

## Mudford SUE Viability Executive summary

ITEM	SSDC Generic Appraisal Mar 2016	Mudford DVS Policy Compliant Appraisal	Mudford DVS appraisal @ 15% Affordable	Comment
<b>Mudford residualised Land Value calculation</b>				
Gross Development Value (GDV)	£ 121,804,775	£151,944,590	£167,830,940	Higher than CIL Appraisal due to inclusion of Employment land and higher sales values
Developer costs (Excl. S106, Dev Profit, BLV)	£ 92,571,211	£ 119,246,561	£ 118,272,295	Higher than CIL Appraisal due to lack of Infrastructure costs in CIL Appraisal as commented on in the Examination
Development planning obligations (S106) (Total cash and works)	£ 8,000,000	£ 10,553,130	£ 10,553,130	Higher than CIL Appraisal due to higher than anticipated requests for contributions, particularly Education. Equates to £11,579 per dwelling as opposed to the £10,000 per dwelling in the CIL appraisal
Developer Profit	£ 20,706,816	£ 25,268,051	£ 29,534,982	Higher than CIL Appraisal due to profit being a percentage of a higher Sales Values
Sub Total	£ 121,278,027	£ 155,067,742	£ 158,360,407	
Residualised Land Value	£ 526,748	-£ 3,123,152	£ 9,470,533	Higher than CIL Appraisal due to more floor space, higher sales values and inclusion of Employment land
<b>Apportionment of Residualised Land Value</b>				
Existing Use Value	£ 2,087,200	£ 2,876,000	£ 2,876,000	Higher than CIL Appraisal due to larger site than assumed in CIL Appraisal.
Landowner cost	£ 700,000 (originally ignored)	£ 700,000	£ 700,000	Actual costs (excluding interest) incurred by the Landowners to achieve Outline Planning Permission
Landowner loss /premium	-£ 2,260,452 i.e. Loss	-£ 6,699,152 i.e. Loss	£ 5,894,533 positive premium	Residualised Land Value less the sum of Existing Use Value and Landowner cost
Residualised Land Value	£ 526,748	-£ 3,123,152	£ 9,470,533	Higher than CIL Appraisal due to more floor space, higher sales values and inclusion of Employment land.
<b>Comparison of Residualised Land Value with Benchmark Land Value</b>				
Residualised Land Value	£ 526,748	-£ 3,123,152	£ 9,470,533	Higher than CIL Appraisal due to more floor space, higher sales values and inclusion of Employment land
Less Benchmark Land Value (BLV)	£ 28,760,000	£ 13,500,000	£13,500,000	CIL Appraisal assumed £200,000 per gross acre land as BLV. DVS based BLV on £17,647 per plot.
Deficit	-£ 28,233,252	-£ 16,623,152	-£ 4,029,467	

## Mudford Viability Notes to Executive summary

<b>Gross Development Value (GDV)</b>	Estimated value of sales of both Open Market Housing and Affordable Housing (to a Registered Provider) before any sales incentives, or costs are deducted plus the value of the serviced land for Employment and Commercial uses (on a gross sale value basis)
<b>Developer costs (Excl. S106, Dev Profit, BLV)</b>	Construction costs together with the costs of providing infrastructure to the site, services and dealing with any abnormal ground conditions, etc., and including professional fees, statutory authority fees
<b>Development planning obligations (S106) (Total cash and works)</b>	The total cost (whether in cash contributions or physical works but not including the cost of the land) of the anticipated planning obligations included within the S.106 agreement (excluding the cost of providing Affordable Housing)
<b>Developer Profit</b>	The amount of profit due to the developer and/or contractor calculated as 18.5% of the sale value of the Open Market Housing, 6% of the sale value of the Affordable Housing and 15% of the sale value of the Employment and Commercial land
<b>Residualised Land Value</b>	The value of the development land calculated by subtracting from the total sales value of a scheme all of the costs associated with the scheme (i.e. developer costs, Planning Obligations and developer profit but excluding the actual land cost).
<b>Existing Use Value</b>	The current value of the Land based on either its existing or its potential use prior to any permission that might be granted.
<b>Landowner cost</b>	All the costs to the Landowner of promoting the Land through the planning process and obtaining outline planning permission (but excluding land cost)
<b>Landowner premium</b>	The Residualised Land Value of the scheme minus the sum of the Existing Use Value (EUV) and the Landowner Costs
<b>Benchmark Land Value</b>	The assessed value of the Land based on Existing Use Value (EUV) plus a reasonable premium to the Landowner which would encourage the Landowner to release the land for development. This BLV is based on market assessment and trends and is supported by the District Valuer.
<b>Land Value Surplus/Deficit between BLV and the RLV</b>	The difference between the Residualised Land Value which the scheme will achieve and the Benchmark Land Value which the scheme should normally achieve.

## Mudford Viability Summary of community benefits

ITEM	S106	Total Values	Cash Contribution	Cost of Works	Land provided
S.106 contributions					
Education: Primary	£ 3,400,000	£ 3,800,000	£	£	£
Education: Secondary	£ 2,684,988	£ 2,684,988	£ 3,400,000	-	£ 400,000
Education: Pre school	£ -	£ -	£ 2,684,988		
POS, play and pitches and facilities	£ 824,400	£ 1,824,400	£		£ 1,000,000
Strategic Facilities	£ 520,329	£ 520,329	£ 824,400		
Commuted sums	£ 553,771	£ 553,771	£ 520,329		
Transport	£ 1,394,750	£ 1,394,750	£ 553,771		
Public Art	£ 15,000	£ 15,000	£ 1,394,750		
Mudford PC	£ 120,000	£ 120,000	£ 15,000		
Local Authority Fees and S.106 monitoring	£ 135,000	£ 135,000	£ 120,000		
Infrastructure improvements	£ 904,892	£ 904,892	£ 135,000	£ 904,892	
Green infrastructure			£		
Affordable housing at 15%			£	£ 1,881,635	£ 7,600,000
			£	£ 4,809,088	£ -
<b>Total benefits</b>	<b>£ 10,553,130</b>	<b>£ 26,243,853</b>	<b>£ 9,648,238</b>	<b>£ 7,595,615</b>	<b>£ 9,000,000</b>

## Mudford Viability Notes to Community Benefit Summary

<b>S.106 contributions</b>	These are the Cash Contributions together with the cost of the Infrastructure Improvements totalling <b>£10,553,130</b> that the Mudford scheme will provide. Notes on the individual contributions which make up this total are set out below under specific headings.
<b>Education: Primary</b>	The <b>£3,400,000</b> Primary contribution to extend existing primary school at Wyndham Park to create a 14 class school with Preschool facilities. Land will be provided for playing fields and for Primary School to be extended - value £400,000.
<b>Education: Secondary</b>	The <b>£2,684,988</b> Secondary Education contributions is made up of a payment of £3,509 for each of the 765 dwellings proposed on the site.
<b>Education: Pre school</b>	The pre school contribution has been included in contribution to Primary school
<b>POS, play and pitches</b>	The Public Open Space Contribution of <b>£1,997,470</b> comprises individual contributions of £180,000 for the provision of two Equipped Play spaces on site, £267,371 and £47,499 for the large Equipped Play area and MUGA to be located adjacent to the Community Hall and £299,530 for Playing Pitches. The value of the land provided for the Playing Pitches and the on-site Community Hall has been assessed as £1,000,000. The value of the land provided for all other facilities has not been assessed.
<b>Strategic Facilities</b>	<b>£370,329</b> towards the provision of a new Community Hall, Sports Hall and Changing Rooms and <b>£10,000</b> to pay for consultant fees in advising the Local Planning Authority on proposals put forward by the developer to address Sustainable Construction and Renewable Energy and <b>£140,000</b> towards innovative Renewable Energy projects delivered on the site.
<b>Play and Open Space Commuted Maintenance and Management Fund</b>	<b>£553,771</b> for the adoption, maintenance and management of the Open Space, and the Equipped play area and MUGA adjacent to the proposed Community Hall.
<b>Transport</b>	The total Transport Contribution of <b>£1,394,750</b> comprises individual contributions of £50,000 for a Travel plan co-ordinator, £114,750 for a Travel Plan pack, £25,000 for the Travel plan, £300,000 for a Bus Service contribution, £60,000 for Bus stops and shelters, £550,000 for the Lyde road cycle project, £200,000 for the Inter urban cycle route, £80,000 for the riverside walk/ countrypark links, £10,000 signage for the mudford village lane route, and £5,000 for the cost of the traffic regulation orders.
<b>Public Art</b>	The sum of <b>£15,000</b> has been allowed for a contribution towards public art
<b>Mudford PC</b>	The sum of <b>£120,000</b> has been allowed for a contribution to Mudford Parish council towards traffic calming, public car park and local cemetery extension within the parish
<b>Local Authority Fees</b>	The sum of <b>£135,000</b> has been allowed for the cost of local authority fees (County and District) in dealing with the S.106, S.106 monitoring fees and the Bonds required for the works (figure reduced from QS estimate of £303,000)
<b>Infrastructure improvements</b>	The total costs of works for off site Infrastructure improvements has been assessed as <b>£904,892</b> . These works will include improvements to Mudford Road/ Lyde Road Signal junction, road markings at St Michaels Avenue/ Mudford Road Junction and the pedestrian and cycle access improvements on Lyde Road, Primrose Lane and Runnymede Road.
<b>Green infrastructure</b>	The total cost of the works for Green Infrastructure has been assessed as <b>£1,881,635</b> . These works will include ground modelling, structural landscaping, incidental open space, buffer planting and the amphitheatre. Land will be provided for all these areas. The value of this land has been assessed at £5,100,000.
<b>Affordable housing at 15%</b>	The total cost of provision of Affordable Housing at 15% has been assessed as <b>£4,809,088</b> which represents the difference in Residual Land Value between the development with the proposed Affordable Housing compared with the development with no Affordable Housing, ie all Open Market Housing.
<b>Land Provided</b>	The Value of the relevant Land Provided at Benchmark Land Value

Property Land at Up Muddford Key Site, Yeovil  
 Ref: 1648804  
 Client: North Somerset District Council  
 WITHOUT PREJUDICE

Appraisal Date: 18 February 2019  
 18% affordable scheme appraisal

Appraised by:

**DVS** Property Specialists  
 for the Public Sector

**Receipts:**

		No. Units 786	Total GIA m <sup>2</sup>			
Private Residential	85%	660	66,245	£153,000,000	£153,000,000	
Affordable Housing	15%					
	social rent	77	5,300	£4,328,000		
	affordable rent	0	0	£0		
	shared ownership	36	3,200	£5,059,200		
	discounted sale	0	0	£0		
		116	8600	£9,395,200	£9,395,200	£162,968,200
Employment land						£1,404,400
Local Centre site						£326,840
Care home site						£1,800,000
Community facility						£0
School site						£0
<b>TOTAL DEVELOPMENT VALUE</b>						<b>£2,820,840</b>
						<b>£165,808,040</b>

**Development Costs**

<b>Acquisition Costs</b>						
Benchmark Land Value	68.22 gross hectares	£231,879 per gross ha		£19,500,000		
Stamp Duty		£17,847.08 per plot				
Agents and Legal Fees		nil, 2% and 6% tranches		£864,500		
Planning fees		1.00%		£135,000		
				£100,000		£14,399,500
<b>Construction Costs:</b>						
Build costs, inc. plot external works, garages, and lifetime homes standards				£61,733,867		£61,733,867
Infrastructure costs		as per DVS QS cost review		£20,340,131		£20,340,131
Contingency		build 3%	infra 5.00%	£3,466,663		£3,466,663
Professional Fees:		build 4%	infra 10.00%	£5,304,248		£5,304,248
<b>Planning Contributions</b>						
	Off site (infrastructure works (cost, including contingency and fees)			£904,892		
	Education: Primary			£3,000,000		
	Education: Secondary			£2,684,988		
	Education: Pre School			£0		
	POB, play and pitches and facilities			£1,007,470		
	Community Sports Hall			£163,811		
	Commuted sums			£77,219		
	Transport			£1,384,750		
	Public Art			£15,000		
	Muddford PC			£20,000		
	LA fees			£116,000		
				£10,653,130		£10,653,130
<b>Disposal costs:</b>						
	Marketing Agency		1.00%	£1,594,208		
	Agency		1.50%	£2,394,000		
	legal costs market unit sales			£280,060		
	legal sales fee affordable	£600 per unit	0.25%	£23,463		
	legal sale fee community, commercial land and school site		1.00%	£26,208		£4,366,860
<b>Finance:</b>						
	Interest	credit rate 2.00%	debit rate 0.25%	£2,570,365		£2,570,365
<b>SUB TOTAL COSTS</b>						
						<b>£142,702,803</b>
<b>Profit:</b>						
	market residential	on GDV	18.50%	£28,418,000		
	affordable	on GDV	4.00%	£563,112		
	commercial	on GDV	18.00%	£423,126		£29,402,338
<b>TOTAL DEVELOPMENT COSTS</b>						
						<b>£172,105,141</b>

**PROFIT**

Surplus = (VIABLE) x GMF

68,299,001

Property Land at Up Muddford Key Site, Yeovil  
 Ref: 164604  
 Client South Somerset District Council  
 WITHOUT PREJUDICE

Appraisal Date 15% affordable mixed tenure scheme appraisal  
 12 February 2019

Appraisal by

**DVS** Property Specialists  
 for the Public Sector

Receipts:

		No. Units 786	Total GIA m2			
Private Residential	85%	650	66,285	£153,600,000	£153,600,000	
Affordable Housing	15%					
	social rent	30	1,050	£1,662,500		
	affordable rent	28	1,830	£1,708,000		
	shared ownership	30	2,480	£3,923,000		
	discounted sale	27	2,200	409,000		
		115	8,460	£11,320,100	£11,320,100	£166,010,100
Employment land					£1,464,800	
Local Centre site					£326,040	
Care home site					£1,000,000	
Community facility					£0	
School site					£0	
<b>TOTAL DEVELOPMENT VALUE</b>						<b>£197,830,940</b>

Development Costs:

<b>Acquisition Costs</b>						
Benchmark Land Value	68.22 gross hectares	£281,679 per gross ha		£13,600,000		
Stamp Duty		£17,847.06 per plot				
Agents and Legal Fees		nil, 2% and 5% tranches		£994,500		
Planning fees		1.00%		£135,000		
						£14,399,500
<b>Construction Costs:</b>						
Build costs, inc. plot external works, garages, and lifetime homes standards				£81,755,897		£81,755,897
Infrastructure costs		as per DVS QS cost review		£20,340,131		£20,340,131
Contingency	build 3%		infra 5.00%	£3,469,883		£3,469,883
Professional Fees:	build 4%		infra 10.00%	£5,304,248		£5,304,248
<b>Planning Contributions</b>						
	Off site infrastructure works (cost, including contingency and fees)			£904,892		
	Education: Primary			£3,000,000		
	Education: Secondary			£2,084,988		
	Education: Pre School			£0		
	POS, play and pitches and facilities			£1,007,470		
	Community Sports Hall			£143,811		
	Commuted sums			£77,218		
	Transport			£1,594,760		
	Public Art			£15,000		
	Muddford PC			£20,000		
	LA fees			£115,000	£10,658,130	£10,658,130
<b>Disposal costs:</b>						
Marketing			1.00%	£1,505,108		
Agency			1.50%	£2,305,360		
legal costs market unit sales				£200,000		
legal sales fee affordable		£800 per unit	0.25%	£28,300		
legal sale fee community, commercial land and school site			1.00%	£29,208		£4,318,067
<b>Finance:</b>						
Interest	credit rate 2.00%		debit rate 0.25%		£2,185,899	£2,185,899
<b>SUB TOTAL COSTS</b>						<b>£142,325,484</b>
<b>Profit:</b>						
market residential		on GDV	18.50%	£28,432,650		
affordable		on GDV	8.00%	£170,208		
commercial		on GDV	18.00%	£423,126	£29,534,982	
<b>TOTAL DEVELOPMENT COSTS</b>						<b>£171,860,466</b>

PROFIT

Surplus/Deficit (VIABILITY GAP)

-4,029,486