Somerset - Placemaking Plan viability testing

South Bank - Opt 3	1.02 ha
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Development mix (square metres GIA)

Residential	4,000
Retail (comparison and A3)	-
Retail (food store)	-
Office	4,000
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	-
Total floor area (GIA)	8,000
Car Parking (residential)	23
Car Parking (public)	-

Summary viability

Gross development value	£26,656,759
Development costs	£16,626,323
Developer's profit	£4,544,190
Interest	£2,110,742
Gross Residual Land Value	£3,375,504
<i>Stamp duty, agents and legal fees</i>	£195,779
NET RESIDUAL LAND VALUE	£3,179,725

Benchmark land value	£8,363,811
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Viable or unviable	Unviable
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Bath & North East Somerset - Placemaking Plan viability testing

South Bank - Opt 4	1.02 ha
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Development mix (square metres GIA)

Residential	10,500
Retail (comparison and A3)	500
Retail (food store)	-
Office	7,000
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	-
Total floor area (GIA)	18,000
Car Parking (residential)	61
Car Parking (public)	-

Summary viability

Gross development value	£59,390,942
Development costs	£36,066,134
Developer's profit	£10,023,550
Interest	£5,632,983
Gross Residual Land Value	£7,668,275
<i>Stamp duty, agents and legal fees</i>	£444,760
NET RESIDUAL LAND VALUE	£7,223,515

Benchmark land value	£8,363,811
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Viable or unviable	Unviable
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Bath & North East Somerset - Placemaking Plan viability testing

Green Park Station West - Opt 1	2.01 ha
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Development mix (square metres GIA)

Residential	9,000
Retail (comparison and A3)	3,500
Retail (food store)	-
Office	12,000
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	-
Total floor area (GIA)	24,500
Car Parking (residential)	-
Car Parking (public)	-

Summary viability

Gross development value	£83,059,074
Development costs	£45,566,636
Developer's profit	£14,188,554
Interest	£7,996,893
Gross Residual Land Value	£15,306,991
<i>Stamp duty, agents and legal fees</i>	£887,805
NET RESIDUAL LAND VALUE	£14,419,186

Benchmark land value	£43,146,000
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Viable or unviable

Unviable

Bath & North East Somerset - Placemaking Plan viability testing

Green Park Station West - Opt 2	2.01 ha
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Development mix (square metres GIA)

Residential	3,000
Retail (comparison and A3)	200
Retail (food store)	800
Office	-
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	-
Total floor area (GIA)	4,000
Car Parking (residential)	-
Car Parking (public)	-

Summary viability

Gross development value	£12,643,782
Development costs	£7,257,263
Developer's profit	£2,021,854
Interest	£978,836
Gross Residual Land Value	£2,385,829
<i>Stamp duty, agents and legal fees</i>	£138,378
NET RESIDUAL LAND VALUE	£2,247,451

Benchmark land value	£4,937,143
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Viable or unviable	Unviable
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Bath & North East Somerset - Placemaking Plan viability testing

Green Park Station West - Opt 3	2.01 ha
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Development mix (square metres GIA)

Residential	-
Retail (comparison and A3)	200
Retail (food store)	800
Office	-
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	-
Total floor area (GIA)	1,000
Car Parking (residential)	-
Car Parking (public)	-

Summary viability

Gross development value	£3,993,604
Development costs	£1,517,393
Developer's profit	£718,849
Interest	£353,312
Gross Residual Land Value	£1,404,051
<i>Stamp duty, agents and legal fees</i>	£81,435
NET RESIDUAL LAND VALUE	£1,322,616

Benchmark land value	£1
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Viable or unviable

Viable

Bath & North East Somerset - Placemaking Plan viability testing

Sydenham Park - Opt 1	2.69 ha
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Development mix (square metres GIA)

Residential	43,000
Retail (comparison and A3)	28,500
Retail (food store)	12,000
Office	4,500
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	-
Total floor area (GIA)	88,000
Car Parking (residential)	251
Car Parking (public)	-

Summary viability

Gross development value	£309,922,748
Development costs	£158,323,035
Developer's profit	£53,055,311
Interest	£42,816,161
Gross Residual Land Value	£55,728,241
<i>Stamp duty, agents and legal fees</i>	£3,232,238
NET RESIDUAL LAND VALUE	£52,496,003

Benchmark land value	£17,300,000
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Viable or unviable	Viable
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Bath & North East Somerset - Placemaking Plan viability testing

Sydenham Park - Opt 2	2.69 ha
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Development mix (square metres GIA)

Residential	35,000
Retail (comparison and A3)	8,000
Retail (food store)	-
Office	35,000
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	-
Total floor area (GIA)	78,000
Car Parking (residential)	204
Car Parking (public)	-

Summary viability

Gross development value	£265,195,478
Development costs	£151,651,227
Developer's profit	£45,512,455
Interest	£31,464,592
Gross Residual Land Value	£36,567,204
<i>Stamp duty, agents and legal fees</i>	£2,120,898
NET RESIDUAL LAND VALUE	£34,446,306

Benchmark land value	£17,300,000
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Viable or unviable

Viable

Bath & North East Somerset - Placemaking Plan viability testing

Sydenham Park - Opt 3	2.69 ha
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Development mix (square metres GIA)

Residential	48,000
Retail (comparison and A3)	8,000
Retail (food store)	-
Office	22,000
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	-
Total floor area (GIA)	78,000
Car Parking (residential)	280
Car Parking (public)	-

Summary viability

Gross development value	£258,379,608
Development costs	£152,539,551
Developer's profit	£43,460,012
Interest	£30,477,428
Gross Residual Land Value	£31,902,617
<i>Stamp duty, agents and legal fees</i>	£1,850,352
NET RESIDUAL LAND VALUE	£30,052,265

Benchmark land value	£17,300,000
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Viable or unviable	Viable
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Bath & North East Somerset - Placemaking Plan viability testing

Sydenham Park - Opt 4	2.69 ha
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Development mix (square metres GIA)

Residential	50,000
Retail (comparison and A3)	8,000
Retail (food store)	-
Office	14,000
Trade store	-
Hotel	6,000
College	-
Leisure Centre/Community	-
Total floor area (GIA)	78,000
Car Parking (residential)	292
Car Parking (public)	-

Summary viability

Gross development value	£258,827,835
Development costs	£154,561,958
Developer's profit	£43,413,680
Interest	£30,681,563
Gross Residual Land Value	£30,170,634
<i>Stamp duty, agents and legal fees</i>	£1,749,897
NET RESIDUAL LAND VALUE	£28,420,737

Benchmark land value	£17,300,000
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Viable or unviable	Viable
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Bath & North East Somerset - Placemaking Plan viability testing

Sydenham Park - Opt 5	2.69 ha
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Development mix (square metres GIA)

Residential	42,000
Retail (comparison and A3)	8,000
Retail (food store)	-
Office	14,000
Trade store	-
Hotel	6,000
College	-
Leisure Centre/Community	-
Total floor area (GIA)	70,000
Car Parking (residential)	292
Car Parking (public)	500

Summary viability

Gross development value	£248,743,267
Development costs	£153,635,547
Developer's profit	£42,106,511
Interest	£27,311,098
Gross Residual Land Value	£25,690,111
<i>Stamp duty, agents and legal fees</i>	£1,490,026
NET RESIDUAL LAND VALUE	£24,200,085

Benchmark land value	£17,300,000
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Viable or unviable	Viable
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Bath & North East Somerset - Placemaking Plan viability testing

Bath Press - Opt 1	2.11 ha
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Development mix (square metres GIA)

Residential	7,000
Retail (comparison and A3)	-
Retail (food store)	-
Office	5,000
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	-
Total floor area (GIA)	12,000
Car Parking (residential)	71
Car Parking (public)	-

Summary viability

Gross development value	£58,150,909
Development costs	£40,225,158
Developer's profit	£10,022,617
Interest	£4,178,639
Gross Residual Land Value	£3,724,495
<i>Stamp duty, agents and legal fees</i>	£216,021
NET RESIDUAL LAND VALUE	£3,508,474

Benchmark land value	£3,034,286
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Viable or unviable	Viable
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Bath & North East Somerset - Placemaking Plan viability testing

Bath Press - Opt 2	2.11 ha
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Development mix (square metres GIA)

Residential	10,000
Retail (comparison and A3)	-
Retail (food store)	-
Office	10,000
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	-
Total floor area (GIA)	20,000
Car Parking (residential)	78
Car Parking (public)	-

Summary viability

Gross development value	£66,641,898
Development costs	£39,452,581
Developer's profit	£11,360,476
Interest	£5,674,240
Gross Residual Land Value	£10,154,601
<i>Stamp duty, agents and legal fees</i>	£588,967
NET RESIDUAL LAND VALUE	£9,565,634

Benchmark land value	£3,034,286
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Viable or unviable	Viable
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Bath & North East Somerset - Placemaking Plan viability testing

Bath Press - Opt 3	2.11 ha
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Development mix (square metres GIA)

Residential	17,000
Retail (comparison and A3)	-
Retail (food store)	-
Office	3,000
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	-
Total floor area (GIA)	20,000
Car Parking (residential)	129
Car Parking (public)	-

Summary viability

Gross development value	£62,971,815
Development costs	£40,047,298
Developer's profit	£10,255,314
Interest	£6,796,679
Gross Residual Land Value	£5,872,524
Stamp duty, agents and legal fees	£340,606
NET RESIDUAL LAND VALUE	£5,531,918

Benchmark land value	£3,034,286
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Viable or unviable	Viable
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Bath & North East Somerset - Placemaking Plan viability testing

Bath Press - Opt 4	2.11 ha
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Development mix (square metres GIA)

Residential	21,350
Retail (comparison and A3)	-
Retail (food store)	-
Office	1,485
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	-
Total floor area (GIA)	22,835
Car Parking (residential)	204
Car Parking (public)	-

Summary viability

Gross development value	£70,880,801
Development costs	£48,836,835
Developer's profit	£11,402,678
Interest	£8,087,870
Gross Residual Land Value	£2,553,417
<i>Stamp duty, agents and legal fees</i>	£148,098
NET RESIDUAL LAND VALUE	£2,405,319

Benchmark land value	£3,034,286
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Viable or unviable	Unviable
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Bath & North East Somerset - Placemaking Plan viability testing

Roseberry Place - Opt 1	1.37 ha
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Development mix (square metres GIA)

Residential	10,500
Retail (comparison and A3)	-
Retail (food store)	1,000
Office	5,500
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	-
Total floor area (GIA)	17,000
Car Parking (residential)	108
Car Parking (public)	-

Summary viability

Gross development value	£55,996,379
Development costs	£33,588,162
Developer's profit	£9,412,529
Interest	£5,017,101
Gross Residual Land Value	£7,978,587
Stamp duty, agents and legal fees	£462,758
NET RESIDUAL LAND VALUE	£7,515,829

Benchmark land value	£1,905,857
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Viable or unviable

Viable

Bath & North East Somerset - Placemaking Plan viability testing

Roseberry Place - Opt 2	1.37 ha
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Development mix (square metres GIA)

Residential	13,000
Retail (comparison and A3)	-
Retail (food store)	1,000
Office	6,000
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	-
Total floor area (GIA)	20,000
Car Parking (residential)	122
Car Parking (public)	86

Summary viability

Gross development value	£67,958,066
Development costs	£40,504,223
Developer's profit	£11,406,866
Interest	£6,482,840
Gross Residual Land Value	£9,564,137
<i>Stamp duty, agents and legal fees</i>	£554,720
NET RESIDUAL LAND VALUE	£9,009,417

Benchmark land value	£1,905,857
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Viable or unviable	Viable
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Bath & North East Somerset - Placemaking Plan viability testing

Roseberry Place - Opt 3	1.37 ha
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Development mix (square metres GIA)

Residential	13,000
Retail (comparison and A3)	-
Retail (food store)	1,400
Office	4,000
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	-
Total floor area (GIA)	18,400
Car Parking (residential)	130
Car Parking (public)	-

Summary viability

Gross development value	£59,877,320
Development costs	£36,370,922
Developer's profit	£9,952,332
Interest	£5,769,173
Gross Residual Land Value	£7,784,894
<i>Stamp duty, agents and legal fees</i>	£451,524
NET RESIDUAL LAND VALUE	£7,333,370

Benchmark land value	£1,905,857
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Viable or unviable	Viable
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Bath & North East Somerset - Placemaking Plan viability testing

Riverside & Fire Stn - Opt 1	0.85 ha
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Development mix (square metres GIA)

Residential	10,500
Retail (comparison and A3)	1,500
Retail (food store)	-
Office	2,500
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	-
Total floor area (GIA)	14,500
Car Parking (residential)	61
Car Parking (public)	-

Summary viability

Gross development value	£35,119,645
Development costs	£25,377,232
Developer's profit	£5,727,906
Interest	£2,736,793
Gross Residual Land Value	£1,277,714
Stamp duty, agents and legal fees	£74,107
NET RESIDUAL LAND VALUE	£1,203,607

Benchmark land value	£1
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Viable or unviable

Viable

Bath & North East Somerset - Placemaking Plan viability testing

Riverside & Fire Stn - Opt 2	0.85 ha
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Development mix (square metres GIA)

Residential	10,300
Retail (comparison and A3)	1,500
Retail (food store)	-
Office	-
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	2,700
Total floor area (GIA)	14,500
Car Parking (residential)	60
Car Parking (public)	-

Summary viability

Gross development value	£33,176,550
Development costs	£27,227,921
Developer's profit	£5,389,456
Interest	£2,249,057
Gross Residual Land Value	-£1,689,884
Stamp duty, agents and legal fees	-£98,013
NET RESIDUAL LAND VALUE	-£1,591,871

Benchmark land value	£1
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Viable or unviable

Unviable

Bath & North East Somerset - Placemaking Plan viability testing

Riverside & Fire Stn - Opt 3	0.85 ha
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Development mix (square metres GIA)

Residential	7,800
Retail (comparison and A3)	1,500
Retail (food store)	-
Office	2,500
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	2,700
Total floor area (GIA)	14,500
Car Parking (residential)	46
Car Parking (public)	-

Summary viability

Gross development value	£35,844,684
Development costs	£27,614,434
Developer's profit	£6,011,061
Interest	£2,246,611
Gross Residual Land Value	-£27,422
Stamp duty, agents and legal fees	-£1,590
NET RESIDUAL LAND VALUE	-£25,832

Benchmark land value	£1
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Viable or unviable

Unviable

Bath & North East Somerset - Placemaking Plan viability testing

Riverside & Fire Stn - Opt 4	0.85 ha
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Development mix (square metres GIA)

Residential	8,800
Retail (comparison and A3)	1,500
Retail (food store)	500
Office	1,000
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	2,700
Total floor area (GIA)	14,500
Car Parking (residential)	51
Car Parking (public)	-

Summary viability

Gross development value	£34,777,430
Development costs	£27,251,756
Developer's profit	£5,762,419
Interest	£2,240,151
Gross Residual Land Value	-£476,895
Stamp duty, agents and legal fees	-£27,660
NET RESIDUAL LAND VALUE	-£449,235

Benchmark land value	£1
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Viable or unviable

Unviable

Bath & North East Somerset - Placemaking Plan viability testing

Riverside & Fire Stn - Opt 5	0.85 ha
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Development mix (square metres GIA)

Residential	6,800
Retail (comparison and A3)	1,000
Retail (food store)	-
Office	-
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	2,700
Total floor area (GIA)	10,500
Car Parking (residential)	40
Car Parking (public)	-

Summary viability

Gross development value	£24,132,404
Development costs	£20,373,471
Developer's profit	£3,959,387
Interest	£1,371,840
Gross Residual Land Value	-£1,572,293
Stamp duty, agents and legal fees	-£91,193
NET RESIDUAL LAND VALUE	-£1,481,100

Benchmark land value	£1
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Viable or unviable

Unviable

Bath & North East Somerset - Placemaking Plan viability testing

Riverside & Fire Stn - Opt 6	0.85 ha
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Development mix (square metres GIA)

Residential	4,300
Retail (comparison and A3)	1,000
Retail (food store)	-
Office	2,500
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	2,700
Total floor area (GIA)	10,500
Car Parking (residential)	25
Car Parking (public)	-

Summary viability

Gross development value	£26,800,538
Development costs	£20,748,435
Developer's profit	£4,580,991
Interest	£1,594,487
Gross Residual Land Value	-£123,375
Stamp duty, agents and legal fees	-£7,156
NET RESIDUAL LAND VALUE	-£116,219

Benchmark land value	£1
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Viable or unviable

Unviable

Bath & North East Somerset - Placemaking Plan viability testing

Riverside & Fire Stn - Opt 7	0.85 ha
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Development mix (square metres GIA)

Residential	7,000
Retail (comparison and A3)	1,000
Retail (food store)	-
Office	2,500
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	-
Total floor area (GIA)	10,500
Car Parking (residential)	41
Car Parking (public)	-

Summary viability

Gross development value	£26,075,500
Development costs	£18,519,648
Developer's profit	£4,297,837
Interest	£1,846,560
Gross Residual Land Value	£1,411,455
Stamp duty, agents and legal fees	£81,864
NET RESIDUAL LAND VALUE	£1,329,591

Benchmark land value	£1
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Viable or unviable

Viable

Bath & North East Somerset - Placemaking Plan viability testing

Charlton Timber Yard - Opt 1	0.43 ha
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Development mix (square metres GIA)

Residential	-
Retail (comparison and A3)	2,100
Retail (food store)	-
Office	-
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	-
Total floor area (GIA)	2,100
Car Parking (residential)	-
Car Parking (public)	-

Summary viability

Gross development value	£6,709,255
Development costs	£2,822,700
Developer's profit	£1,207,666
Interest	£330,152
Gross Residual Land Value	£2,348,737
<i>Stamp duty, agents and legal fees</i>	£136,227
NET RESIDUAL LAND VALUE	£2,212,510

Benchmark land value	£430,000
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Viable or unviable	Viable
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Bath & North East Somerset - Placemaking Plan viability testing

Charlton Timber Yard - Opt 2	0.43 ha
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Development mix (square metres GIA)

Residential	-
Retail (comparison and A3)	-
Retail (food store)	-
Office	-
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	687
Total floor area (GIA)	687
Car Parking (residential)	-
Car Parking (public)	-

Summary viability

Gross development value	£1,646,164
Development costs	£1,782,294
Developer's profit	£296,309
Interest	£39,587
Gross Residual Land Value	-£472,027
<i>Stamp duty, agents and legal fees</i>	-£27,378
NET RESIDUAL LAND VALUE	-£444,649

Benchmark land value	£430,000
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Viable or unviable

Unviable

Bath & North East Somerset - Placemaking Plan viability testing

Ryman Engineering Services - Opt 1 (Community)	0.34 ha
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Development mix (square metres GIA)

Residential	-
Retail (comparison and A3)	-
Retail (food store)	-
Office	-
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	687
Total floor area (GIA)	687
Car Parking (residential)	-
Car Parking (public)	-

Summary viability

Gross development value	£1,646,164
Development costs	£1,782,294
Developer's profit	£296,309
Interest	£39,587
Gross Residual Land Value	-£472,027
<i>Stamp duty, agents and legal fees</i>	-£27,378
NET RESIDUAL LAND VALUE	-£444,649

Benchmark land value	£340,000
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Viable or unviable

Unviable

Bath & North East Somerset - Placemaking Plan viability testing

Ryman Engineering Services - Opt 2 (Housing)	0.34 ha
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Development mix (square metres GIA)

Residential	950
Retail (comparison and A3)	-
Retail (food store)	-
Office	-
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	-
Total floor area (GIA)	950
Car Parking (residential)	6
Car Parking (public)	-

Summary viability

Gross development value	£2,406,469
Development costs	£1,553,542
Developer's profit	£433,164
Interest	£158,372
Gross Residual Land Value	£261,390
<i>Stamp duty, agents and legal fees</i>	£15,161
NET RESIDUAL LAND VALUE	£246,229

Benchmark land value	£340,000
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Viable or unviable

Unviable

Bath & North East Somerset - Placemaking Plan viability testing

Ryman Engineering Services - Opt 3 (Industrial)	0.34 ha
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Development mix (square metres GIA)

Residential	-
Retail (comparison and A3)	-
Retail (food store)	-
Office	-
Trade store	1,000
Hotel	-
College	-
Leisure Centre/Community	-
Total floor area (GIA)	1,000
Car Parking (residential)	-
Car Parking (public)	-

Summary viability

Gross development value	£1,038,337
Development costs	£900,738
Developer's profit	£186,901
Interest	£31,530
Gross Residual Land Value	-£80,832
<i>Stamp duty, agents and legal fees</i>	-£4,688
NET RESIDUAL LAND VALUE	-£76,144

Benchmark land value	£360,000
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Viable or unviable

Unviable

Bath & North East Somerset - Placemaking Plan viability testing

Radstock County Infants School	0.36 ha
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Development mix (square metres GIA)

Residential	950
Retail (comparison and A3)	-
Retail (food store)	-
Office	-
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	-
Total floor area (GIA)	950
Car Parking (residential)	11
Car Parking (public)	-

Summary viability

Gross development value	£2,406,469
Development costs	£1,611,292
Developer's profit	£433,164
Interest	£152,871
Gross Residual Land Value	£209,141
<i>Stamp duty, agents and legal fees</i>	£12,130
NET RESIDUAL LAND VALUE	£197,011

Benchmark land value	£1
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Viable or unviable

Viable

Bath & North East Somerset - Placemaking Plan viability testing

North of The Street, Compton Martin (SR17)	0.30 ha
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Development mix (square metres GIA)

Residential	950
Retail (comparison and A3)	-
Retail (food store)	-
Office	-
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	-
Total floor area (GIA)	950
Car Parking (residential)	10
Car Parking (public)	-

Summary viability

Gross development value	£2,644,824
Development costs	£1,599,742
Developer's profit	£476,068
Interest	£128,322
Gross Residual Land Value	£440,691
<i>Stamp duty, agents and legal fees</i>	£25,560
NET RESIDUAL LAND VALUE	£415,131

Benchmark land value	£111,000
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Viable or unviable

Viable

Bath & North East Somerset - Placemaking Plan viability testing

East of St Mary's Primary School, Timsbury (SR15)	2.60 ha
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Development mix (square metres GIA)

Residential	2,375
Retail (comparison and A3)	-
Retail (food store)	-
Office	-
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	-
Total floor area (GIA)	2,375
Car Parking (residential)	25
Car Parking (public)	-

Summary viability

Gross development value	£5,944,848
Development costs	£3,999,356
Developer's profit	£912,104
Interest	£329,379
Gross Residual Land Value	£704,009
<i>Stamp duty, agents and legal fees</i>	£40,833
NET RESIDUAL LAND VALUE	£663,176

Benchmark land value	£962,000
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Viable or unviable	Unviable
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Bath & North East Somerset - Placemaking Plan viability testing

Pinkers Lane, East Harptree (SR5)	0.36 ha
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Development mix (square metres GIA)

Residential	950
Retail (comparison and A3)	-
Retail (food store)	-
Office	-
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	-
Total floor area (GIA)	950
Car Parking (residential)	10
Car Parking (public)	-

Summary viability

Gross development value	£2,644,824
Development costs	£1,599,742
Developer's profit	£476,068
Interest	£128,322
Gross Residual Land Value	£440,691
<i>Stamp duty, agents and legal fees</i>	£25,560
NET RESIDUAL LAND VALUE	£415,131

Benchmark land value	£133,200
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Viable or unviable

Viable

Bath & North East Somerset - Placemaking Plan viability testing

Leacroft House, Bristol Rd, West Harptree (SR2)	1.70 ha
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Development mix (square metres GIA)

Residential	1,615
Retail (comparison and A3)	-
Retail (food store)	-
Office	-
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	-
Total floor area (GIA)	1,615
Car Parking (residential)	17
Car Parking (public)	-

Summary viability

Gross development value	£4,042,496
Development costs	£2,719,562
Developer's profit	£620,231
Interest	£175,898
Gross Residual Land Value	£526,806
Stamp duty, agents and legal fees	£30,555
NET RESIDUAL LAND VALUE	£496,251

Benchmark land value	£629,000
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Viable or unviable

Unviable

Bath & North East Somerset - Placemaking Plan viability testing

South Road Car Park - Opt 1	0.99 ha
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Development mix (square metres GIA)

Residential	-
Retail (comparison and A3)	-
Retail (food store)	4,000
Office	-
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	-
Total floor area (GIA)	4,000
Car Parking (residential)	100
Car Parking (public)	-

Summary viability

Gross development value	£12,779,533
Development costs	£7,224,571
Developer's profit	£2,300,316
Interest	£545,740
Gross Residual Land Value	£2,708,906
<i>Stamp duty, agents and legal fees</i>	£157,117
NET RESIDUAL LAND VALUE	£2,551,789

Benchmark land value	£1
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Viable or unviable

Viable

Bath & North East Somerset - Placemaking Plan viability testing

South Road Car Park - Opt 2	0.99 ha
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Development mix (square metres GIA)

Residential	-
Retail (comparison and A3)	-
Retail (food store)	1,500
Office	-
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	-
Total floor area (GIA)	1,500
Car Parking (residential)	50
Car Parking (public)	-

Summary viability

Gross development value	£4,792,325
Development costs	£2,853,589
Developer's profit	£862,619
Interest	£198,159
Gross Residual Land Value	£877,959
<i>Stamp duty, agents and legal fees</i>	£50,922
NET RESIDUAL LAND VALUE	£827,037

Benchmark land value	£1
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Viable or unviable

Viable

Bath & North East Somerset - Placemaking Plan viability testing

Fmr Welton Bag Factory - Opt 1	5.32 ha
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Development mix (square metres GIA)

Residential	30,000
Retail (comparison and A3)	-
Retail (food store)	300
Office	7,500
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	1,000
Total floor area (GIA)	38,800
Car Parking (residential)	70
Car Parking (public)	-

Summary viability

Gross development value	£96,794,041
Development costs	£64,448,202
Developer's profit	£15,469,068
Interest	£7,636,639
Gross Residual Land Value	£9,240,132
<i>Stamp duty, agents and legal fees</i>	£535,928
NET RESIDUAL LAND VALUE	£8,704,204

Benchmark land value	£5,320,000
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Viable or unviable	Viable
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Bath & North East Somerset - Placemaking Plan viability testing

Fmr Welton Bag Factory - Opt 2	5.32 ha
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Development mix (square metres GIA)

Residential	30,000
Retail (comparison and A3)	-
Retail (food store)	1,500
Office	6,300
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	1,000
Total floor area (GIA)	38,800
Car Parking (residential)	110
Car Parking (public)	-

Summary viability

Gross development value	£96,794,041
Development costs	£64,427,458
Developer's profit	£15,469,068
Interest	£7,626,285
Gross Residual Land Value	£9,271,230
<i>Stamp duty, agents and legal fees</i>	£537,731
NET RESIDUAL LAND VALUE	£8,733,499

Benchmark land value	£5,320,000
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Viable or unviable	Viable
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Bath & North East Somerset - Placemaking Plan viability testing

Fmr Welton Bag Factory - Opt 3	5.32 ha
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Development mix (square metres GIA)

Residential	38,500
Retail (comparison and A3)	-
Retail (food store)	300
Office	-
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	1,000
Total floor area (GIA)	39,800
Car Parking (residential)	80
Car Parking (public)	-

Summary viability

Gross development value	£92,517,789
Development costs	£63,397,747
Developer's profit	£14,145,749
Interest	£8,155,224
Gross Residual Land Value	£6,819,070
<i>Stamp duty, agents and legal fees</i>	£395,506
NET RESIDUAL LAND VALUE	£6,423,564

Benchmark land value	£5,320,000
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Viable or unviable	Viable
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Bath & North East Somerset - Placemaking Plan viability testing

Windsor Bridge, Upper Bristol Rd	0.72 ha
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Development mix (square metres GIA)

Residential	10,320
Retail (comparison and A3)	-
Retail (food store)	-
Office	-
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	-
Total floor area (GIA)	10,320
Car Parking (residential)	48
Car Parking (public)	-

Summary viability

Gross development value	£29,756,613
Development costs	£16,614,748
Developer's profit	£4,482,339
Interest	£3,169,086
Gross Residual Land Value	£5,490,439
<i>Stamp duty, agents and legal fees</i>	£318,445
NET RESIDUAL LAND VALUE	£5,171,994

Benchmark land value	£865,714
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Viable or unviable	Viable
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Bath & North East Somerset - Placemaking Plan viability testing

Argos, Upper Bristol Rd	0.27 ha
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Development mix (square metres GIA)

Residential	2,752
Retail (comparison and A3)	-
Retail (food store)	-
Office	-
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	-
Total floor area (GIA)	2,752
Car Parking (residential)	13
Car Parking (public)	-

Summary viability

Gross development value	£7,935,097
Development costs	£4,430,600
Developer's profit	£1,195,291
Interest	£597,597
Gross Residual Land Value	£1,711,609
Stamp duty, agents and legal fees	£99,273
NET RESIDUAL LAND VALUE	£1,612,336

Benchmark land value	£9,240,000
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Viable or unviable

Unviable

Bath & North East Somerset - Placemaking Plan viability testing

TA Centre, Upper Bristol Rd	0.34 ha
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Development mix (square metres GIA)

Residential	3,440
Retail (comparison and A3)	-
Retail (food store)	-
Office	-
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	-
Total floor area (GIA)	3,440
Car Parking (residential)	16
Car Parking (public)	-

Summary viability

Gross development value	£9,918,871
Development costs	£5,538,249
Developer's profit	£1,494,113
Interest	£746,997
Gross Residual Land Value	£2,139,512
Stamp duty, agents and legal fees	£124,092
NET RESIDUAL LAND VALUE	£2,015,420

Benchmark land value	£1,157,143
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Viable or unviable

Viable

Bath & North East Somerset - Placemaking Plan viability testing

Comfortable Place, Upper Bristol Rd	0.10 ha
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Development mix (square metres GIA)

Residential	1,032
Retail (comparison and A3)	-
Retail (food store)	-
Office	-
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	-
Total floor area (GIA)	1,032
Car Parking (residential)	5
Car Parking (public)	-

Summary viability

Gross development value	£2,975,661
Development costs	£1,661,475
Developer's profit	£448,234
Interest	£193,329
Gross Residual Land Value	£672,623
Stamp duty, agents and legal fees	£39,012
NET RESIDUAL LAND VALUE	£633,611

Benchmark land value	£454,286
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Viable or unviable

Viable

Bath & North East Somerset - Placemaking Plan viability testing

Omega Centre, Upper Bristol Rd	0.30 ha
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Development mix (square metres GIA)

Residential	3,096
Retail (comparison and A3)	-
Retail (food store)	-
Office	-
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	-
Total floor area (GIA)	3,096
Car Parking (residential)	14
Car Parking (public)	-

Summary viability

Gross development value	£8,926,984
Development costs	£4,984,425
Developer's profit	£1,344,702
Interest	£672,297
Gross Residual Land Value	£1,925,561
<i>Stamp duty, agents and legal fees</i>	£111,683
NET RESIDUAL LAND VALUE	£1,813,878

Benchmark land value	£1,002,857
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Viable or unviable

Viable

Bath & North East Somerset - Placemaking Plan viability testing

Hartwells Motors, Upper Bristol Rd	1.67 ha
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Development mix (square metres GIA)

Residential	6,880
Retail (comparison and A3)	-
Retail (food store)	-
Office	-
Trade store	-
Hotel	-
College	-
Leisure Centre/Community	-
Total floor area (GIA)	6,880
Car Parking (residential)	80
Car Parking (public)	-

Summary viability

Gross development value	£19,837,742
Development costs	£11,630,899
Developer's profit	£2,988,226
Interest	£1,620,387
Gross Residual Land Value	£3,598,229
Stamp duty, agents and legal fees	£208,697
NET RESIDUAL LAND VALUE	£3,389,532

Benchmark land value	£4,131,429
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Viable or unviable

Unviable