



DELIVERABILITY STATEMENT  
(FINANCIAL)

# THORPE

LAND EAST OF TEN ACRE LANE &  
NORTH OF COLDHARBOUR LANE

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## Deliverability Statement

### Land East of Ten Acre Lane and North of Coldharbour Lane, Thorpe.

The purpose of this statement is to set out the assumptions, costs and values that inform our assessment of the master plan proposal.

We have prepared a development appraisal and cashflow which indicates a residual land value of c.£0.780m and after having regard to the site area of 33.79 acres indicates a residual land value of c.£0.023m per acre.

The site is an unallocated for housing in the local plan and if we consider the existing use value of the site at c.£0.015–0.020m per acre, which is an accepted range for the purpose of local plan viability testing, this suggests the scheme is deliverable.

The assumptions are set out under the various headings below.

### Assumptions

The master plan will deliver 40 residential units (26 market and 14 affordable housing units). The affordable housing provision reflects 35% by unit, and a tenure mix of 80% rented and 20% intermediate tenures.

We set out a summary of the assumed mix of units. This unit mix is an indicative scheme, not forming part of the master plan and is subject to change.

### Market Housing

<b>Table 1: Accommodation Schedule</b>			
<b>Unit Type</b>	<b>Average Unit Size (Sq m)</b>	<b>Average Unit Size (Sq ft)</b>	<b>No.</b>
<b>Affordable</b>			
2 Bed Terrace	84	908	4
3 Bed Terrace	93	1,001	6
3 Bed Detached	94	1,010	4
<b>Market</b>			
2 Bed Semi	184	908	6
3 Bed Semi	93	1,001	8
4 Bed Det/Semi	118	1,266	3
4 Bed Detached	133	1,428	6
4 Bed Detached	139	1,496	3
<b>Total</b>	<b>4,087</b>	<b>43,988</b>	<b>40</b>

## Affordable Housing

Unit Type	Rented	Intermediate	Total
2 Bed Terrace	3	1	4
3 Bed Terrace	5	1	6
3 Bed Detached	3	1	4
<b>Total</b>	<b>11</b>	<b>3</b>	<b>14</b>

## Revenue

A blended residential capital value of £433.33 per sq ft has been adopted which has been derived from the following:

- Market housing revenue of £16.115m which based upon our initial scheme mix suggests a capital value per sq ft of £531.67.
- Affordable revenue of £2.947m which based upon the tenure mix indicates a capital value per sq ft of £215.43.

In determining the market sales values, we have had regard to the planning authorities viability whole plan testing report dated December 2017 and have adjusted and made allowance for new build housing price growth for the period to May 2019 (the latest available).

## Programme

We have assumed the following programme:

Stage	Months
Purchase	0
Pre-construction	3
Construction	18
Sale	8
<b>Total</b>	<b>29</b>

## Construction Costs

Residential construction costs at a rate equivalent to £195.64 per sq ft which reflects pre-liminaries, external and contingency and reflects BCIS median costs.

In addition, we have adopted the following lump sum allowances:

- Sports pitch £0.150m

- LEAP £0.075m
- Surface car park £0.180m
- Changing facilities £0.500m
- Country Park £0.500m
- Country Park maintenance contribution £0.400m.
- Roads/Shared surfaces £1.552m

**Professional Fees**

An allowance of 8% of construction cost has been adopted.

**Planning Obligations**

A sum equivalent £889,373 has been adopted in line with the planning authorities SPG dated December 2007 together with an indexation allowance to August 2019 (latest available RPI indices).

**Finance**

A finance rate of 6.5% has been adopted to reflect arrangement, monitoring and utilisation fees.

**Sales Agent & Legal Fees**

An allowance equivalent to 1.0% of sales value has been adopted for agency fees, and £750 per unit for legal disposal fees.

**Marketing**

An allowance equivalent to 1.5% of sales value has been adopted.

**Risk Margin**

We have adopted a blended risk reward margin equivalent to 18.54% profit on cost. This reflects a profit on cost of 21.2% (equivalent to 17.5% on GDV) in respect of the market housing and 6% profit on cost in respect of the affordable housing.