



Harrogate Borough Council

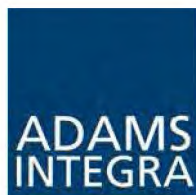
**Affordable Housing Economic
Viability Assessment**

**Report for the consideration of
Harrogate Borough Council:**

This document does not constitute Council Policy

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Prepared by



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EXECUTIVE SUMMARY

This summary first seeks to briefly introduce and explain the study. It then provides a quick overview of the main study findings and goes on to outline the key recommendations.

For detailed information on the study methodology, results and conclusions it will be necessary to refer to the full text and appendices that follow this summary.

Background and Introduction

- 1 In the process of considering and developing its clarified Local Development Framework (LDF) approach to planning-led affordable housing policies, Harrogate Borough Council commissioned Adams Integra to study the workability of various potential policy positions – in terms of likely impact on residential development viability.
- 2 The Government's key statement on planning for housing, Planning Policy Statement 3 (PPS3), requires local authorities to enable the bringing forward of a suitable, balanced housing mix including affordable housing. It confirms the well-established route for the principles of seeking integrated affordable housing within private market housing developments. It encourages local authorities to make best use of this approach bearing in mind their local markets and circumstances. As a part of this, PPS3 also requires local authorities to consider development viability when setting policy targets for affordable housing.
- 3 This commission was therefore made against the backdrop of PPS3, in the context of building the evidence base for, and considering the affordable housing content of, revisited Policies for the Council's LDF. It is to be considered as part of, and alongside, the Council's developing wider evidence base, including information on the local housing market and housing needs, and information on the range of site sizes and types which are likely to come forward.
- 4 This study is required to review potential policy options and recommend suitable policy positions from a viability point of view.
- 5 Maintaining the viability (in this sense meaning the financial health) of residential development schemes is crucial to ensuring the release of sites and thus a continued supply of housing of all types. The study addresses only affordable housing that is required to be provided within market housing schemes. This is through the existing established approach of setting site size thresholds (point(s) at which affordable housing policy is triggered) and proportions (percentages) of affordable housing to be sought at those points.

- 6 The study is based on carrying out a large number of developer type appraisals. These use well established “residual land valuation” techniques to approximate the sums of money which will be left available for land purchase once all the development costs, including profit requirements, are met (hence “land residual”). The appraisals are based on a widely applied calculation structure, common also to tools such as the Homes and Communities Agency (HCA) Economic Appraisal Tool.
- 7 The basic study methodology is settled and tested, having been used in a wide range of local authority areas for this purpose. The assumptions, detail and particular application of calculations are varied to ensure local relevance. We make an appropriate strategic overview, as fits the LDF process, in a way that is both influenced by, and feeds back out to, the local characteristics and approach.
- 8 We vary the affordable housing assumptions across the range of appraisals. The outcomes inform our judgments on the likely suitability of various policy positions from a viability viewpoint. Having fixed development costs and profit requirements, we can see the impact on development viability caused by variations to the amount and type of affordable housing. We can also consider the impact of variations to a wide range of other assumptions, as the study sets out.
- 9 Two of the key ingredients to ensuring viable development are sufficient land value created by a development (relative to existing or alternative use values, and/or perhaps to an owner’s particular circumstances) and adequate developer’s profit in terms of risk reward and the profile of a scheme from a funder’s point of view. Throughout the appraisals we maintain developer’s profit whilst reviewing the scope to create land value depending on the affordable housing and other assumptions considered, and as those vary.
- 10 Affordable housing impacts development viability mainly because it usually provides a significantly reduced level of revenue to the developer compared with market level sales values. Essentially it is viewed as a scheme cost, therefore, which is largely passed on to the landowner by way of reduced land value. It is these dynamics that we explore through this study, in considering the implications of a wide range of factors and costs on market residential development viability and its ability to provide affordable housing.
- 11 In considering all of this, we are looking for suitable policy targets, based on an appropriate balance between the opposing tensions of affordable housing need levels and scheme viability.

Property Market characteristics and Viability Findings

- 12 Before commencing work on appraisals, Adams Integra researched the local residential property market to inform a range of appraisal assumptions, and to help set the context for considering the outcomes. This research is included within our Property Values Report, which is to be found at Appendix III to the full study document. That includes market commentary.
- 13 Through the run up to the study period, very poor property market conditions prevailed off the back of the economic recession triggered in late 2007. Whilst during the study period we have seen more mixed signs, and increased stability, there is still a significant degree of uncertainty around the market owing to the continued weak economic backdrop.
- 14 In tune with the strategic overview needed through this study, we have considered a broad range of open market property sales value levels (house prices) that could relate to and drive new build housing schemes in Harrogate Borough – as may be seen with varying location and/or through time with varying market conditions.
- 15 This exercise led to the formation of 8 ascending Value Points (numbered 1 to 8) in all, to describe the overall range of assumptions on values; i.e. from £1,600/m² (about £149/ft²) to £4,800/ m² (about £446/ft²).
- 16 Within these, Value Points 2 to 7 covered the extremes of the range typically seen at the point of the study; i.e. £2,000/m² (about £186/ft²) to £4,000 (about £372/ft²). Beyond this key part of the range, the wider value levels represent additional sensitivity analysis (scenario testing) in the event of greater market falls/rises, for example.
- 17 The study acknowledges that local variations in value levels are going to be key to site specifics, but this wider approach sets a background for that level of consideration and is appropriate for strategic policy development.
- 18 Reviewed alongside the wide range of factors considered and also treated as variables within the range of study assumptions (such as for example wider planning obligations, affordable housing mix, grant funding, sustainability, developers profits and land values) overall the results create a mixed picture of development viability. This includes scenarios where typically strong local values often produce good viability outcomes, but also where lower values and/or increased overall burdens on schemes reduce what they are likely to support by way of planning obligations packages.
- 19 In essence, overall we consider that this means recommendations to the Council around pegging back its 50% target as a headline, particularly bearing in mind the other calls on the development value beyond/alongside

affordable housing and their potential future direction (the “collective impact” on schemes, as it is often referred to).

- 20 Our resulting focus is around a headline of 40% affordable housing, as a target level. To accompany this and act as a balancing factor, we consider there to be important scope to firm up on an approach which seeks affordable housing from a wider range of schemes through lowered thresholds universally.
- 21 We also give support to the potential for using carefully judged financial contributions for affordable housing as an additional enabling tool, particularly from the very smallest schemes.
- 22 In addition we start exploring the potential for uncomplicated Greenfield allocation sites to potentially bear an increased proportion of affordable housing alongside other planning obligations measures – perhaps up to 50% as a target. We leave open this scope, which would need to be considered further in respect of the opportunities presented by early engagement with landowners, developers and others on particular schemes – once more is known about the characteristics, likely timing/phasing and constraints of those. As in all cases, any increased scope would be subject to wider planning objectives, meeting balanced communities objectives and to viability.

Quick overview of main Recommendations

- 23 **A suggested headline affordable housing target of 40%, Borough-wide.** This recommendation is linked to a practical interpretation of this level of target, rather than to rigid application in isolation from the detail on dwelling types, numbers rounding, etc – all as the report discusses and as per the Council's negotiated approach.
- 24 This 40% target is put forward for a scheme size threshold of 10 or 15 dwellings for the main urban areas although there is considered to be some flexibility on this, depending on how policy is applied.
- 25 The 40% target would apply to schemes of 3 dwellings for smaller settlements/rural areas (as per the existing threshold relevant to those areas).
- 26 We consider that for urban area sites of 5 to 9 or 5 to 14 dwellings (or any part of that range to come within policy scope) reduced affordable housing proportion(s) – targets set lower than 40% - should be considered. This means the Council considering sliding scale type principles as part of its approach.

- 27 These sliding scale principles could be formally set out – as target steps – or be dealt with by way of practical application of the headline 40% policy bearing in mind dwelling mix, numbers rounding and viability sensitivities generally. The parameters for this generally would be up to 30% affordable housing. There are various options/combinations open to the Council for expressing and seeking these valuable contributions towards meeting needs – as part of what we consider would be a more equitable approach to affordable housing provision, overall.
- 28 **Scope for the Council to consider and potentially target increased affordable housing provision (perhaps up to 50%) from certain Greenfield site allocations as its more detailed localised work progresses; subject to wider planning objectives and viability scope.**
- 29 **We recommend not setting an on-site affordable housing threshold lower than 5 dwellings for the urban areas.** If they are to be bought within policy scope, then we recommend the Council considers a financial contributions approach for that group of schemes (1 to 4 new dwellings).
- 30 In any event a financial contributions approach could be a useful additional enabling tool for the Council as part of its overall approach, especially during periods (as at present), of uncertain grant funding (HCA or other investment).
- 31 **A target affordable housing tenure mix not set more towards affordable (social) rented tenure than 65% affordable rented; 35% suitable intermediate tenure; not for rigid site by site application, but in terms of setting the overall expectations and guiding delivery.**
- 32 In all cases the policy positions should be set out as clear targets, to help inform land value expectations and form the basis for a continued practical, negotiated approach.
- 33 Policy wording will need to acknowledge the relevance of considering development viability on case specifics.
- 34 The Council will need to consider the mathematical subtleties of its selected approach – for example, how numbers rounding and net/gross (new dwellings numbers) application affects the working of the policy positions, particularly for smaller sites where such factors will tend to have a greater influence on outcomes. We encourage the Council to illustrate how the policies would be applied to the smaller sites - especially those of fewer than 5 dwellings - again for clarity.

Executive Summary ends

1 INTRODUCTION

1.1 Introduction

1.1.1 As a key component of its Local Development Framework (LDF) Harrogate Borough Council adopted its Core Strategy Development Plan Document (DPD) in February 2009. Work is now underway on the Harrogate district Sites and Policies DPD which will set out detailed development control policies and site allocations for a range of land uses.

1.1.2 In formulating the policies for the Core Strategy and in recognition of the very high levels of affordable housing need in the district, the Council proposed introducing policies that would reduce the threshold for on-site affordable housing provision down to 2 dwellings across the district, allied to a target proportion of 50%. It was also proposed that in respect of single dwelling new builds or conversions, a sum of £35,000 (or as may be updated) as a contribution towards meeting affordable housing needs would be sought in lieu of on-site affordable housing. In both cases the Core Strategy approach confirmed that the requirement for affordable housing was to be subject to the viability of individual schemes.

1.1.3 Following the Examination in Public into the soundness of the Core Strategy DPD (which was confirmed), the Inspector concluded that those policies (as outlined at 1.1.2 above) should be deleted. The Inspector's reasoning was that:

- There was little detailed analysis of relative land values/development costs across a full range of potential development sites.
- Individual site appraisal was no substitute for an overall assessment of economic viability.
- There was insufficient evidence to demonstrate that an on-site target of 50% would not compromise overall housing delivery.

1.1.4 The saved Local Plan² policies set out the following requirements:

“The Council will negotiate for the provision of an element of affordable housing on suitable new housing developments as follows:

² Harrogate District Local Plan and Selective Alteration (Policy H5 Affordable Housing) – (May 2004)

- a) In Harrogate, Knaresborough and Ripon on housing developments of 15 or more dwellings gross or sites of 0.5ha or more, irrespective of the number of dwellings.
 - b) In all other locations, satisfying policies H6, GB5, GB7 or C16 and on housing developments of 3 or more dwellings gross or sites of 0.1ha or more, irrespective of the number of dwellings”.
- 1.1.5 The Council's Affordable Housing Planning Guidance for Developers and Planners (revised May 2007) sets out a requirement for 50% of the total number of dwellings proposed as the starting point for negotiation, subject to housing need and financial viability. This has been the basis of the Council's approach to securing affordable housing through these means. Our understanding is that the approach has been operated in a practical way, which has taken account of a range of issues and successfully secured affordable housing from a full range of development schemes, down to those providing 2 or more dwellings. The Council's information supports this.
- 1.1.6 The study will outline further information on this background (see for example paragraph 2.1.8), since we have spoken at length with the Council's housing and planning officers about delivery experiences to date, as part of our research and in conjunction with our results analysis. Overall, the Council has been achieving around 40% affordable housing across all sites, whether or not grant has been involved. In total, over half of the schemes are non grant funded, being low cost (discounted) sale where that has been workable and provided a suitable affordable housing solution locally. Where grant has been included, it has typically been at approximately £20,000 per affordable rented dwelling overall.
- 1.1.7 On the recommendation of the Core Strategy DPD Inspector, the saved policies continue to operate until a Strategic Housing Market Assessment and Economic Viability Appraisal (this study) have been undertaken.
- 1.1.8 To ensure that it has a robust evidence base to inform and support the development of a consistent policy framework the Council has commissioned this study. The study investigates at a strategic level appropriate to the Local Development Framework the viability of delivering affordable housing from this planning-led source (i.e. as an integrated part of market housing-led schemes).
- 1.1.9 In accordance with the consideration of viability required by Planning Policy Statement 3 (PPS3) - Housing³ and its accompanying document “Delivering

³ Communities and Local Government - Planning Policy Statement 3: Housing (November 2006)

Affordable Housing”⁴, the Council requires the study to provide a robust, transparent and up-to-date assessment of the financial implications of policy requiring affordable housing provision within residential developments in the locality. This includes assessments of viability impacts of the existing and potential future policy positions for the Council area. Specifically, the study examines the impacts on development viability of applying a range of affordable housing proportions, development size thresholds and mix of affordable tenure on residential development sites.

1.1.10 This study investigates and assesses the impact on land values, and therefore on development viability, of a range of potential affordable housing policies.

1.1.11 The study is set in the context of local house prices having approximately doubled over the last 10 years, and at consistently higher than regional and national average levels. On the basis of house price to income ratio, Harrogate remains one of the least affordable districts in the Region. The Council’s Strategic Housing Market Assessment (SHMA)⁵ suggests that increasing the provision of affordable housing is one of the most important challenges facing the Borough Council and that virtually all newly forming households are unable to afford market housing costs. It goes on to state that “an annual shortfall of 830 affordable dwellings across the district has been calculated for the 5 year period April 2006 to March 2011, equating to 4,150 over 5 years”. Given the adopted Core Strategy requirement for Harrogate district to provide an annual average net addition to the dwelling stock of 390 dwellings per year, the scale of the affordable housing need can clearly be seen. It is noted that, by the time this study had been worked through to completion, the Regional Spatial Strategy had been revoked.

1.1.12 The range of viability testing carried out for this study is shown at Appendix I – Development Scenarios. We test a large number of scenarios in conjunction with a range of assumptions. From analysis of the outcomes, we provide advice on combinations of affordable housing thresholds and proportions that are considered to be broadly viable and therefore suitable as targets, taking into account property type, tenure mix, market value levels, wider planning obligations and associated characteristics of residential development. Where possible, we set out parameters and so provide options to the Council for the development of affordable housing policy and detail.

1.1.13 In addition, this study tests the Council’s methodology for calculating financial contributions in lieu of on-site affordable housing provision. This route might apply either in exceptional circumstances only, where it is agreed to be an appropriate form of contribution towards meeting local needs or, potentially, in

⁴ Communities and Local Government – Delivering Affordable Housing (November 2006)

⁵ arc⁴ – Harrogate 2008 Strategic Housing Market Assessment Final Report (June 2009)

lieu of on-site provision on the smallest sites, possibly as part of a sliding scale approach to affordable housing provision. Again, a range of potential approaches is explored.

- 1.1.14 It is important that the Council's policies do not deter development through unduly reducing the supply of land brought forward for residential development more widely. Any policy must balance optimal delivery of affordable housing and wider planning objectives and obligations with maintaining sufficient incentive (reasonable land value levels) for landowners to release land – allowing developers to promote and bring forward schemes whilst securing a reasonable level of profit related to their risk reward and funding arrangements.
- 1.1.15 It is essential to keep in mind that this planning-based tool for securing affordable housing relies on market-led processes. Throughout the study, an emphasis is placed on the Council needing to continue taking a pragmatic approach, bearing in mind development viability – particularly given the recent /current and likely short-term uncertain market conditions. In carrying out this assessment, as with all others of its type, it has to be assumed that within the plan (LDF) period there will be periods of return to more stable financial and property market conditions where improved access to mortgage and development finance, on appropriate terms, will promote demand and re-stimulate more development activity again.
- 1.1.16 We use the impact of varying affordable housing requirements on Residual Land Value (RLV) as our measure in putting forward our judgments and guidelines. This process involves comparing the likely impact of (changes to RLVs from) the range of potential policy changes with the RLVs indicated by appraisals relating to current policy positions. The study examines the variations in approximate RLVs indicated across the Harrogate district on this basis, as we envisage policy changing, and the implications of these are included in the assessment of site viability and deliverability.
- 1.1.17 The methodology and assumptions used are described in Chapter 2, the results are discussed in Chapter 3, the conclusions and recommendations set out in Chapter 4 and Chapter 5. Chapter 6 sets out wider points in relation to affordable housing delivery. The tables, graphs and associated information referred to throughout this study are set out with the Appendices to the rear of this document.

2 METHODOLOGY AND ASSUMPTIONS

2.1 Background

- 2.1.1 A number of factors need to be taken into account when considering bringing sites forward that include affordable housing. It is necessary to determine what effect increased affordable housing proportions, variations to tenure mix and other development requirements or costs may have on the value of a potential development site – and therefore whether that site may come forward given the requirements, or not.
- 2.1.2 This study investigates development scenarios across a range of site sizes. Site sizes of between 2 and 100 dwellings have been modelled (see Appendix I – Development Scenarios, for the range of appraisals carried out).
- 2.1.3 The schemes modelled are notional sites chosen to reflect scenarios that best match the various policy options to be tested. At certain site sizes, a range of dwelling mixes has been tested. These were arrived at through discussion with the Council's officers based on the range of site types which may come forward across Harrogate district, and bearing in mind the nature of developments seen at the time of our research. These should reasonably reflect a range of scheme types coming forward now and in the future.
- 2.1.4 Most importantly however, the notional development scenarios have been formulated to enable development viability to be tested at a range of points with reference to scale of development (as will relate to affordable housing policy thresholds) and dwelling mix, as part of this strategic overview work. The smaller site sizes enable us to test viability at low thresholds (for example 2 or 5 units) whereas the larger sites enable us to test the impact of increased proportions on sites that already trigger the requirement for affordable housing.
- 2.1.5 The financial impact and, therefore, viability of collecting carefully judged financial contributions in lieu of on-site affordable housing provision has also been tested on schemes of 1 to 14 dwellings. This enables us, and the Council, to consider a financial contributions approach for potential application to smaller sites, or certain smaller sites, if appropriate.
- 2.1.6 An alternative approach to testing development viability on a strategic basis could be to investigate the development viability of actual sites. We have chosen the notional approach for a number of reasons including:
- Our established approach to this viability work, including the use of notional sites, has been tested successfully through the former Local Plan Inquiry and current Development Plan Examination processes.

- There can be difficulties in obtaining sensitive information from developers and landowners in relation to actual sites. This leads to appraisals of actual sites becoming heavily assumption-based in any event.
- The use of actual sites affects our ability to compare outcomes 'like with like' to assess the impact of varying affordable housing requirements – the key viability factor being studied. Affordable housing impacts can become blurred with, or by, other issues that vary from one site to another.
- Sensitivities with reporting, information and potential effect on future negotiations.
- Site sizes may not align to studying potential threshold points.
- An actual site approach can be very resource hungry and thus costly for this stage of the process.
- Ultimately, unless extensively applied (noting the previous point) and still assumption based, an actual sites approach does not fit well with taking a strategic overview of the impact of potential affordable housing policies, when in fact sites vary so much. The limitations of looking at specific sites in this context were recognised in the previous Inspector's report.
- Also noting that there is no published good practice guidance on a methodology to follow for carrying out development viability studies.

2.1.7 The outcomes of the appraisals based on the range of scenarios tested provides us with a scale of results (discussed in Chapter 3) from which conclusions can be drawn as to the key factors and trends relevant to the district. This leads to discussion on how these might be considered in reviewing policy options and then to policy recommendations.

2.1.8 Whilst in discussion with Council staff throughout the study period, we were provided with a range of other information. Included within this, we were informed about the Council's recent delivery and/or negotiation experiences, particularly on small sites. A brief summary of that information is included later in this report – at paragraph 2.10.3.

2.2 Residual Land Value (RLV) Appraisal Methodology

2.2.1 In order to review the impact of proposed affordable housing policy on the range of site sizes appraised across the scale of values considered for this

strategic overview, it is necessary to determine a common indicator to ensure that comparisons are made on a like-for-like basis.

- 2.2.2 The key viability outcome and indicator for this study is the land value that can be generated where there is a predetermined and fixed level of developer profit assumed (alongside all other assumptions and factors allowed for and varied – as discussed in this report). The study is not based on the notion of fixed land values with developer's profit varying as affordable housing or other requirements change. Land value expectations (and how those need to be adjusted over time with changing markets in addition to changing planning and environmental requirements) are central to this work and to the ongoing negotiation and delivery processes. Local authorities and others involved in the process must recognise that developers need to make appropriate profits, and this work is not based on a premise that those should be eroded below reasonable levels. This area is discussed further below, including at 2.5 – Developer's Profit.
- 2.2.3 Assuming a developer reaches the conclusion in principle that a site is likely to be viable for development and worthy of consideration, an appraisal is usually carried as part of fine-tuning the feasibility review and checking what price can be justified for the site purchase.
- 2.2.4 In this study we have to assume that a negotiation has occurred or is under way based on knowledge of the current development climate and planning policy requirements, as they will apply to the scheme. To inform the review of outcomes from a range of potential policy positions (e.g. increased/decreased affordable housing proportions and site size thresholds), this study also compares the viability results from the current policy requirements/approach with those likely to result from the potential variations under consideration.
- 2.2.5 Ultimately, the land values under review are a product of a series of calculations that provide a residual valuation based on both the specific form of development a site can accommodate, and its development costs. While the market uses a variety of approaches to appraise sites and schemes (including comparisons between sites – particularly difficult to do in market of few transactions) in early stages of feasibility, a more detailed approach is necessary to understand how the value/cost relationship appears - as used in this study.
- 2.2.6 The simplest, most effective and widely understood way of checking site viability in most instances, is via a developer-type Residual Land Value (RLV) appraisal (see Appendix V – Glossary). We have developed our own spreadsheet tool for this purpose. In doing so we have made what we feel are reasonable assumptions but it must be noted that individual developers will have their own varying approaches, and a developer might also apply a different approach from one scheme to another.

2.2.7 A highly simplified example, which groups various cost elements together and showing only the basic structure of the RLV calculation, is shown in Figure 1 below. This is an illustrative example only and is not to be relied upon for calculation purposes. It demonstrates, in outline only, the key relationship between development values and costs. This is a dynamic relationship and determines the amount left over (hence 'residual') for land purchase from the total sales value (the 'gross development value') of the site. It can be seen that as values increase but costs remain similar, there is more scope to sustain adequate developer's profit levels together with, crucially, land values, which will be sufficient to promote the release of land for residential development.

Figure 1: Simplified Example of Residual Land Valuation calculation – Basic structure (for illustration purposes only)

Starting point is total sales value ("Gross Development Value")	
Number of Units =	10
Sales Value =	£120,000
Gross Development Value = A	£1,200,000
Development Costs (build costs, fees, etc.) = B	
	£575,000
Development Profit (@17.5% of Sales Value) = C	
	£210,000
Land Purchase Costs and Planning Infrastructure (not including affordable housing element) = D	
	£75,000
"Residual Land Value" (Gross Development Value - Development Costs - Profit - Land Purchase and Planning Obligations) = E	
A - (B + C + D) = E	£340,000

2.2.8 This method reflects one of the main ways of how development viability tends to be assessed. We have been able to verify our experience and thoughts on the structure of, and components within, the approach and indicative output land values through our contact with developers and their advisers, through

our experience of site-specific appraisal work and comparison with inputs and outputs used in/by a range of similar tools.

2.2.9 The tool used for analysis in this instance runs a calculation that provides an approximate RLV, after taking into account assumed normal costs for site development. We do not allow for abnormal costs. Those can only be properly reflected with detailed site-specific knowledge. If such varying costs were to be considered within this study, it would affect our ability to accurately compare like with like, when assessing the impacts of affordable housing requirements.

2.2.10 Accounted for within this RLV calculation is the inclusion of an affordable housing element, whereby the developer receives a payment from a Registered Social Landlord ('RSL') (or other affordable homes provider) for a number of completed affordable homes provided within a market housing development. This level of receipt is based on a predetermined calculation, and it is not at a level comparable with open market values. Essentially, this (usually significantly) reduced level of revenue to the scheme, relative to market level receipts (sales values), is where the viability impact of affordable housing comes from. Whilst it does not affect the study in any way, it should be noted that during its course, RSLs (amongst others) have become known by the Homes & Communities Agency (HCA) as 'Registered Providers' (RPs) of affordable housing; a designation that includes former RSLs but can also include private developers and local authorities. We have used the term RSL in our report drafting, and because many people in the industry still relate to that term in relation to Housing Associations, although it does not affect its meaning in the study context. We note that at the time of completing this study in many places the HCA web-site, for example, refers to 'RPs (ex RSLs)' or similar.

2.2.11 In addition, an allowance for other planning infrastructure (usually in the form of s106 obligations) costs is also included. Although in practice these payments will be calculated on a site-by-site basis (depending on dwelling mix and location, etc), this study looks at a range of fixed overall costs (per dwelling) to determine the additional impact that varying planning infrastructure costs may have on development viability in tandem with other potential cost areas (e.g. – but not exclusively - renewable energy, Code for Sustainable Homes etc). See paragraphs below (from 2.9) on Other Assumptions.

2.2.12 Assuming that a developer will require a minimum fixed profit margin on any given site to balance risk and often to underpin funding arrangements, beyond a certain point it is therefore the land value that will be affected by the introduction of affordable housing or other infrastructure requirements. In this sense (and although there can be positive cash flow effects similar to those from "off-plan" sales) affordable housing is viewed as a significant cost

element within the developer's appraisals, in much the same way as other planning infrastructure requirements (planning obligations) are. This cost impact is seen through reduced land value – the mode through which the cost is usually effectively passed on to the landowner. This then potentially affects the point at which a landowner will be prepared to release a site for residential development in comparison with other options they may have.

2.2.13 The results of the appraisal calculations (set out in the Appendices to the rear of this report) show the indicative residual land values (RLVs) generated – in monetary terms – and the RLVs as a percentage of the gross development value (GDV). These give us indications of the strength of those RLVs after the various affordable housing and other assumptions are allowed for.

2.2.14 Where possible, the results are then also compared against potential existing /alternative land use values. Those comparisons build on our acknowledgements that existing or alternative use values are often a key factor in determining viability outcomes. So the comparisons help to inform our judgments – they are a measure which is part of determining the likely viability of a scheme given an overview of the RLV results from a range of appraisals. This aspect can only be highly indicative at this strategic overview study level, however. In practice every site will have specific characteristics and its value will be determined by its type, location, use, economic lifespan of existing premises, marketability and development potential, etc, and the cost of creating/realising that potential use or maintaining an existing/alternative use. Linked to this variable picture on value and existing/alternative value positions to compare that with, there can also be a level of incentive or price paid in excess of a particular established value level whereby under some circumstances an owner may require an additional level of incentive in order to release a site. This scenario will be highly variable and needs to be borne in mind at the site specific stage which sits beneath this strategic level overview (follows on as a likely later stage of consideration). The setting of clear policy by the Council will be a key part of the adjustment and appropriate guiding of land value expectations over time.

2.2.15 Regarding existing/alternative use values, the Commercial Property Market has been suffering and seen a greater degree of downturn, even, than the residential market as a consequence of the financial markets crisis. Although a generalised statement, demand for commercial property has fallen dramatically with severe consequences for values. This factor needs to be borne in mind. The comparisons that are relevant are likely to change over time. The relative positions, in viability terms, of alternative proposals for sites could alter. In practice there will only be a genuine alternative use in the reckoning as a factor in viability negotiations (and as such for comparison with the residential development derived land value) where there is a ready market for that alternative use at the stated land value.

2.3 Property Values and market backdrop

- 2.3.1 In determining the range of modelling to be carried out, it was decided to consider a scale of “Value Points” appropriate to the district area as a whole, rather than concentrate on the specifics of settlement areas or centres (within which values can vary greatly in any event). This fits the strategic approach needed and is our established methodology for this type of study. It allows a more meaningful review of trends – how viability varies with the key driver of values. By taking a Value Points approach we cover a range wide enough so that the value levels considered at each Value Point (or between points) can be found anywhere within Harrogate district. Effectively we are considering what the viability of a scheme might look like if it were moved to a range of locations. The methodology also enables us to review the impact of changing market conditions as are likely to affect values over time. The resulting scope of results then means we can see effectively what happens as we move a particular scheme type around the district and/or expose it to varying market demand levels as could affect its prices.
- 2.3.2 We undertook research into property prices, across the area as a whole, on a detailed localised basis from August to October 2009 to determine a realistic range of development values (property sales values) for each of our appraisals. The research was kept open during the study period – so that we could also consider any further information that became available.
- 2.3.3 We reviewed the pricing of all available and “sold subject to contract” properties (1 and 2-bed flats and 2, 3 and 4-bed houses) across the area. This was undertaken using internet searching (Rightmove being the key source). This part of the exercise helped us to understand and consider, very broadly, how values vary with location across the district in the context of the value points – whether and, if so what, particular values patterns are seen. It enables us to provide reasonable average values for the district, and localities within it, by dwelling type.
- 2.3.4 Adams Integra acknowledges that there is usually a gap between marketing and sale price. Under recent, more difficult market conditions this gap has typically grown. It is not possible to make a statement about the usual gap between the two, as a particular owners’ aspiration and the saleability of particular properties clearly varies. The research has been reviewed in the context of this, and the range of value levels assumptions set accordingly.
- 2.3.5 The overall (resales dominated) market data was then considered alongside our “on the ground” research. That involved travelling around the area, speaking to a number of estate agents in various locations, visiting new build schemes and speaking to developers’ sales staff where possible, and gathering other leads to inform supplementary desktop research. Appendix III,

the Property Values Report, summarises the research and also provides wider regional and national property market climate context.

- 2.3.6 The review of various sources of information on values ranges is preferred to any single desktop resource, which would be limited to historic data. This process of considering a wide range of values data, overall, informs our judgments on the range of values that we apply as we conduct the large number of appraisals. The review of a limited number of specific prices achieved at a particular point(s) in time is not sufficiently wide for a strategic overview. While that level of more specific information might well be relevant to the site-specific detail level of consideration, it does not give us the wider picture we need to consider for this study purpose.
- 2.3.7 The results of the property value research, and in particular the new build values research, led to the formation of 8 Value Points (see Figure 2 below). Within these 8 Value Points, 6 core points cover the range within which new build housing values in most areas of Harrogate district fall (points 2–7). Two additional value points (1 and 8) were also used in the modelling for this study (above and below the typical range seen) to enable us to consider the sensitivity of results to market conditions and price levels outside the typical range seen at the time of the study. As stated above, most areas see a variety of property values (even within the same postcode), therefore the results of this research can be used independently of location where approximate sales values can be estimated. The overall range covers values from £1,600/m² (about £149/ft²) to £4,800/ m² (about £446/ft²), with the core part of the range in the current climate being £2,000/ m² (about £186/ ft²) to £4,000 (about £372/ ft²).

Figure 2: Summary of Value Points Adopted for Each Property Type (based on assumed floor areas, but also applicable to other dwelling types and sizes):

Value Point \ Property Type	1-Bed Flat (50m ²)	2-Bed Flat (67m ²)	2 Bed House (75m ²)	3 Bed House (85m ²)	4 Bed House (100m ²)	£ per m ² (Houses)	£ per m ² (Flats)
Value Point 1	£80,000	£107,200	£111,000	£125,800	£148,000	£1,480	£1,600
Value Point 2	£100,000	£134,000	£138,750	£157,250	£185,000	£1,850	£2,000
Value Point 3	£120,000	£160,800	£172,500	£195,500	£230,000	£2,300	£2,400
Value Point 4	£140,000	£187,600	£206,250	£233,750	£275,000	£2,750	£2,800
Value Point 5	£160,000	£214,400	£240,000	£272,000	£320,000	£3,200	£3,200
Value Point 6	£180,000	£241,200	£273,750	£310,250	£365,000	£3,650	£3,600
Value Point 7	£200,000	£268,000	£307,500	£348,500	£410,000	£4,100	£4,000
Value Point 8	£240,000	£321,600	£369,000	£418,200	£492,000	£4,920	£4,800

- 2.3.8 This is intended to indicate general tones of values/value patterns – the range within which values are typically seen. It helps us understand how varying policy (and the resultant range of viability outcomes) might affect housing and affordable housing delivery on sites that produce differing values across Harrogate district. Appendix III, the Property Values Report, goes into more detail on the research behind this.
- 2.3.9 As above, we spoke to estate agents and where possible housebuilders' sales office/show home staff at various locations across Harrogate district as part of the research. Where little data was available at the time of the search, the data has been verified or supplemented by using Land Registry average sales figures and resale data.
- 2.3.10 It must be reiterated that any attempt to define value patterns can only be highly indicative. This is because values can change over very short distances dependent on a site's location and its surroundings, local amenities, etc. In practice, variations in values are often seen down to a street by street level – and sometimes even between ends or sides of streets, and within developments depending on the orientation of dwellings and their outlook, for example.
- 2.3.11 This study does not attempt to provide comprehensive property valuation data, but rather identifies the typical range of new build values of various dwelling types based on the assumed sizes set out. The values research is carried out to enable us to make judgments about the range of values of new build properties typically available. Inevitably judgments have to be made. It is not a statistical exercise. The values used in the appraisals are averaged across properties of varying size and type, and it must be remembered that any settlement could contain a range of property values covering a single property type. We believe, however, that the information used is reasonably representative. The key point is to consider the likely range of typical new build values which will underpin this planning-led delivery of affordable homes, rather than consider overall resale market Land Registry type data alone, which can often dilute the new build market picture.
- 2.3.12 Prior to and during the study period, there was continued reporting at all levels of a weak and uncertain property market. As at August/September 2009 (the research period) these conditions could not be described as over by any means. The same applied towards the end of the study period through the summer of 2010, by which time the weak economic backdrop, consequent fears over unemployment and the possibilities around a “double dip” recession to some extent had not receded. However, after continued fairly bleak market reporting from a range of sources into January and February 2009, from around March 2009 there has been some more positive reporting and market sentiment to mix in to this picture. This began with reporting of reduced rates of house price decline and in the last few months progressed to

modest month on month average house price increases in many areas. It appears that the very latest reporting (at the time of completing the study) may be beginning to pick up on some more mixed market feedback again - potentially some signs of wavering prices once more. However, it is too early to see whether we have any established move away from the recent emerging trend towards price recovery and increasing (relative) stability. This is also discussed later in the report and our market review information is included Appendix III. There are still wide-ranging views as to what extent the market is stabilising or recovering overall. Examples of characteristic features of the downturn noted in the context of the lead up to this study period have included the following (see bullet points below). Whilst to some extent there have been recent signs of improvement in the conditions and activity levels, these features are important to bear in mind in the context of the climate at the time of the study.

- Mortgage lending well down relative to pre-recession levels. Increased deposit requirements and difficulties in obtaining funding still more widely experienced by prospective purchasers. Lending has picked up, but only to modest levels.
- Increased reports of developers pulling out of schemes; and delaying starts or slowing scheme progress/ “mothballing” sites.
- Some house builders and others involved in the development industry reduced/reducing staff numbers significantly, with some ceasing to trade. In many cases reduced returns and trading results have been reported.
- We have seen a marked slow-down in the rate of construction of new homes - in many cases a virtual stalling of new build progress - although as the study progressed we have picked up more signs of schemes being reconsidered by developers and, in some cases, progressed again.
- Incentives being offered fairly typically on new build sites - such as stamp duty/5% deposit paid/deferred purchase/shared equity/mortgage payments assistance, and perhaps others – dependent on a prospective purchaser’s position together with the developer’s marketing experience and sale potential of particular plots, etc.
- Some use of guide pricing alone, or even no advertised pricing.
- Some schemes have still been selling relatively well but usually with slower sales where this is so.
- Some developers considering offers from RSLs for expanded affordable housing quotas on sites, or even entire schemes for affordable.

- Extended development periods in some cases, with a knock-on effect of impacted sales progress because there is less for purchasers to see. Purchasers are far less likely to purchase off plan given uncertainty over values movements. This creates a circular effect with regard to build progress on some schemes – i.e. some developers taking a view that build progress needs to be underpinned by firmer sales interest. Others are however proceeding based on prospective purchasers typically now wanting “to see what they will get”.
- Examples of estate agents combining, closing or mothballing offices, or operating restricted hours. Developers’ sales operations operating reduced hours/being rationalised.
- Fewer investment buyers active.

2.3.13 Despite the more recent mixed signs of a more positive market picture, it would be premature to say that the above effects are now a thing of the past. Some key commentators consider there to be a strong possibility of a further dip in the market by the end of 2010 and into 2011 (the fears of a “double dip”). This is because house prices have received some protection through a lack of supply, rather than through significantly increased confidence levels or significantly improved availability and terms of mortgage finance. In terms of study methodology, the continued uncertainties are very difficult to reflect in the detail, beyond considering varying house price levels as those drive scheme viability.

2.3.14 Clearly future values cannot be predicted, but our methodology does allow for potential future review of results in response to changes over time, perhaps including more established market trends or revised price levels - as well as sale price variations through site characteristics or location. It enables us to look more widely at the sensitivity of results to value levels.

2.3.15 In our view, it would be impractical for a local authority to move affordable housing and perhaps other viability related planning obligations targets through policy set out in local development documents in response to what could be relatively short-term market conditions and adjustments.

2.3.16 One of the principal concerns with the market currently is the volume of sales being achieved rather than simply the value levels. Sales volume is difficult to reflect in financial viability terms. It may affect developers’ views on risk levels, and it may affect development and sales periods, and thus finance periods. These will in any event be site-specific factors. To what extent the depressed levels of market activity, if prolonged, will ultimately affect value levels with time remains to be seen. However, it should also be noted that value levels are still high when long-term trends are reviewed. In the past,

schemes have been brought forward and have therefore been viable at similar or lower value levels.

2.3.17 A key message for local authorities in this situation is the need to monitor the market, housing delivery outcomes and trends locally - and respond to those through consideration of contingency measures and possible policy review longer term. It is also about adopting a practical and flexible approach to secure delivery of all housing types, especially in the short-term. This theme will be picked up again in Chapters 4 and 5.

2.4 Gross Development Value (GDV)

2.4.1 In order to further explain the residual valuation principles, we will now provide further information on the various key inputs and the implications of those.

2.4.2 Gross Development Value (“GDV”) is the amount the developer ultimately receives on completion or sale of the scheme, whether through open market sales alone or a combination of open market sales and the receipt from a RSL for completing the affordable homes on the scheme. Thus the developer’s profit in each case relates to that scheme-specific sum rather than to a base level of GDV that assumes no affordable housing. It assumes that the developer has appraised the site and secured land in the knowledge of, and reflecting, policy that will apply; i.e. the developer is aware that a proportion of the receipts will be at a lower level than prior to any affordable housing policy taking effect. This can be regarded as a reasonable approach given established local and national policy guidance on the provision of affordable housing.

2.5 Developer’s Profit

2.5.1 The requirement to place an increased proportion of affordable housing on a site will inevitably reduce the sales income that a developer can reasonably expect to receive. As this reduction will not be accompanied by lower construction costs, the offset must be taken up in a reduced development profit, a lower land price or a combination of the two.

2.5.2 Developer’s profit and landowner’s sale price are key considerations that must be taken into account if residential development is to be undertaken.

2.5.3 If profit levels fall below a certain point then developers will not take the risk of developing a site, nor in many cases will funding organisations provide the necessary support. Equally, if the price offered by a developer to a landowner for a site is too low, the landowner may not sell and instead continue with, or pursue, an existing or higher value use. There are also intangibles, for instance some smaller sites may start out as homes, gardens or small

business premises, which will not be sold unless certain aspirations are met. Business and tax considerations, investment values and costs, and availability and cost of replacement facilities can all influence decisions to retain or sell sites. A mix of these factors may be relevant in some cases.

- 2.5.4 Continued ready access to development finance is likely to be a particular issue in the current market conditions, which have flowed from the recent economic recession.
- 2.5.5 At the time of considering the study assumptions, Adams Integra's experience of working with a range of developers and of reviewing appraisals, lead us to suggest that they would need to seek a fixed profit (margin) of approximately 15% to 20% (gross) of GDV.
- 2.5.6 This study therefore uses a developer's profit-based assumption fixed at 17.5% of GDV. Lower and higher profit levels than those we have assumed may well be appropriate, depending on the nature of the project and risk/reward scenario – and in this sense the market conditions. Some developers will look at alternative profit calculation and assessment criteria, for example a higher percentage (perhaps up to 30%) of capital employed, rather than based on a proportion of GDV. We felt it appropriate to appraise the scenarios at the margins from the developer's perspective. Different types of house building and development companies will also hold different profit aspirations.
- 2.5.7 Until recently, the former Housing Corporation Economic Appraisal Toolkit (re-launched in Summer 2009 by the Homes and Communities Agency (HCA)) developer's profit guide figure was 15% (at the point of fixing assumptions for this study). This was raised to 17.5% at that point of the re-launch.
- 2.5.8 Our experience shows that particularly for smaller and lower risk schemes, and those often carried out by smaller more local developers (or contractor developers), a lower level of developer profit may well be an appropriate assumption. However, given our acknowledgement of varying profit levels, as above, we have carried out our base appraisals assuming 17.5% developers profit with further sensitivity analysis carried out on the basis of 12.5%, 15%, 20% and 25% developer profit (based on GDV). In this context, development profit can be regarded as a development cost. In reality, again there will be no substitute for site-specific consideration of the details – as with other assumptions that will be reviewed where viability is discussed on sites coming forward. The assumptions used here are suitable guides and starting points, but should not be regarded as fixed figures that will always suit.

2.6 Model Scenarios, Property Types, Size and Mix

- 2.6.1 The Council required a range of scenarios to be appraised to assess the viability of the potential approach to thresholds and proportions of affordable housing.
- 2.6.2 In considering on-site provision of affordable homes, the scheme types modelled range in size from 2 to 100 dwellings to allow the study to investigate a full range of potential policy options.
- 2.6.3 The scenarios modelled tended to concentrate on smaller sites, as in our experience the most sensitive area can be around newly captured sites (which under adopted policy provided no affordable housing contribution and therefore which see a large viability impact on policy adoption). Variations to the dwelling mix help to consider the impact of various dwelling types on development viability, within and between these scenarios.
- 2.6.4 The schemes were tested using 0% (representing adopted policy on sites of fewer than 15 units in Harrogate, Knaresborough and Ripon, and of fewer than 3 units elsewhere); and at 20%, 30%, 40%, 50% and 60% affordable housing. This range of testing allows us to investigate viability related to the Council's adopted policy, and potential options around both the proportion of affordable housing sought and the threshold positions. These options include potential lower proportions of affordable housing sought from smaller sites below the current (3 and 15) thresholds - as part of a sliding scale type approach to affordable housing policy. It is simply not practical or economic for this type of study to appraise and consider every conceivable policy option (combination of threshold and proportion). The volume of results can grow very rapidly without adding very usefully to how the study can assist policy development. Reviewing of trends is necessary, and a degree of interpolation of results is also possible.
- 2.6.5 The dwelling sizes used in the modelling are 50sq m for 1-bed and 67 sq m for 2-bed flats. For 2, 3 and 4-bed houses we have used 75sq m, 85sq m and 100sq m respectively. These are gross internal areas (GIAs). They are thought to be reasonably representative of the type of units coming forward for smaller and average family accommodation, within the scheme types likely to be seen most frequently providing on-site integrated affordable housing. We acknowledge that these 3 and 4-bed house sizes may be small compared with some coming forward, but our research suggests that the values for larger house types would also often exceed those we have used and would, therefore, be similar on a "£ per sq m" basis. Conversely, many new build flats for the private market may be below the unit sizes assumed. All will vary, and from scheme to scheme. It is always necessary to consider the size of new build accommodation while looking at its price – hence the range of

prices expressed per square metre is the key measure used in considering the research, working up the range of Value Points and reviewing the results.

- 2.6.6 We have not expressed specific allowance for “low cost market housing” as referred to by PPS3 outside the affordable housing content of a scheme (i.e. in addition to the affordable rented housing and the range of intermediate affordable housing tenure forms), because that would need to be defined so as to be modelled specifically. That has not been the case in any of our previous studies of this nature. Similarly, Harrogate Borough Council currently does not have a definition and does not specify anything particular in respect of this potential element of overall housing mix. However, the relatively modest dwelling sizes and the nature of dwelling mixes we have included within the notional scenarios could potentially be viewed as meeting low cost housing thinking in terms of being relatively accessible given their nature and pricing compared with a higher market offer. The Harrogate SMHA report contained a short section on this (at its paragraphs 4.75 – 4.80). It indicated that the usefulness or appropriate form of low cost market housing might not always be clear-cut in the Harrogate context. The SMHA envisaged low cost market housing providing an offer between the intermediate affordable housing and the open market.
- 2.6.7 Should the Council gather further evidence which points to a positive role for such low cost market housing and go on to consider or develop definitions and policy to formally include an element of it within target dwelling mixes, the viability implications would need to be considered once this was better understood. At this stage, we can only flag up that there could be viability implications. Assuming the build and development costs were similar to those assumed for the market and affordable homes already under consideration, and that also (by virtue of controlling access costs) the revenue to the scheme were beneath typical market levels then we would expect to see a negative viability impact compared if it were required alongside the affordable housing. It follows that, if this area is investigated further, the Council may need to consider to what extent the continued supply of market and affordable homes on the current basis might be affected.
- 2.6.8 This study assumes that the affordable housing mix will broadly reflect that of the private housing and so would be transferred to an RSL on a proportional basis to the market mix (or reflect that as closely as possible, to ensure a range of affordable dwellings coming forward as part of a wider sustainable approach). Clearly, in practice, the exact private and affordable housing mixes will vary from site to site, as may the consistency between them. The intention of this study assumption was to follow the principle that a mix of affordable housing dwelling types will be expected wherever that is achievable.

2.6.9 In addition to the above, appraisals were also carried out assuming larger dwellings within usually higher value developments. These were run on a sample of small scheme types (assuming 3 larger dwellings in this case) whereby the affordable element is provided on site but as a smaller, more affordable property consistent with HCA led size and specification requirements. This scenario is reflective of examples that have occurred in the district, based on a practical interpretation and application of the current requirements by the Council and planning applicants in those cases – as indicated for example at 2.10.3 below.

2.6.10 For details of the dwelling mix for each on site scenario appraised see Appendix I – Development Scenarios. It is acknowledged that dwelling mix will vary from site to site in practice but these scenarios are reasonably representative of the development types being delivered, and in our experience this has proved a suitable way of considering viability for this strategic purpose. In practice, there would be a tendency towards developers needing to maintain the higher value units within a scheme for private sales whilst also thinking about the relationship of the private units to the affordable units in terms of location. These are all factors, which in reality (and dependent on the site location and characteristics) will affect the dwelling and tenure mix as part of the negotiated approach.

2.7 Affordable Housing Transfer (to RSL) – Method of Payment Calculation and Type of Property Transferred

2.7.1 The type, form and value of a payment a developer receives for completed affordable homes were discussed with the Council in order that appropriate assumptions could be made for this study. The Council provided the following explanation:

“Harrogate Borough Council operates Joint Commissioning arrangements whereby s106 opportunities are allocated by rota to RSL development partners who have all signed up to pay fixed transfer prices for completed units, irrespective of tenure. Whilst PPS3 urges local authorities not to be prescriptive in the interests of competition, what this does is to cap land values and also avoid abortive work/costs by unsuccessful RSLs. It provides certainty for developers and minimises risk.

Transfer prices originate from the HNA 2006 (now the SHMA) and are based on average lower quartile incomes of household types for different property sizes. The calculation applied a mortgage multiplier and deposit requirement to the average incomes to come up with an affordable sale price. The Housing Corporation (now Homes and Communities Agency - HCA) was then consulted on these figures to ensure that they were within the grant entitlement parameters for

social rented accommodation. Prices for social rented units assume £15,000 - £25,000 Social Housing Grant (SHG) requirement (although some RSLs can pay them without grant). Alone amongst the regional authorities, Harrogate has over the past few years secured grant as a matter of course on its transfer prices, in recognition of its high targets and small sites. SHG is in shorter supply now and its availability is not guaranteed, but needs to be demonstrated through an HCA financial appraisal. In the current climate, it has become apparent that some RSLs can pay the transfer prices without SHG. Discount home ownership units have never needed grant and indeed would never need grant.

We would hope not to have to compromise on affordability. Transfer prices enable us to be very clear with developers and with both sides easily able to calculate the effect of affordable housing requirements on scheme viability. We will reduce the amount of affordable housing rather than increase the amount payable for affordable housing if scheme viability dictates”.

- 2.7.2 Again, in practice, the general approach looks to have been working. The payment figures provided by Harrogate Borough Council and used in this study are set out in Appendix I – Development Scenarios.
- 2.7.3 All base appraisals were carried out on the agreed assumption that grant should be included since the starting levels of payment to the developer (as at 2.7.2 and Appendix I) assume this. In practice, those payment levels are reduced for no grant scenarios. This means - as part of the negotiated process - that adjustments are made to the affordable housing provision on particular sites. This fits with PPS3, which asks us to consider the availability of funding in looking at viability. The Council also wanted to test the impact on viability of removing public subsidy (in the form of Social Housing Grant (SHG)). Again, the payment figures provided by the Council and assumed within this study are shown in Appendix I.
- 2.7.4 The exact nature and range of tenure models within an affordable housing mix will often need to be bespoke to a particular location and site – particularly in market conditions where these details are currently so dependent on demand as influenced by mortgage product availability, changing price levels, the Government’s constantly evolving range of initiatives, developer’s reactions and own practical marketing initiatives and other factors.
- 2.7.5 Although tenure mix is a site-specific consideration and dependent on local housing needs evidence and requirements, this study assumes a mix of 65% social rented to 35% intermediate.

2.7.6 Although generally it is expected that housing needs will dictate a bias towards affordable rent as a strategic starting point, it is acknowledged here that there may well be local circumstances where the Council will look to work with its partners on a different approach to tenure mix in some areas in order to create mixed and balanced communities. The 65%/35% mix scenario favouring (necessarily) affordable rented tenure is therefore a part of the proposed strategic approach.

2.8 Indicative Site Area, Scheme Density and Resulting RLV

2.8.1 The results of all the appraisals provide us with data in both absolute value (£) terms and as a percentage (%) of GDV. To provide broad comparisons with published (VOA sourced) land value data so as to provide an additional basis for interpretation of results, the approximate site area (land take) required for each development scenario (site type and size) has been estimated taking into account the likely building and ancillary areas footprint. These land take indicators have been estimated assuming 2/3 storey housing, with flats generally in buildings of no more than 3 storeys. The purpose is, as with varying assumptions on other aspects, to enable us to consider the sensitivity of outcomes to variables. The land take assumptions for ancillary space (gardens, immediate access roads, parking, outbuildings, etc) have necessarily been estimated.

2.8.2 Based on the dwelling sizes assumed in this study, this provides us with indicative densities of between 25 and 100 dwellings per hectare (dph) depending on the types and mixes within the notional schemes. We can then calculate the approximate value of each scenario and appraisal variation in £ per hectare (ha) to enable a comparison with other published land value data. Again, in practice, densities will be highly variable. Indicative site sizes are shown within the relevant tables of the appendices.

2.9 Other Assumptions

2.9.1 The appraisals include a range of other variables that are all taken into account when calculating an approximate RLV. This is an extensive list and includes items such as: fees, land buying costs, finance, agency costs and planning infrastructure provision (generally planning obligations secured through s106 agreements).

2.9.2 In some instances these figures are factors of other elements of the appraisal and, therefore, vary by site size and type.

2.9.3 The percentages and values assumed for the purposes of this exercise are listed below and are the result of a BCIS (the Building Cost Information Service of the Royal Institution of Chartered Surveyors (RICS)) overview,

Adams Integra's experience, work with and discussions with developers, valuers, agents and others:

- Base Build Costs (House Schemes) – £1,000 /sq m
- Base Build Costs (Flatted Schemes) - £1,100 /sq m

2.9.4 The above are applied to the Gross Internal Area (GIA) of the accommodation. Base costs for flats are likely to be higher than for a scheme of houses particularly where sites are constrained and often difficult to work on (involving materials storage difficulties, craning, etc). Common areas have to be allowed for, as does the degree of repetition of costly elements. Cash-flow for flatted development can also be less favourable as rolling sales are more difficult to deliver. In this study the figure for flats assumes standard low rise flats as typically witnessed across Harrogate district (usually no more than 3 storeys and allowing standard construction techniques). In practice, again all schemes will be different.

2.9.5 Build cost figures have been taken as an indicative level, supported by our ongoing experience of scheme specifics, whilst also taking into account a range of information from BCIS data, and various feedback from developers.

2.9.6 There will always be a range of data and opinions on, and methods of describing, build costs. In our view, we have made reasonable assumptions which lie within the range of figures we generally see for typical new build schemes (rather than high specification or particularly complex schemes which might require particular construction techniques or materials). As with many aspects there is no single appropriate figure in reality, so a judgment on some form of benchmark is necessary. There will be instances where other costs are relevant, including in overcoming abnormal site issues or characteristics.

2.9.7 We are aware that the developer's base build costs can be lower than our above base cost figures, and also that the BCIS tends to indicate lower figures. In contrast, however, there is also much said about costs being higher than this, often in the context of RSLs procuring new housing through contractors and developers. Build costs are set out in a range of guises, including in BCIS, whereby items such external works costs and fees, etc, are sometimes included, sometimes excluded. It can be difficult to carry out reliable analysis. So a view needs to be taken, and then monitored, tested and updated as informed by the experience of site specifics, negotiations and (from the affordable housing perspective) in light of funding availability and affordability for occupants.

2.9.8 Typical scheme-specific additions to these are:

- **Architect's and other professional fees:** *10.5% of build costs.*
- **Contingencies and insurance allowance:** *5.5% of build costs.*
- **Marketing and Sales Fees:** 3.0% of Estimated Total Sales Value (GDV). There will be instances, dependent on the location and scheme type, where some of this expense, or an additional sum will be directed to the setting up of a show home. This will, however, not be appropriate on all schemes hence we have not included for it as a standard assumption item. We would not expect it to alter the outcomes fundamentally.
- **Legal Fees on Sale:** *£600 per unit.*
- **Finance (build):** 7.0% - on build costs, fees, etc.
- **Build Period:** 6 to 24 months depending on scheme size within the range assumed.
- **Land Survey Costs:** Approximate cost of £500 per unit including basic ground conditions research (on larger schemes especially there will usually be additional cost associated with transport, environmental/landscape, ecology, etc, dependent on the scheme and not covered here).
- **Legal Fees on Land Purchase:** 0.75% of land value (this will often produce a low figure when looking at very small or low value sites but only make a minimal difference to outcome).
- **Planning Application costs:** £335 per dwelling where the number of dwellings is 50 or fewer; where the number of dwelling houses exceeds 50 - £16,565 plus £100 per dwelling in excess of 50, subject to a maximum total of £250,000.
- **Stamp Duty Land Tax:** Between 0% and 4% depending on RLV.
- **Planning Obligations (Infrastructure) Payments:** Appraisals carried out assuming £2,500 per unit and £5,000 per unit for wider planning obligations. This covers a range of potential infrastructure costs but equally could apply to other future costs. They are notional levels. We varied this assumption so that we and the Council could review the sensitivity of results to this factor – using similar thinking to the Value Points methodology rather than looking only at a relatively narrow set of assumptions. This was done with the potential nationwide Community Infrastructure Levy (CIL) policy developments in mind, but also in the context of a range of other areas, which could effectively

add costs to schemes from a developer's and therefore landowner's perspective.

The figures used are not intended to be a guide to CIL levels. We have used the range of values to test the additional impact of those costs on development viability of the schemes types appraised. As stated elsewhere in the study text, this group of appraisals can also serve a wider purpose in that the outcomes give a guide as to how RLVs vary when costs at these levels are added to appraisals. In fact those costs could be related to a range or group of different factors – including on sustainability measures or abnormal site costs. The results can be interpreted in a wider way.

- **Renewable Energy:** All base appraisals (at Code for Sustainable Homes Level 3) carried out on basis of all sites achieving 10% reduction in CO₂ through the use of on-site or decentralised renewable energy. Renewables cost approximately £3,500 per unit for 10% generation (estimated cost from EST CE190)⁶. Renewable requirement assumed included within attainment of Code Level 4 and above so not allowed for again separately.
- **Code for Sustainable Homes:** Addition of £50/m² on build costs for achieving Code Level 3. Sample appraisals carried out on schemes of 25 and 50 units assuming Code Level 4 and Code Level 6 attainment. Additional build cost approximated from CLG - July 2008⁷ report and assumes medium case scenario for flats and terraced houses. Costs in addition to requirement for renewable at Code Level 3 although in practice there is likely to be considerable overlap as the Code level increases. Once again, the wide scope of appraisals and outcomes allows other results to be considered as also representing the impact of particular added costs beyond those allowances specifically mentioned in these sections.
- **Lifetime Homes** - While this can affect scheme viability in a wider sense - from the point of view of increasing building footprints and therefore cost and, potentially, site capacity - it does not necessarily add significant cost but has design implications. Interpretations and opinions vary widely. Early design input minimises its impacts, and costs depend on to what degree standards are applied and what other standards are already to be met. There are overlaps, and even areas where it can compromise or not fit well with other requirements. It is an area that needs to be kept under review in terms of practicalities, costs

⁶ Energy Saving Trust - "Meeting the 10 per cent target for renewable energy in housing - a guide for developers and planners" (September 2006)

⁷ CLG – Cost Analysis of the Code for Sustainable Homes (July 2008)

and impacts – as part of the overall expectations from schemes. For the purposes of this exercise and to build on our acknowledgment of the relevance of this area, rather than make our own judgment we have preferred to rely on the published work by Habinteg Housing Association (www.lifetimehomes.org.uk) which suggests that the cost of meeting lifetime homes standards is up to £545 per dwelling (included) depending on size, layout and specification of the property. It is an area that needs to be kept under review in terms of practicalities, costs and impacts – as part of the overall expectations from schemes. The same applies to the Council's likely approach to wheelchair adapted housing being incorporated wherever possible within schemes – specific needs, design implications and impacts will need to be considered as sites come forward and planning applicants will need to build this in to their thinking.

- **Finance related to land purchase:** 7.0% interest cost on land survey, planning costs, legal fees on land purchase and RLV over build time plus 26 weeks. No finance arrangement or related fees have been included for the purposes of this exercise. They might in practice be applicable, but we would not expect them to alter the viability equation fundamentally. Scheme funding arrangements will vary greatly, dependent again on the type of developer and scheme. As with much of this exercise, this is a snapshot and there are varying views as to what future trends will hold, and so over time we would need to see how added costs balanced with changes in sales values.
- During the course of the study, the Bank of England Base Rate has been maintained at 0.5% following a significant period at which it has been at this level. On fixing our assumptions in the early study stages we decided to leave our finance rate assumptions unchanged. In light of the daily “recession” reporting (on the reduced availability and associated likely terms of finance), we considered this approach to be further validated and therefore to remain appropriate. On closing the study, the impacts of the low Base Rate have not been seen in any notable way, but with further time our interest rate assumption might begin to look high – it is not possible to tell. Nevertheless, this again fits with looking at viability reasonably cautiously rather than stripping out too many cost allowances from appraisals. It also fits with the strategic view – in terms of trying to settle on assumptions reflective of a range of potential market conditions. Our understanding is that house-buying and development finance remains relatively difficult to access – at least on favourable terms, related to the risks perceived by the markets and to the fact that lending between institutions is still not working on terms or to the extent that had underpinned the active market in preceding years. We have had a climate recently whereby rate reductions have tended not to be passed on, certainly not to a

significant degree, to borrowers, and where other charges (arrangement fees, etc) have weighed against any cuts. So far as we can see, similar applies in a commercial sense. In summary, at the time of writing, we have no reason to believe that the commercial lending climate has eased significantly.

2.10 Wider research

2.10.1 To supplement our research on the property market local residential property values (as set out in Appendix III), Adams Integra has also carried out further desktop research and contacted a variety of organisations which are (or have been in more buoyant conditions) involved in the local land market, i.e. in selling or perhaps buying sites.

2.10.2 The information gathered from that process, as far as it was available, is also included in Appendix III. We collected it with the aim that it would help our understanding of land price expectations locally, potentially to enable us to consider the information offered by the VOA reporting in a more informed way, and potentially inform further comparisons with our indicative RLV results while we considered those, and thus help with the judgments we seek to make.

2.10.3 As part of our wider research and the process of understanding the local circumstances we sought and gathered information on the Council's recent delivery and/or negotiation experiences, particularly on small sites. An outline of these is included below:

Example site starts/completions, last 12 months:

- Ripley Road, Scotton - 2 affordable from 5 total = 40%. Newbuild. Former car showroom site.
- Thornton Manor Farm, Thornton Bridge, Helperby - 2 affordable from 5 total = 40%. Existing farmhouse and barns. Farmhouse demolished and 2 x new build affordable homes underway. 3 x market barn conversions.
- Grange Farm, Little Ribston - 2 affordable from 5 total = 40%. Barn conversion scheme. 2 x market barn conversions. 3 x newbuild (incl 2 affordable).
- Ebor View, Green Hammerton - 2 affordable from 9 total = 22%. Site of existing dwelling. High existing use value led to submission of financial appraisal. Following review, led to provision reduced from 4 to affordable to 2 affordable homes.

Qualifying rural sites negotiations/planning granted on a range of sites types/former uses, last 2 years:

- 2 instances of 0% affordable (1 extant planning permission; 1 where high abnormal costs impacted).
- 1 instance of 25% affordable (1 from 4 units total).
- 2 instances of 33% affordable (both 1 from 3 units total).
- 1 instance at 35% affordable (2 units from 7 total).
- 1 instance at 40% affordable (2 affordable from 5).
- 1 instance at 44% affordable (4 units affordable from 9 total).
- 2 instances of 50% affordable (1 of 2 – where a property purchase off-site was subsidised; 2 of 4 total).

2.11 Stakeholders and Consultation

2.11.1 We invariably find that developers are, understandably, more often than not reluctant to share information on their usual assumptions. There are commercial sensitivities to be respected. However, as part of considering a range of information and informing our judgments for each of our studies we consult with a range of stakeholders including developers, landowners, RSLs and agents as a matter of course. This is done through the “on the ground” and web-based/desktop research we have mentioned. For this study an Affordable Housing Viability Study Consultation event was also arranged by the Council - in Harrogate at the Council's offices in September 2009. The purpose of the event was for Adams Integra (and the Council) to engage with a range of organisations involved in the local market and to gain an understanding of key stakeholders' perspectives on development issues in the district; with a view to further informing our research and judgments in setting assumptions and so as to provide additional context for considering results later on. Following the event, the participants were also given the opportunity to submit their views individually (privately) on the proposed study assumptions. Adams Integra undertook not to disclose the detail of any of the responses but these were collated and have helped to inform our progress from that point. It is our job to make an independent view. The notes from the consultation event can be found at Appendix IV alongside a copy of the pro-forma and event agenda.

2.12 General notes and study limitations

- 2.12.1 This study requires judgments based on the development values and changes seen in land values as a result of varying potential policy positions. This is in the context of seeking to guide policy development and arrive at clear policy targets. The results cannot be a definitive guide to how specific sites will be appraised or how outcomes on a site-specific basis will look. As this is a relative exercise aimed at determining the likely effect of a range of policy options, the most important factor is consistency between assumptions used for modelling scenarios. Specific assumptions and values applied for our schemes are unlikely to be appropriate for all developments. The same could be said of any set of study assumptions. We are confident, however, that our assumptions are reasonable in terms of making this viability overview and informing policy development.
- 2.12.2 The purpose of this study is to identify clear and realistic targets as a basis for long-term policy but bearing in mind the short-term flexibility required to deal with the current housing market. Development viability will vary from site to site, and there will be no substitute for the negotiated approach to provision where necessary (e.g. sites with abnormal costs, low sales values, etc).
- 2.12.3 There can be no definite viability cut off point owing to individual landowner's circumstances. It is not appropriate to assume that because a development appears to produce some land value (or in some cases value equivalent to an existing/alternative use), the land will change hands and the development proceed. This principle will in some cases extend to landowners expecting or requiring the land price to reach a higher level, perhaps even significantly above that related to an existing or alternative land use. This might be referred to as a premium, 'overbid' or sufficient level of incentive to sell. In some specific cases, whilst weighing up overall planning objectives to be achieved, the proposals may need to be viewed alongside the owner's enjoyment/use of the land, and a potential "overbid" relative to existing use value or perhaps to an alternative use that the site may be put to. In practice, whether and to what extent an active market exists for an existing or alternative use will be a key part of determining whether or how site discussions develop.
- 2.12.4 These factors will not always come into play or always have a significant influence on outcomes. For instance, the market for an existing or alternative use proposal, and therefore the value it produces, will vary with time, location and economic conditions. They are likely to be highly variable as to the relevance for, and impact on, particular schemes. In reality, scheme-specific land values have to be considered alongside existing or alternative use values and the latter, being very location and planning use or business dependent, will vary significantly too.

- 2.12.5 To attempt to make detailed comparisons with existing or alternative uses in this type of overview work for policy context would, in our view, have limited meaning. We have, however, attempted to provide examples of, and comparisons with, alternative use values. Commercial use values in particular are highly site-specific. Nonetheless this study acknowledges that the level of value created by a residential scheme, after making allowance for affordable housing and other planning obligations requirements will need to be weighed up against any existing or alternative use relevant to a particular site.
- 2.12.6 The use of notional sites most effectively enables like-for-like comparisons to be made, i.e. the testing of impacts of the varying requirements on the same typical scheme in a range of value locations. The fact that individual schemes vary makes like-for-like comparison very difficult when studying those for this purpose of trying to measure policy impacts, with full reliable and readily comparable information being critical.
- 2.12.7 We have not definitively labelled specific locations or areas as higher/lower value, or similar. This is because, whilst a general values hierarchy might be noted (see Appendix III) based on typical values, in practice we found that values can vary from street to street and within very small areas. The Value Points approach used in this study means that viability outcomes can effectively be transported around the district and a feel for viability gained in relation to relevant value levels as those might vary by location as well as by scheme. As noted, this approach of reviewing outcomes from a range of values also enables the consideration of viability impacts and trends as values change with regard to market adjustments.

3 RESULTS

3.1 Background

3.1.1 The indicative residual land value (RLV) results contained within the study appendices (rear of this document) are from modelling based on a broad set of scenarios which allow us to examine the impact of a wide range of variables on development viability - in accordance with the methodology, as set out in Chapter 2.

3.1.2 The number of appraisals required rises exponentially with the number of variables investigated. This is the case with all such studies. It is important to keep this exercise within practical limits, as was the requirement and aim for this study. Nevertheless, the modelling created a very extensive range of results once all the variables were considered through additional layers of appraisals (looking further at the sensitivity of indicative RLV outcomes to various assumptions changing). These results are presented by means of a large number of tables and graphs. The tables and graphs are all located in the report appendices. They are set out in different ways depending on the particular impact we sought to investigate and illustrate. This results chapter aims to lift from that large volume of information trends and a few example results to help explain their characteristics and the impacts of various factors and potential policies on development viability. The purpose here is to help guide the reader in interpreting the results and to illustrate key points and trends that lead to our conclusions.

3.1.3 The data is shown in tabular and graphical form and shows the indicative residual land value produced by each appraisal and those residual land values shown as a percentage of gross development value (GDV).

3.1.4 The Appendices are set out as follows:

- Appendices II and IIa show the results from the base appraisals carried out across a range of scenarios, with in all cases assumptions including planning infrastructure costs of £2,500 per unit, Code for Sustainable Homes Level 3 attainment plus an additional build cost allowance for 10% on site renewable energy generation measures and 17.5% developer's profit. The results in Appendix II assume the inclusion of grant funding for the affordable element of the scheme; the results in Appendix IIa assume nil (social housing) grant.
- Appendix IIb and IIc appraisals were carried out assuming increased infrastructure (wider planning obligations) costs of £5,000 per unit. Appendix IIa results assume an element of grant is available; Appendix IIc assumes nil grant. The higher levels of infrastructure cost are intended primarily to reflect potential future increases to the planning infrastructure

burden through increases to existing calculations and requirements; but equally they could represent potential growth in any other cost area e.g. other sites works, increased allowances for Lifetime Homes or mobility standards, other building specification enhancements, etc).

- Appendix IId and IJe show the results of the sample appraisals carried out assuming changes to developer's profit (at 12.5%, 15%, 20% and 25%). Appendix IId results assume wider planning infrastructure costs of £2,500 per unit; Appendix IJe assumes wider planning infrastructure costs of £5,000 per unit.
- Appendices IIIf shows the results of the appraisals carried out assuming a requirement to attain Code for Sustainable Homes Level 4.
- Appendices IIJg shows the results of the appraisals carried out assuming a requirement to attain Code for Sustainable Homes Level 6.
- Appendix IIH shows the results from the financial contributions calculations.
- Appendix III contains a summary of our property values and market research.
- Appendix IV summarises the formal stakeholders consultation process which complimented our wider and "on the ground" research.

3.1.5 The results appendices also summarise the RLV results across all scenarios and site sizes showing the corresponding monetary value in pounds per hectare (£ per Ha) based on assumed indicative site areas ("land take") for each scenario. Each set of results is shown on sites of two different sizes (varying density) as set out in Appendix I – Development Scenarios. The tables also show by way of colour coding whether the values fall below, within or exceeding the range of Valuation Office Agency (VOA) reported land values⁸ for example alternative land uses in the local context (agricultural and industrial/B1). Again, it should be noted that both the assumed development scenario site (land take) areas and the VOA data are highly indicative. This type of data can become outdated quickly – especially in times of fast-changing markets, such as we have recently experienced. Such comparisons are used within this study only to help highlight how land value varies as assumptions change, and to show very generally the type or range of other information that the indicative RLV results might be compared with when it comes to considering how likely a scheme is to proceed given other valuation factors. The inclusion of this information here seeks to help with illustrating how the value (RLV) created by residential development proposals may look

⁸ VOA Property Market Report July 2009

and vary relative to other example uses only. The key point through these indications is to build on the emphasis that considering alternative/competing or existing use values (and potentially additional incentive levels, as has been discussed) will often be important in site-specific viability and thus delivery discussions. In practice, as the study notes elsewhere, the values likely to be attributed to various existing or potential uses of a particular site will be highly site-specific.

- 3.1.6 At this strategic level overview for policy development, we are able only to make broad comparisons. Unfortunately it is simply not possible to provide the Council with definitive “cut-off” points where a scheme definitely would proceed; or conversely where viability would be compromised to the degree that development would not take place. Site specifics will influence viability on individual sites. Adams Integra sought additional, more Harrogate-specific, information on land values such as was available at the time of research. The information search was also kept open during the study period. This was done through enquiries of local agents who may be dealing with land sales – sites for commercial and residential developments. Desktop (web-based) searching for any information was also carried out. Our study process involves asking agents if they have dealt with, or are aware of, any specific land sale (or marketing) information – or, if not, whether through their experience they can offer any views on local land values. These are typically, but not always, different agents from those we talk to about residential property sales. Particularly in the current market, this extra research has typically resulted in little additional information; however any that was gathered as the study progressed is included at Appendix III.
- 3.1.7 There will need to be a second stage to this overall viability process whereby site-specific discussions prevail in situations where it is necessary to have those – for example in the event of landowners or developers needing to demonstrate that affordable housing targets, or perhaps other planning obligations, cannot be met. The same might apply where a developer or landowner wished to explore enhanced (in excess of target levels) or alternative provision of affordable housing with the Council, possibly reliant on a varied extent on SHG or other subsidy.
- 3.1.8 As we have commented about existing and alternative use values (for example commercial), and how those vary greatly with site specifics, much the same will apply if the Council consider the viability of a mixed use scheme in dialogue with a landowner or developer. Our suggested starting point would be to consider the residential element of such a scheme in a similar way to a solely residential scheme, and then consider any positive or negative impact, on overall viability, from the other scheme elements. Inevitably this consideration will be highly site and scheme-specific, but there is no reason why the general target approach - the level at which that is pitched, and the

overall process - would not follow that which is related to entirely residential sites.

3.2 Property Values

3.2.1 One of the key inputs into the appraisal process is the value of residential properties that will make up a scheme (i.e. the estimate of the scheme's GDV). Across Harrogate district generally, but also within settlements and localities, there is a range of values seen. Typical value levels that reliably represent particular localities are hard to pin down given the highly variable nature of housing product and local influences on price. However, on an indicative overview basis from our research, the following hierarchy of values was noted from our overall (resales dominated) market research (expressed by Strategic Housing Land Availability Assessment (SHLAA) location category) – see Figure 3 below:

Figure 3: Average asking price analysis and trends - by SHLAA locations classification – including indicative hierarchy

Average Asking Prices Analysis							
Rank	Settlement	1 Bed Flats	2 Bed Flats	2 Bed House	3 Bed House	4 Bed House	All Properties
1	Group Villages B	N/A	£145,000	£214,634	£258,515	£386,319	£308,625
2	Group Villages C	N/A	£232,498	£192,958	£263,235	£438,540	£305,021
3	Masham	£115,000	£149,950	£189,950	£281,238	£420,980	£298,054
4	Pateley Bridge	N/A	£168,150	£169,738	£322,475	£324,238	£272,007
5	Knaresborough	£110,685	£159,907	£180,745	£216,513	£335,565	£239,355
6	Harrogate	£125,126	£185,501	£159,254	£220,378	£340,953	£224,365
7	Boroughbridge	£108,600	£176,484	£161,625	£228,712	£325,358	£215,733
8	Ripon	£111,500	£164,941	£149,475	£202,029	£313,472	£204,080
-	Overall	£119,409	£179,966	£170,023	£227,885	£355,652	£240,145

3.2.2 This data has also been analysed with regard to areas and villages that make up each of the classifications as shown in Figure 4 below:

Figure 4: Average asking price analysis and trends by Settlement/Neighbourhood area – indicative hierarchy

Average Asking Prices Analysis							
Rank	Settlement	1 Bed Flats	2 Bed Flats	2 Bed House	3 Bed House	4 Bed House	All Properties
1	Pannal	-	-	-	£261,633	£456,385	£411,442
2	New Park	-	£198,560	£169,950	£379,975	£467,786	£350,421
3	Spofforth	-	-	£228,624	£408,317	£377,475	£321,599
4	Dishforth	-	-	£174,988	£299,986	£518,317	£314,077
5	Low Harrogate	-	£227,338	-	£410,000	£665,000	£300,336
6	Masham	£115,000	£149,950	£189,950	£246,650	£420,980	£290,808
7	Oatlands	£145,600	£193,841	£177,467	£279,936	£412,600	£290,186
8	Harlow Hill	-	£218,970	£148,300	£283,231	£365,339	£285,606
9	Kirkby Malzeard	-	-	£275,000	£273,713	£301,650	£284,350
10	Tockwith	-	-	£187,463	£214,142	£369,612	£277,311
11	Killinghall	-	£279,950	£159,967	£234,058	£332,665	£272,179
12	Pateley Bridge	-	£168,150	£169,738	£322,475	£324,238	£272,007
13	Knaresborough	£110,685	£159,907	£192,656	£209,514	£342,894	£242,431
14	Woodlands	£139,950	£147,850	£172,458	£199,679	£335,166	£226,378
15	Central Harrogate	£130,671	£211,569	£183,238	£282,821	£329,785	£216,931
16	Knox	£156,950	-	£156,950	£195,635	£293,524	£216,679
17	Boroughbridge	£108,600	£176,484	£161,625	£216,211	£325,358	£211,342
18	Darley	-	-	£189,950	£191,113	£252,983	£206,483
19	Ripon	£111,500	£164,941	£149,475	£202,029	£313,472	£204,080
20	High Harrogate	-	£173,083	£150,225	£137,475	£359,950	£194,535
21	Bilton	£100,600	£145,243	£155,789	£191,270	£234,509	£179,494
22	Jennyfields	£101,964	£124,975	£156,467	£193,498	£280,300	£178,990
23	Starbeck	-	£132,000	£134,482	£177,975	-	£155,918
-	Overall	£120,926	£190,520	£167,332	£220,627	£344,746	£232,355

3.2.3 These are based on averages and across the area these general observations and trends are affected by prices in particular locations or areas within settlements and/or by volumes of particular housing types for sale at any one time (which in turn is influenced by the local stock make up). Values can be driven by specific location and scheme desirability as much as by particular area or settlement. In certain areas there can be wide variations. Again, the property values report (Appendix III) summarising our research goes into more detail.

3.2.4 With regard to new build values, which needed to be the focus of our attention for the range of appraisal assumptions, we noted a different picture. These show much more consistency across the area than the variations in the overall market (all properties – resale dominated) suggest. We have to be careful in analysing new build pricing, since often when higher values are

seen, the property floor areas are larger too. That relationship needs to be borne in mind, as explained in the methodology - at 2.6.5.

- 3.2.5 The general range of values, in terms of per square metre/per sq ft sales prices, seen and assumed for carrying out appraisals is as follows:

Figure 5: New Build Range of Values

Value Point	£ / sq m (Flats)	£ / sq ft (Flats)	£ / sq m (Houses)	£ / sq ft (Houses)
1	£1,600	£149	£1,480	£137
2	£2,000	£186	£1,850	£172
3	£2,400	£223	£2,300	£214
4	£2,800	£260	£2,750	£255
5	£3,200	£297	£3,200	£297
6	£3,600	£334	£3,650	£339
7	£4,000	£372	£4,100	£381
8	£4,800	£446	£4,920	£457

- 3.2.6 Some further analysis of the pricing information we have gathered indicated that the average new build marketing price point for Harrogate district as a whole area was about £2,743/m² (£255/sq ft) at the point of our research (i.e. around our value point 4). However, this does not take account of the number of properties for sale at each point that fed into this calculation and as such the average can be skewed. The range of new build values seen goes from approximately £1,750/m² to £3,650/m² (or about £162/sq ft to £340/sq ft). The overall range of values appraised was extended beyond this as a part of exploring the sensitivity of outcomes to further variation in values. The new build averages suggest a fairly narrow range of property values across the district making it difficult to comment on significant variation of new pricing by locality. Discussions with agents plus feedback from the consultation event also suggested a fairly narrow range of new build values across the district. Those that commented suggested that values in the region of £300 per sq ft (£3,225/m²) are likely to be around the highest new build values seen across the district currently, with one respondent suggesting that from a high of £300 per sq ft (£3,225/m²) values in the rural areas and villages had fallen to approximately £245 per sq ft (£2,635/m²). Clearly these can only be generalisations at a point in time, but they are interesting in terms of the feel for values we developed too.

- 3.2.7 We saw only few instances of new build pricing getting to more than £3,500/m² (about £325/ft²) regardless of location. We also have to take into account the fact that sales prices are typically lower than asking prices – often by up to around 10% currently, but again this can vary. Whilst the agent feedback has been mixed, and some schemes were still doing relatively well it seems, more often than not a “ready to go” purchaser might get a discount of

5-10% and perhaps more from marketing price. However, some prices have already been adjusted downwards so that discounts are not universal and are often not made very openly. Conversely, these are prices in the current market and it is entirely possible that values could increase again in the future. Studying viability over a range of values also enables the results to be viewed in the context of values changing as influenced by moving market conditions. The range of Value Points, as at Figure 5 above, covers the typically occurring new build values seen in the Borough – and likely to be seen with additional foreseeable market movements, up or down. Within Appendix III we give examples of currently seen new build market pricing in relation to these Value Points – and of how those might vary by Value Point with both downward and upward market movements.

3.2.8 Of the relatively limited amount of new build pricing information available, it appears that generally, values in the range Value Points 3-5 were most commonly seen with some values falling below that in the range between Value Points 1–2. This again fits with the feedback received on new build pricing from the stakeholder event. We also have to acknowledge that this looks like being a moving scenario in current market conditions, and not on any sort of predictable basis.

3.2.9 There are likely to be areas where new build values achieve only low levels (at around our Value Point 1-2) bearing in mind sales prices will usually vary from asking prices in the current market, and often significantly. If market conditions deteriorate further, however, we could see a general move downwards within our overall scale of value levels (range of value points). The lower value occurrences could increase, at least over the short-term. Equally, there will also be cases where values are much higher (our Value Point 5 plus) but again the incidence of these is low currently. A majority of the values centre on Value Points 2/3 up to 5. Values can be higher in favoured areas of main settlements, rural settlements and also for premium housing products. If prices increase again, we see that an approximate 15% increase in values takes our Value Point 3 properties up to Value Point 4 and so on.

3.2.10 Adams Integra's recent research for viability studies suggests in general that there no longer appears to be a significant premium value attached to new build properties compared to re-sales of a comparable type (although data is not always on a like-for-like basis). This is due to the recent and current lack of confidence in the housing market triggered by the recession. We have been picking up anecdotal reports of mortgage valuation surveyors down-valuing new builds. Many agents have indicated that new build property now has to compete directly with resale in pricing terms. This is not always the case, however - for example where a scheme creates what is considered to be a new or particularly attractive offer for a given location.

3.2.11 An important feature of the housing market which was triggered in Autumn 2007, developed in 2008 and has run through to 2010 (and appears to be universal) has been the dramatic slow-down in the rate of sales (number of sales being agreed and proceeding). The impact of the vastly reduced level of market activity (volume of house sales) has been to significantly affect the level of development activity by increasing perceptions of uncertainty and risk. It remains to be seen how this will play out fully in terms of the financial appraisal of schemes and sites and, as mentioned in Chapter 2, we see a range of reactions to it in terms of profit levels sought, and other assumptions applied.

3.2.12 We feel there is no doubt that current conditions add up to a negative financial viability impact when compared with how schemes are viewed and pursued in a more stable, confident market. Developments in general will be taking longer to sell (with build progress possibly slowed and costs outstanding for longer as a result) and varying packages of incentives are typically being offered. These factors were identified at 2.2 and are recognised in Appendix III as well.

3.3 Indicative Value Comparisons

3.3.1 As mentioned previously, due to highly variable potential existing and alternative use values of sites, and in some cases particular “overbid” or incentive requirements, it is not possible to provide the Council with definitive “cut-off” points where viability will be compromised to the degree that development may not take place. However, it is possible to provide likely outcomes at varying levels.

3.3.2 By way of a basic example, a residual calculation that provides an output of zero value (i.e. RLV of 0% of GDV) after testing the policy proposal, means that development on this site would not go ahead unless there were a special business case for pursuing it. Conversely, on a site where the RLV approaches 25% to 40% of GDV after the application of affordable housing policy it is likely (although not definitive) that land values are going to be high enough to absorb the impacts of the new policies.

3.3.3 In addition, the indicative RLVs in monetary terms (as at Appendix II) resulting from the application of various policy positions across the different site types, can be compared very generally to land values provided by organisations such as the VOA through estimating the land area (“land take”) of the notional schemes (Tables and Graphs suffix “b” and “c” in each Appendix). The “b” suffix graphs show the results at a density of 40dph and 100dph for houses and flats respectively (higher density); suffix “c” graphs show the results at density of 25dph and 75dph for houses and flats respectively (lower density). The density assumption clearly has a direct effect on the RLV when expressed in £ per Ha terms. We decided, again to cover a range of

scenarios. Density is a factor of the particular type of development, and in practice will vary significantly from scheme to scheme.

3.3.4 Again bearing in mind the notional nature of it, just as an example Adams Integra's 15 unit housing scheme could occupy approximately 0.38 hectares (equivalent to a density of 40 dwellings per hectare) – see Appendix II Table 1b. At this site size, the value of the land at Value Point 4 with no (0%) affordable housing is indicated to be £2,303,323 per hectare. With a requirement for 30% affordable housing this falls to £1,307,595 per hectare. At 40% affordable housing it falls further to £795,744 and further still at 50% to £566,882 per hectare. Valuation Office statistics for industrial land in Harrogate⁹ provide values between £325,000 and £475,000 and a typical value of £410,000 per hectare. VOA data also suggests that agricultural land value is below £20,000 per hectare (dependent on type).

3.3.5 This suggests, on a comparison basis with that indicative land value data from the VOA, that the land value produced by our 15 unit housing scheme at Value Point 4 with 30%, 40% or 50% affordable housing exceeds indicated upper end land values produced by industrial schemes and potentially exceeds a range of other commercial use land values as well.

3.3.6 If however, we drop down to Value Point 3 and consider the same example scheme and indicative comparison, we can see that the starting (0% affordable housing) land value produced by the residential scheme is £1,264,552 per hectare so that already the reduction in the market residential sales values is significantly impacting on the residual land value. This gives a feel for the role of value levels in all of this – how sensitive the outcomes are to those. From that pre-affordable housing indicative land value (RLV), if we then require the scheme to produce 30% affordable housing, we see the RLV fall away to £547,142 per hectare. At that level we can see from the VOA data that the scheme is still quite likely to compare favourably with a range of industrial or perhaps commercial alternatives. Once we increase the affordable housing requirement to 40% at this value level, however, we see the RLV reduce further to an indicative £155,787 per hectare; a level of land value which is quite likely to be insufficient to make sure the residential scheme come forward. However, a range of comparative land values might well be relevant in some circumstances; as mentioned for example at 3.3.11 and 3.3.12 below. Ultimately this will need to be reviewed at scheme-specific level if viability issues arise, which is a widely applicable principle – not just relevant to Harrogate.

3.3.7 So here we can begin to see the careful consideration that is required around the affordable housing targets, bearing in mind how value point 4+ new build residential values appear to be needed to support more than 30% affordable

⁹ VOA Property Market Report July 2009

housing; and this is alongside the base study levels of wider planning obligations and other costs. We commented at 3.2.8 that a majority of new build values in the Borough are seen within the range Value Points 2/3 up to 5. This means that even in a potential rising or more buoyant market again in future, should that occur, values in the Borough are still likely to span a range which includes levels perhaps significantly beneath those which are capable of supporting up to say 50% affordable housing alongside other costs and obligations, moving forward. This would be emphasised with increases in the costs side of the appraisals e.g. through wider planning obligations costs, Code for Sustainable Homes attainment, base build costs, etc. Policy and its application is going to need to be pitched accordingly and be capable of responding to the variety seen.

- 3.3.8 For general information, the VOA also provides average data for residential land within Harrogate. Figures of between £2,000,000 and £2,300,000 per hectare are indicated. These levels of RLV align more to our results as seen from higher end values and/or lower proportions of affordable housing. This information can only be regarded in very general terms, however, since we stress again that development values and appraisals are very site-specific once actual schemes are being looked at. It also needs to be borne in mind that the basis of that values data may well not be consistent with particular planning obligations expectations, including on affordable housing, as well as with other current locally applicable assumptions.
- 3.3.9 It is also very important to note when comparing values with VOA data (or other historical data) that the commercial property market has been hit very significantly by the same economic conditions that have been at the root of the residential market downturn. The commercial market has lost confidence and has seen demand levels reduced more severely even than in the residential market – with very low occupier demand and therefore declining investor interest levels affecting values very significantly. It needs to be borne in mind that land value comparisons between residential and other existing/potential alternative (commercial) uses will vary quite significantly over time, particularly in such turbulent economic conditions.
- 3.3.10 We have noted that comparisons with other information, such as provided by the VOA on land values for various uses, is purely indicative. The purpose is to reinforce the relevance of considering the issue of other land use values, and that those might impact on what becomes of a site - or on what a site is able to provide. The values relating to sites (whether for existing or alternative/potential uses) will be highly specific. Where we have been able to gather any further information or indications from agents on land values locally, details have been added to Appendix III as the study has progressed. Looking across a wide range of similar studies, this has typically been very limited, because the feedback echoes our points about the site-specific nature of comparisons. Recent and current market conditions, for residential and

commercial property and development, have meant very low activity and transactions levels and resulted in such information being hard to come by.

3.3.11 As stated previously, comparisons on this sort of basis are difficult to make with any real certainty or confidence. Again, there will be no substitute for consideration of site specifics where viability issues arise, but we consider it helpful to make some cross reference between our results and this sort of information on land values.

3.3.12 Where potential Greenfield releases for development opportunities are being considered, a different level of land value “trigger” may well apply so that an indicative RLV outcome beneath the context discussed for example at 3.3.4 to 3.3.6 above might well still mean a potentially viable scheme, depending on a specific landowner’s exact circumstances, requirements and any options/alternatives. Where there is no other prospect (beyond the residential or mixed use scheme proposal) of significant enhancement to agricultural or amenity land value, a lower land value level than those discussed above in the context of Brownfield land will normally be appropriate. This will depend on the planning status of the land, so is unlikely to include areas of Greenfield land within settlement policy boundaries. It is likely to be relevant in the case of any relatively straightforward extensions to existing settlements where the overall planning obligations packages are not increased significantly by way of major infrastructure works or contributions, and other cost factors to do impact unduly to lower the indicative RLVs further.

3.3.13 Given this combination of characteristics the results as discussed here can be considered differently in that, depending on scheme specifics, in our experience a land value in the range say £100,000 to £500,000 per hectare might well be sufficient to incentivise the release of sites depending on all the specific circumstances. It is not possible to provide fixed guides on this, but we can see that RLV outcomes beneath £500,000 or so per hectare could well become workable on this basis, potentially including those in the £200-300,000 per hectare range. The different land values discussion is more likely to be the key factor which influences any scope for increased planning obligations (including affordable housing) linked to Greenfield scenarios relative to that usually possible from Brownfield sites, rather than necessarily lower development costs being applicable to Greenfield sites. Build and development costs will vary from site to site regardless of that particular distinction.

3.3.14 This range within which a lower level of RLV “trigger” could fall means that lower value scenarios with these characteristics should have the potential to support higher affordable housing proportions than their Brownfield counterparts. This potential means that the viability of a site which struggles to meet headline affordable housing proportions through relatively low market values impacting on viability might be improved back towards meeting those

targets; and one which will provide mid to high end market sales values (Value Points 3/4+) might be able to provide more affordable housing than the scope for a Borough wide headline policy suggests.

3.3.15 This wider interpretation of the indicative RLV results is discussed further below at paragraphs 3.4.15 to 3.4.18 within 'Results Trends'.

3.3.16 The site densities assumed above are all for example purposes only as site-specific variations will influence viability on individual sites. The example values for alternative uses cannot be considered definitive. This section is provided as a guide only, and to emphasise that considering alternative use values will often be important in delivery discussions.

3.4 Results Trends

3.4.1 This study has looked at a range of affordable housing proportions and thresholds on development viability.

3.4.2 The wider work also looked at the possibility of seeking affordable housing on sites below the currently adopted threshold (that being 15 dwellings on sites in Harrogate, Knaresborough and Ripon, and 3 dwellings elsewhere), and at potentially removing the affordable housing threshold altogether (i.e. requiring a contribution towards affordable housing from all residential development sites).

3.4.3 The potential introduction of a “sliding scale” of policy requirements has also been reviewed, purely in viability terms, enabling the Council to consider that – potentially in relation to reducing or effectively removing the threshold(s) or possibly considering that in respect of certain localities. This could lead to a policy position where the affordable housing proportion sought increased with site capacity at set “steps” if appropriate.

3.4.4 The overall trend of results shows a decrease in RLV for all site sizes and types in all cases as:

- Market property values decrease.
- The proportion of affordable housing increases.
- Availability of grant is reduced/removed.
- Developer's profit is increased.
- Planning obligations/infrastructure requirements are increased, and

- other costs are added to the scheme.

- 3.4.5 A reduction in RLV would be seen if any of the costs within the appraisals are increased or the affordable housing revenue to the developer reduced whilst maintaining the same private sales values. These are all normal trends encountered in any such study (or indeed site-specific appraisal). They demonstrate the dynamic nature of the development process and the fluid nature of any appraisal modelling that endeavours to understand or demonstrate the process.
- 3.4.6 The above will all have an impact on development viability because the sums of money remaining to purchase land after all costs are met (i.e. the RLVs) reduce as development costs increase (including increasing affordable housing requirements, in the context of this study). The importance of strong sales values to viability, particularly as development costs (again including affordable housing) increase, can clearly be seen.
- 3.4.7 A combination that includes multiple or all of the factors that decrease RLV (as per the examples listed above) will have the greatest impact on the viability of a scenario.
- 3.4.8 Given the development cost levels and base assumptions as set out previously, at Value Point 1 there is no land value generated on any of the schemes appraised - on the basis of our assumptions. This means essentially that, on this basis, there is insufficient value in schemes to overcome their costs whilst still creating sufficient development profit and a meaningful land value. As such, it would not be practical to expect such schemes to deliver affordable housing in any substantial proportions, unless they were promoted on inherently low value sites – or where land did not have to be purchased. As mentioned in Chapter 2, Value Point 1 falls below the range of values currently encountered on a consistent basis, but was included to test viability at lower value levels should the lowest values encountered fall further.
- 3.4.9 Again at Value Point 2, given the level of costs assumed, once affordable housing at any level is required all the schemes show a negative (i.e. zero) RLV.
- 3.4.10 The reason for generally such low RLVs is low sales values combined with development costs that are comparable to those in higher value situations. These situations may lend themselves to a different view needing to be taken on the cost/value relationship and, again, we can only really speculate as to some of the factors which might have been at play in making development occur in such circumstances (as has been the case in the more buoyant market conditions seen until relatively recently) for example possibly:

- Smaller/local/contractor developers with different cost bases or taking a different view on costs, risks, profits, marketing, overheads – or combinations of these.
- Housing Association/other subsidised/low cost or possibly conversion schemes distorting recorded sales data – pulling lower end figures further down.
- Smaller units/more modest specifications which help to keep costs down.

3.4.11 gain this must be set against the fact that the occurrence of these value levels are low and that in general, through our combination of assumptions we are taking quite a cautious view of development viability here, which we feel is necessary.

3.4.12 At Value Point 3 (the lower end of the new build values range typically seen across Harrogate district in the current market), relatively strong land values are generated across most scheme types and sizes at the lower proportions of affordable housing reviewed. The indicative land values (RLVs) generated by our appraisals are still relatively low with 30% or 40% affordable housing proportion applied though, and almost certainly with more than 30% are unlikely to match existing lower end commercial or industrial use values or sites in existing residential use (residential redevelopment). The RLV results allied to this value level are generally negative (nil) when 50% or 60% proportion is applied.

3.4.13 By Value Point 4 where values are most commonly seen, much stronger RLVs are generated more often where the affordable housing requirement reaches 30% or 40%. As would be expected, lower but still positive RLVs are produced with a 50% proportion applied, which might in some cases still mean competitive land values, albeit with base level wider planning obligations and other assumptions. At 40% the indicative RLV regularly exceeds likely alternative upper industrial use values, but again may struggle to compete with sites at the higher end of the commercial values range and on sites in existing residential use.

3.4.14 To add a little more detail around the critical areas for the Council, relative to its existing 50% targets, at Value Point 4 with 50% affordable housing assumed, the indicative RLVs deteriorate to the point that they only just exceed the lower end of the commercial/industrial use values in some cases, and again would be unlikely to compete with sites in existing residential use (i.e. sites with permission for residential redevelopment where the purchase of one or more existing properties is required). At this point it is worth reiterating that the requirement for affordable housing or any other “cost” to a scheme will have a negative impact on RLV. The frequent occurrence of sites for residential redevelopment (re use of existing residential land) has a

bearing on our judgments on potential policy positions and how ambitious those could be.

- 3.4.15 Looking district-wide with the aim of setting a target which creates the much needed clarity and certainty for the development industry, the results overview begins to point towards a 40% target being more workable and appropriate, taking a strategic longer-term view, than a higher aspiration of 50% or more. However, a variety of sites will play a role in future housing supply, and this may need to be borne in mind as a key point to supplement this type of district-wide headline (potential blanket policy) because other types of land value comparisons may well be relevant as well.
- 3.4.16 Greenfield site allocations will be relevant to consider in this context, if those are pursued. Whilst the issue of increased planning obligations (for potential infrastructure provision) may present a significant challenge to enhancing proportions of affordable housing in the case of larger urban extensions (and perhaps particularly around Harrogate/Knaresborough), there may be other Greenfield land release scenarios – e.g. in smaller market towns and villages which are less complex and may not come with wider planning obligations levels increased to the same degree. Bearing in mind that with a Greenfield site there is usually no alternative prospect of securing such a significant enhancement to agricultural or amenity land value, a lower level of RLV (i.e. after supporting an increased affordable housing and perhaps increased planning infrastructure package) might well prove workable. We cannot provide any fixed cut-offs for the point at which an agricultural landowner might be sufficiently incentivised to sell. In practice this is highly dependent on the particular circumstances. In our experience, the figure might be anywhere in the range say £100,000 to £500,000 per hectare, although that must not be regarded as a fixed range or guide by any means.
- 3.4.17 If we consider as examples the lower density scenarios (e.g. see Appendix II, Table 1c), even though those produce significantly lower RLVs per hectare than seen in Table 1b on the basis of similar dwellings occupying more land, we can see that a 25 unit housing scheme or a 50 unit mixed scheme produces an RLV in the range say £250,000 to £300,000 per hectare, with 50% affordable housing. The 100 unit mixed scheme produces an indicative land value in excess of £200,000 per hectare. This at least indicates the potential for land values that may be sufficient to see schemes brought forward. The higher density scenario results appear more favourable on this basis, as would be expected.
- 3.4.18 Another beneficial outcome for affordable housing could be a lower value location (e.g. Value Point 3) still having the potential to support up to 40% affordable housing given the different basis that may be relevant on land value, compared with a previously developed (Brownfield) site.

3.4.19 At Value Points 5 and 6, the upper end of the range of values most regularly seen locally, the indicative land values generated by our appraisals reach levels likely to be well in excess of most potential existing/alternative use values where there is a requirement for 40% affordable housing. Where that requirement increases to 50%, we see a continued drop off in RLVs but on most scheme types the RLVs indicated are still likely to exceed those relating to most existing or potential alternative industrial / commercial land uses. This indicates upper end values needed to support more than 40% affordable housing – unless perhaps on Greenfield site scenarios (as at 3.4.16 and 3.4.17 above).

3.4.20 By Value Point 7 and above (beyond the typical current values range), indicative RLVs generated by our appraisals reach the point where they are likely to comfortably exceed any alternative use value even with 50% affordable housing.

3.4.21 It should also be noted here that the scenarios tested all assume minimal abnormal costs and, as mentioned above, any increase in costs will have a further detrimental effect on the RLVs produced (assuming sales values remain constant) by the housing development scenario envisaged (and hence a further impact on development viability).

3.4.22 As with all study locations, there will be variations within, and exceptions to, these types of trends.

3.4.23 We will now go on to describe the impact of these variables in more detail whilst drawing out examples from the results, before setting out our conclusions in relation to the likely viability of various affordable housing policy options (affordable housing thresholds and proportions).

3.5 Affordable Housing Proportion

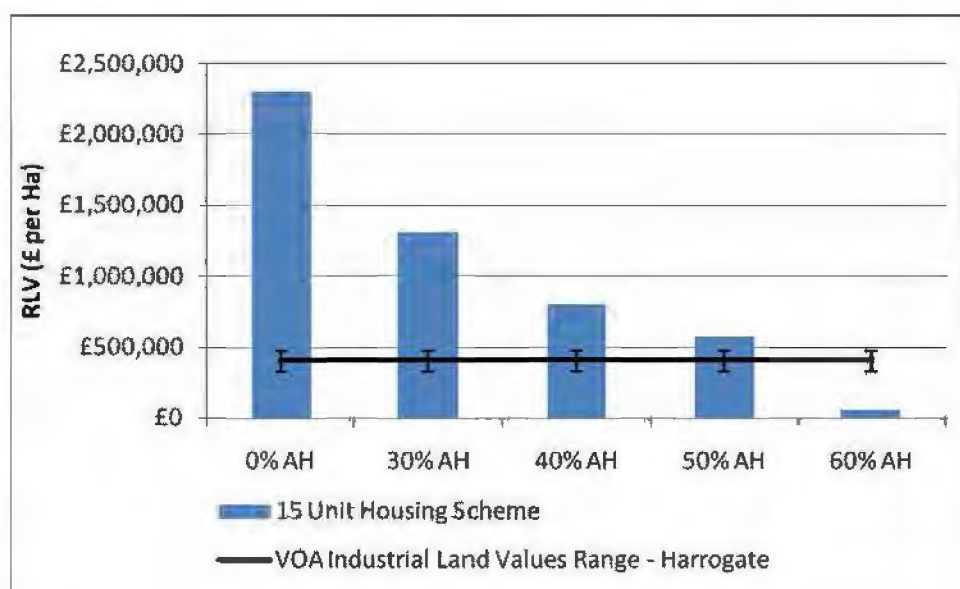
3.5.1 The effect of affordable housing proportions has been tested on all scheme sizes - at 20%, 30%, 40%, 50% and 60%. For schemes in Harrogate, Ripon and Knaresborough, affordable housing policy applies currently on schemes of 15 or more dwellings. Elsewhere in the district the policy applies to all schemes of 3 or more dwellings. The entire range of proportions has been tested to enable us to consider a range of options for the Council including the current negotiated position based on requiring 50% affordable housing, as a target, from those schemes, and potential future policy options.

3.5.2 The lowest RLVs occur where the property values are lowest whilst the affordable housing proportion increases. The following is based on our base appraisal assumptions. The impact of grant, varying profit, higher infrastructure costs, higher Code for Sustainable Homes costs and additional CO₂ emissions reduction measures are discussed later.

3.5.3 For this section we will look at the results of our 15 unit housing scheme to see the impact on that scheme as that range of affordable housing proportions is applied.

3.5.4 As an example, the impact of affordable housing proportions increasing on this 15 unit scheme can be seen in Figure 6 below whereby we see the reduction in RLV as first 30% then 40%, 50% and 60% affordable housing is applied. This assumes values at Value Point 4 for in this example, the value level most commonly seen.

Figure 6: Example showing impact on RLV (£ per Ha) of increasing affordable housing proportion (Value Point 4) 15 unit housing scheme



3.5.5 Figure 6 illustrates also the RLV (in £ per Ha) produced relative to the indicative VOA data for Harrogate on industrial land values. We see that at 0% and 30% affordable housing the RLV produced significantly exceeds the VOA data. However, as the proportion increases to 40% and then 50%, the RLV becomes more marginal relative to the VOA data. The pattern of reduction in RLV is repeated across all scheme types and sizes. We see RLV reducing as the affordable housing proportion increases, but this effect is mitigated by increased market value levels (i.e. increased Value Point) as schemes are gradually able to generate significant land value whilst bearing more cost (see also Figure 7 below).

3.5.6 The study results that show very large reductions in RLV are usually related to schemes where relatively low market sales values drive the appraisals. Only a small increase in costs (or reduction in sales receipt) results in a large relative percentage drop in RLV. This impact is principally going to have an effect on sites which are asked to provide affordable housing for the first time (i.e. go from providing 0% to potentially up to 20%, 30%, 40% or 50%.

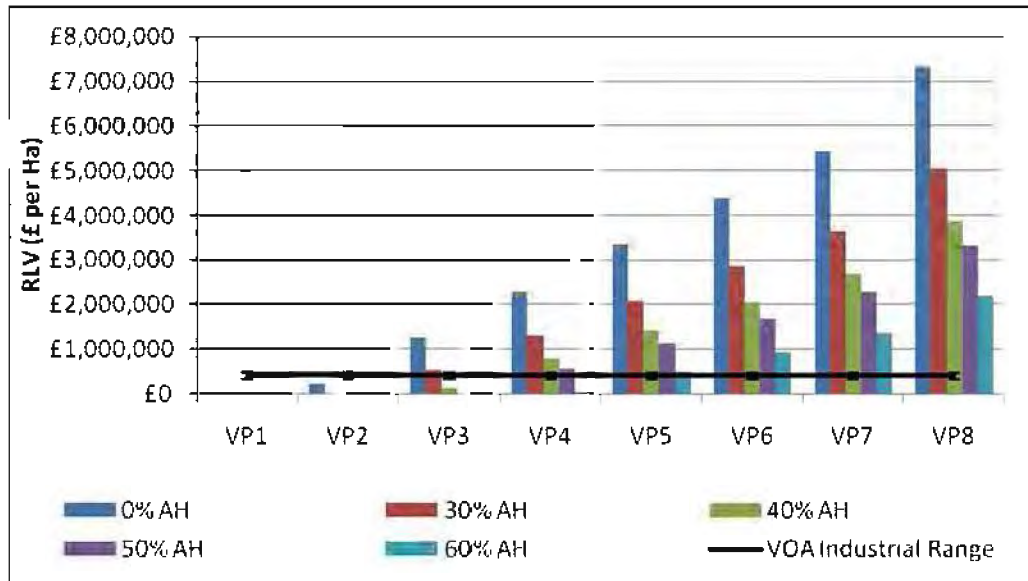
However, we are also seeing it here with lower end value schemes more generally, where even low proportions of affordable housing deteriorate the results significantly and provide very low RLVs (as at Value Point 1 and in some cases, 2).

3.5.7 Looking at the effect of value on the scheme, the results suggest that there may even be difficulties experienced in applying any more than 40% affordable housing in areas with values at around our Value Point 3 levels (the lower end of current typical values range for the district). Therefore, it is likely that the Council would need to negotiate in such instances, particularly in current market conditions – even more so if those weaken further. In those instances the RLVs produced by residential schemes may be marginal or even low compared to existing/alternative use values, and potentially not allowing for landowners' incentive levels – although all situations will vary and this does not mean such schemes will not work. This could also apply to schemes with high abnormal or planning infrastructure costs (potentially even where they are higher value), highlighting the importance of regarding the policy positions as targets, wherever they are set. The occurrence of Value Point 1 and 2 levels is limited, however, and at present most values in Harrogate district fall within higher parts of the range considered.

3.5.8 By way of illustration, at Value Point 3, the indicative RLV for our notional 15 unit housing scheme reaches £207,914 (or £547,142 per Ha) at 30% affordable housing. At 40% affordable housing, the indicative RLV of £59,199 (or £155,787 per Ha) suggests that there is little scope to bring forward a site at that level of affordable housing unless it is of intrinsically low value (agricultural, amenity land or similar) and/or there is a low value expectation (or level of hope value expectation). However, these types of scenarios are often relevant in Harrogate Borough, as well as the Brownfield ones where starting point land values are higher. The Council will need to continue its successful practice of securing affordable housing from the widest possible range of opportunities. The value level and affordable housing scenarios considered here are alongside the base assumptions, i.e. lower level of infrastructure cost requirements (at £2,500 per dwelling), Code for Sustainable Homes Level 3 and our additional 10% CO₂ emissions reduction assumption.

3.5.9 By Value Point 4, the RLV produced by this same notional scheme has increased to £496,886 (£1,307,595 per Ha) at 30% affordable housing and to an improved £302,383 (£795,744 per Ha), with the effect of a 40% affordable housing policy. At 50% affordable housing the residual land value drops further but is still relatively strong providing an RLV of £215,415 (equating to £566,882 per Ha) and could exceed a range of alternative use values in the Harrogate Borough context. Figure 7 shows these trends for this notional scheme through Value Points 1 to 8.

Figure 7: Indicative RLV (£ per Ha) - 15 Unit Housing Scheme



3.5.10 So, for schemes around Value Point 4 to 5 the indicative RLVs appear to be able to support affordable housing at a proportion of 40% to 50%, but in conjunction with the base assumptions on other cost areas rather than typically the higher level other costs areas. This will obviously be dependent on the existing or alternative use value and owner expectation of any site value, and as such there is no fixed cut off point where it is possible to say that land values definitely can or cannot support affordable housing at a certain proportion. However, it indicates that Value Point 4 related RLVs are more likely to support a 40% to 50% affordable housing requirement than Value Point 3 where a lower proportion is likely to be required for scheme viability and bearing in mind the existing or alternative use values factors.

3.5.11 Value Point 3 related RLVs remain positive at the lower proportions of affordable housing but it is likely that negotiation is more frequently going to be required on the percentage of affordable housing to be sought, especially alongside other planning obligations. A different view of the cost (particularly overall build cost)/value relationships may kick-start certain schemes and mitigate against viability issues around lower value development (Value Point 1 and lower Value Point 2).

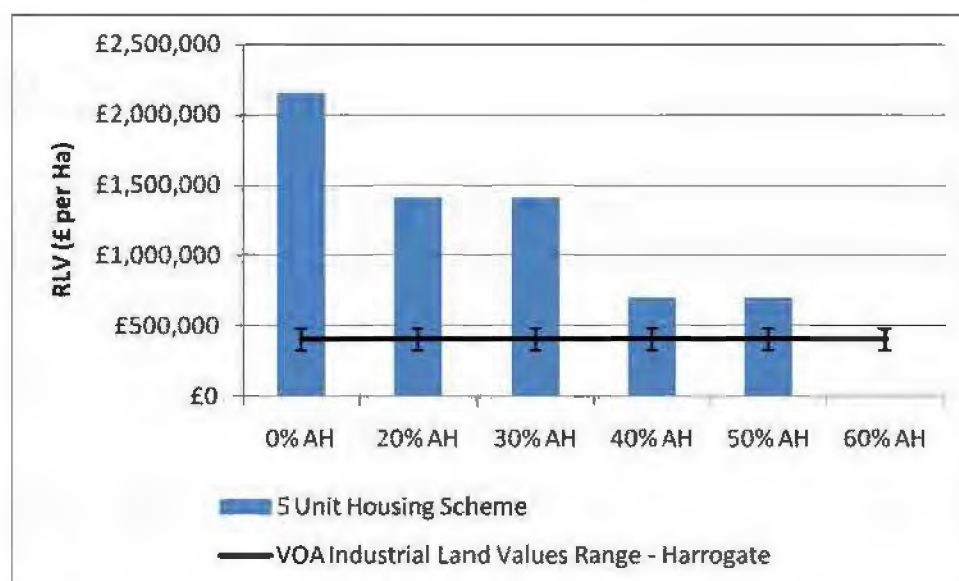
3.5.12 A practical approach will need to be applied in all cases, and especially while we have uncertain economic conditions feeding a low level of market activity. In lower value cases (as above) we think there will need to be a particular emphasis on the affordable housing requirements being looked at sensitively on a site-by-site basis as part of the overall planning obligations package. In our view, this does not suggest abandoning a challenging target which clearly sets expectations for the long-term strategy; it is about how that is implemented, particularly in the short-term.

3.6 Reducing or Removing Affordable Housing Thresholds

- 3.6.1 The overall impact of a range of potential affordable housing policies also needs to be judged with reference to the scheme size (principally number of dwellings) at which policy requirements could take effect. These scheme sizes, or trigger points for policy, are known as thresholds. The study brief extended to cover wider potential options including the review of a lowered or no threshold (i.e. where a wider range of smaller sites, or perhaps all sites, would contribute in some way towards meeting affordable housing needs).
- 3.6.2 Harrogate Borough Council's currently applied affordable housing policies place a requirement for the provision of affordable housing on sites of 15 dwellings or more in Harrogate, Ripon and Knaresborough and on sites of 3 or more dwellings in the rest of the district. To reflect schemes of fewer dwellings, i.e. falling outside the scope of the current approach, the range of modelling carried out for this study also included a starting proportion of 0% affordable housing on those smaller sites – as a benchmark representing the fact that currently no affordable housing is sought from them. It then looks at the impact of applying 20%, 30%, 40% or 50% affordable housing on schemes below the 15 unit threshold and below the 3 unit threshold.
- 3.6.3 Analysis of the results indicates that, as expected, a potential lowering of the on-site affordable housing threshold (effectively increasing the proportion of affordable housing from 0% to 20%, 30%, 40% or 50%) on any of the scenarios modelled leads to significant reductions in RLV across the entire range of scheme types and Value Points. As an example, looking at the 5 unit housing scheme through Value Points 1 to 7 as the affordable housing requirement increases from 0% to 20% or 30%, we see a reduction in RLV of between 100% at Value Point 2 (no value is generated at Value Point 1) and 26% at Value Point 8.
- 3.6.4 Given base level (£2,500 per dwelling) planning infrastructure costs, at Value Point 4, (around the middle of the most relevant part of the value range considered - where it might be said that the mid-range of the most common new build values lies), we see a reduction of 34% of RLV from the 5 unit housing scheme. This is on moving from 0% to 20% or 30% affordable housing content. At 40% or 50% affordable housing the reductions in the RLV range from 100% at Value Point 2 to 48% at Value Point 8.
- 3.6.5 In terms of the indicative RLV produced by the 5 unit housing scheme in the example referred to above, at Value Point 4, this lowers from £279,653 at 0% affordable housing to £183,521 at 20% and 30% and £91,231 at 40% or 50% (Appendix II, Table 1). Alternatively, this can be expressed in value per hectare (Appendix II, Table 1b). So, for this 5 unit housing scheme, we see a reduction in RLV (£ per Ha) from £2,151,174 per Ha at 0% affordable housing to £1,411,696 per Ha at 20% or 30% and £701,774 at 40% or 50% affordable

housing from an original starting position where affordable housing was not required. The 20%/30% and 40%/50% outcomes are the same in this example because numbers rounding (down) means the same affordable housing content at this scheme size.

- 3.6.6 Similar trends are seen on all other scheme types below the existing 15 unit threshold for on-site affordable housing - with a similar reduction in land values.
- 3.6.7 The results trend shows increases in RLV as we look at each of the affordable housing proportions (i.e. keep those constant) and move through Value Points 1 to 8, i.e. as values increase. These trends again are seen across all scheme types and all potential affordable housing proportions. The results show that market property values are one of the key determinants of site viability.
- 3.6.8 They also show that scheme size is not a determinant of viability in itself. This is a consistent finding common to all of our studies. There is nothing within the appraisal maths that suggests that smaller or larger sites tend to be any more or less viable than each other. It really does come down to site specifics – the nature of sites and the proposals for them relative to existing use, specific costs, etc, all as discussed. In addition, the actual sum of money remaining with which to purchase land diminishes for the smaller schemes to the point that regardless of the value created in terms of the rate per hectare, there may well be insufficient value remaining in actual terms (£s) to compete with other uses. Other effects also come into play on the smallest sites, as discussed below.
- 3.6.9 We see the same basic trend of RLV deteriorating with affordable housing proportion increasing, regardless of scheme size.
- 3.6.10 Appraisals have been carried out assuming 0% to 50% affordable housing on all schemes of fewer than 15 dwellings. By way of an example (Figure 8 below), a comparison of the RLV generated at 0% affordable housing with those generated at increasing affordable housing proportions shows the reducing RLV (i.e. the viability impact increasing) from the landowner's current position (i.e. compared with 0% affordable housing) as we move from left to right. The same is seen on other similar graphs as scheme type varies. In this particular example it should be noted again that numbers rounding applied to the affordable housing proportion gives the same affordable housing content at 20% and 30% (1 unit) and 40% and 50% (2 units). This means that there are large steps here, and this effect will need to be borne in mind through the Council's continued practical implementation of policy.

Figure 8: Example Results 5 Unit Housing Scheme – Value Point 4 Only

3.6.11 The most significant impact (reduction in RLV) is on the first time introduction of affordable housing requirements (as at Figure 8 moving from 0% to 20% or to any other proportion). This can be compared to a scheme above the existing threshold (e.g. Figure 6) where we see a graph which shows a flattening out trend (less steep fall away of RLVs) with increasing affordable housing proportion up to 50% where viability may become marginal in that example, but falling away beyond that where the scheme is very unlikely to be viable. The greatest impact from affordable housing is undoubtedly at the point policy first takes effect, i.e. on newly “captured” schemes in the event of a lowered threshold. Figure 8 above, in common with many of the graphs, illustrates how a sensitive application of policy – considering reduced proportions for smaller, first time captured sites perhaps through a sliding scale type approach – can have a helpful effect in maintaining land values at a viable level. The significance of moving from 0% to say 40% compared with moving from 0% to say 20 or 30% can be seen.

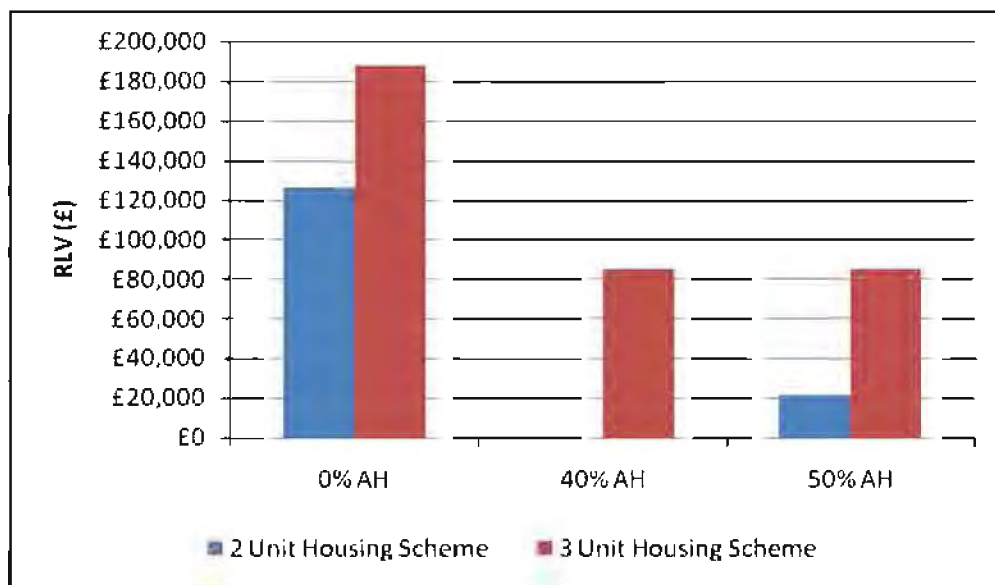
3.6.12 Consideration of the effect of this first-time policy impact (i.e. moving from 0% rather than an existing proportion) helps to demonstrate why we consider a sliding scale of affordable housing requirements could have potential as a useful and effective tool for reducing viability impacts on these smaller sites (those that would trigger affordable housing requirements for the first time should the affordable housing threshold be lowered from 15 units).

3.6.13 In the rest of Harrogate district the affordable housing threshold is set at 3 units so only schemes of fewer than 3 units currently make no contribution towards affordable housing under confirmed policy. In line with the requirements of the Council’s Brief, Adams Integra also looked at the possibility of removing the threshold altogether for both the main settlements and the rest of the district.

3.6.14 In effect this means that on a site of 2 dwellings, one must be affordable (although the way the Council operates its policies currently, a site of 3 dwellings will also only be required to provide one affordable dwelling as the Council “rounds down” the number of affordable units where required as part of applying its approach practically through negotiations based on site realities).

3.6.15 A comparison of the RLV results for a 2 and 3 dwelling site where all units are of the same size and quality is shown in Figure 9 below:

Figure 9: Comparison of RLV Results from 2 and 3 Unit Housing Scheme at Value Point 4



3.6.16 Figure 9 firstly shows the large impact on RLV of going from a 3 unit threshold to a 2 unit threshold (where the RLV reduces from £126,498 to £21,580 in absolute terms). Secondly it shows the advantage to be gained following the Council’s approach of rounding down whereby the RLV generated by only providing one in three of the units as affordable is significantly greater than that produced by providing one in two of the units for affordable tenure.

3.6.17 In reviewing the affordable housing thresholds and proportions, appraisals were also run to simulate those schemes of larger, lower density properties, for example from barn conversions, small scale new builds or similar more usually found in the rural areas. Sample appraisals were carried out on schemes of 3 dwellings whereby two of those were 225m² and one was 85m² as per our “standard” 3 bed dwelling type – that one being suitable for affordable tenure. In these cases the two large properties have been assumed as built to a higher specification than our standard dwelling types, as would be expected, and therefore the build costs for those have been increased to £1,600 /m² (from the base £1,000/m²). The value of the larger

units is based on the higher end of our Value Points range as is likely to be relevant to such schemes and the usually smaller settlements/rural areas, that they are most likely to occur in (rural areas outside of Harrogate, Knaresborough and Ripon). Figure 10 below shows a comparison of the results from these scenarios with our standard 3 unit scheme described above:

Figure 10: Results of Sample Appraisals Showing Increased Unit Size

Value Point	Scheme Type	
	2 x 225m ² & 1 x 85m ² (RLV - £)	Standard (3 x 85m ²) – RLV (£)
VP5	£184,438	£140,933
VP6	£324,767	£195,067
VP7	£468,823	£245,547

3.6.18 Figure 10 indicates that even with the increased build cost on the 2 large private units in this scenario, the RLV produced at the higher value points is significantly in excess of that produced at the same value levels by our standard sized dwellings scheme. Conversely of course this also shows the potential viability issues that may occur implementing this policy on sites where previously no affordable housing was required (i.e. Harrogate, Ripon and Knaresborough) where a scheme of more standard sized units is being constructed.

3.6.19 The wider evidence beyond this study points to lowered thresholds being necessary and justified to optimise progress towards meeting affordable housing needs. Given this and the finding that there is no particular reason for smaller sites not making a carefully judged contribution on a target basis, then in our view the sliding scale approach relating to sites which could often be significantly smaller than those currently within policy scope would be preferable to a straight requirement for say 50% from those – in viability terms. The Council's rounding down approach (where necessary through non-whole numbers of affordable homes relating) also means that on the smallest sites with "even" numbers of units, the viability impact is far greater at 50% affordable housing than the next site size up (e.g. as described above, the impact in viability terms of a 50% policy on a 2 unit scheme is far greater than on a three unit scheme; the same happens with a 4 and 5 unit scheme, and so on at other scheme sizes too – dependent on the maths). So on this basis the effective target switches between 50% (where that works – even numbers of dwellings) and sometimes significantly lower where an odd number of dwellings is proposed.

- 3.6.20 On a scheme that would already be “captured” by the policy scope (i.e. of more than 15 or 3 dwellings depending on location) it must be assumed that there has been and is already a land value expectation adjustment in process. In other words, there is a growing acceptance more generally of the affordable housing requirements that affect those sites already within policy scope, and of the need for those to be factored in to early stages scheme discussions.
- 3.6.21 However, for sites falling beneath current policy scope, this is not the case (that expectation has not been in place). Those will need to be brought within that adjustment process owing to the first time impact that we refer to. This means that the benchmarks that currently apply to such sites, in our view, need to be considered differently to those for the larger sites – and treated sensitively, particularly at this stage of policy development. Whereas, for a larger site, the no affordable housing (0%) land value expectation should be a thing of the past, this is not the case for smaller sites when viewed at this stage of policy development.
- 3.6.22 As an example (from Table 1) our 5 unit housing scheme is indicated to produce an approximate RLV of £279,693 at Value Point 4 assuming 0% affordable housing (current policy position in Harrogate, Ripon and Knaresborough). That, rather than any lower RLV figure, is the relevant benchmark in terms of driving land value expectations in that example. If 50% affordable housing is assumed then the indicative RLV figure falls to £91,231, a considerable reduction. As a proportion of the starting value expectation, this represents a large drop and is likely to bring the RLV significantly closer to or below any existing or alternative use value. If, however, a 20% or 30% affordable housing proportion is assumed then the impact is mitigated to a useful degree in viability terms. While the impact is still very significant, the RLV is boosted back to an indicative £183,521 (in this example) assuming a 20% or 30% affordable proportion. With a site of more than 15 dwellings, the starting/expectation point would be to the right of Table 1, so that we do not see this very significant first time impact – we see much smaller or no relative reductions and therefore we are making different judgments about the suitability of a higher percentage target – against other, closer, alternatives.
- 3.6.23 On some of the very smallest sites, numbers rounding of the affordable housing component means that varying affordable housing percentages produce the same RLV outcomes. That means the target percentages are actually being distorted by the calculation – an anomaly that again points to careful consideration of how to most appropriately treat the smaller sites.
- 3.6.24 There may be a range of other factors to bear in mind, depending on scheme type, location, local needs, funding availability and viability. For example, there may be cases with the smallest developments where the on-site provision of affordable housing may not be the most suitable and practical

response to seeking to meet affordable housing needs while meeting a wider range of planning objectives based around achieving balanced and sustainable communities. Alongside any potential financial viability issues, there can be challenges around affordable housing delivery on very small sites in particular - including in the successful integration of affordable homes, affordability, scheme design, marketing issues, perceptions, management sustainability and related factors. We have discussed these areas and sensitivities at length with the Council's housing and planning officers. Whilst in many areas we study these factors tend to point the policy direction away from targeting on-site affordable housing on sites of fewer than say 5 dwellings, more scope can justifiably be considered in Harrogate Borough, and not ruled out in terms of likely viability. The Council has successfully agreed and brought forward a range of affordable housing on small private developments. This has been achieved through close working and negotiation with landowners and developers, driven by the levels of need and priority placed on affordable housing. The Council has operated in a practical way applying what we consider to be good practice, and its ongoing policies and approach will need to be able to continue this theme as far as the balance with viability judgments will allow. Paragraph 2.10.3 provided further insight in to this.

3.6.25 So, whilst in many Council areas the sort of practical factors outlined at 3.6.24 generally point to looking perhaps at 5 dwelling private schemes as a minimum for on-site affordable housing provision, the nature and experience of provision in the Borough suggests that the housing need issues are likely to continue to outweigh those considerations and that, with appropriate development facilitated by the Council's approach and experience, RSL management regimes locally are coping suitably with this dispersed provision – that generally it is working well. Overall, the Council wishes to maintain its high level of expectation from such small schemes.

3.6.26 However, as a potential additional policy or negotiation tool, the potential to collect financial contributions in lieu of on-site affordable housing for the wider group of small sites (i.e. potentially applicable across Harrogate Borough to schemes of fewer than 15 units) has also been considered and is discussed further at 3.7 below.

3.7 Potential Approach to Seeking Financial Contributions for Affordable Housing

3.7.1 The Council required the study to include consideration of the collection of financial contributions on smaller development sites to test the impact as a possible alternative to requiring on-site provision. The thinking behind this is the need to optimise overall contributions towards meeting affordable housing needs by seeking some level of provision from the numerous smaller sites that typically make up a significant proportion of the authority's housing

delivery pattern. There is certainly merit in at least exploring policy options for bringing a wider range of sites, and potentially all sites, within the affordable housing policy scope in some way. We consider that this direction of thinking has the potential to be part of a more equitable overall approach to seeking affordable housing provision. Particularly during times of significant uncertainty over grant availability (HCA or other investment) a financial contributions approach has the potential to be a very useful additional affordable housing enabling tool for local authorities. We have experience of it working in this way in practice.

- 3.7.2 This study does not seek to cover any wider justification or evidence that may be necessary in the background to pursuing an approach to include the smallest sites through seeking financial contributions in lieu of on-site provision of affordable housing. The purpose of this element of the study is not to comment on the planning policy scope or wider merits of this type of approach, but to inform only on the development viability aspects. There are a variety of ways in which the calculation of financial contributions for affordable housing could be approached. We put forward a formulaic approach that is based on the land value of the relevant plots, thinking which is consistent with the wider study approach, but this is not to say that the Council's or some other approach would not be workable. Provided it is considered sensitively in terms of the contributions levels, and clearly guided, there could be suitable alternatives developed at the SPD or similar stage.
- 3.7.3 In all of our calculations for such studies we find no reason for stating that smaller sites are more or less financially viable than larger ones. Hence there is no viability reason why smaller sites should not make an appropriate, carefully judged, level of contribution towards meeting affordable housing needs.
- 3.7.4 The approach could reduce the inevitable abrupt step in requirements once the on-site affordable housing threshold takes effect. While specific thresholds are arbitrary, we consider that this type of approach could also have the potential to respect the practicalities that can sometimes be experienced in seeking to provide successful small developments that incorporate on-site affordable housing. In addition, the effect of rounding is removed as contributions can be calculated exactly.
- 3.7.5 This approach, if implemented, would effectively mean a lowering or an effective removal of thresholds but with financial payments being made (in lieu of on-site affordable housing requirements) from schemes within the relevant size range.
- 3.7.6 The range covered in this instance relates to the potential viability of requesting financial contribution payments for affordable housing from schemes of fewer than 15 dwellings. This is a part of informing what we

consider to be the widest range of potential options for the further consideration of policy development by the Council. At each point we appraised a range of affordable housing equivalent proportions of 20%, 30%, 40% and 50% so that we could see how results varied over this scale, and consider the potential to align this thinking to a sliding scale approach. We also appraised these sites assuming 0% equivalent (i.e. no affordable housing contribution) to reflect the current situation whereby no affordable housing policy applies to this group of sites. This set of results, as shown at Appendix 11h, overlaps with those generated for the smaller on-site affordable housing scenarios. We will not describe these results in detail here.

- 3.7.7 Our approach to financial contributions for affordable housing (regardless of scheme size) is set out in detail below in more detail.
- 3.7.8 Having set out a formulaic approach for schemes below the on-site provision threshold, the same basis could also be applied for larger sites where (exceptionally) it is agreed that the most appropriate solution for meeting balanced communities and wider planning objectives is through a financial contributions route. Similarly, an appropriate alternative route could be found for both types of scenarios. In all cases the relevant per unit (dwelling) sums would be apportioned depending on the scheme details and relevant affordable housing equivalent proportion. In any event, it could play a role as an additional tool for the Council – for example in moving affordable housing subsidy to support higher priority schemes; or (if a mix of on-site homes and part contributions is applied) to cross-subsidise a reduced number of priority needs affordable rented homes within the same scheme (for example where no grant is available to enable the target provision).
- 3.7.9 Distorting anomalies that result from numbers rounding and how that affects on-site provision could be set aside through this route; sums could be calculated exactly, to include part dwellings equivalents where those arise. This detail may be important for specific viability outcomes on the smallest sites where on-site provision involving rounding can significantly skew the actual proportion sought or provided.
- 3.7.10 The results for this set of appraisals show that, as in all other instances of increasing affordable housing proportion, the indicative RLV decreases as the calculation assumes a financial contribution based on potential policy positions where the equivalent proportion increases - from 0% to 20%, 30%, 40% and so on.
- 3.7.11 As identified throughout the results and discussed above, stronger RLVs are maintained in higher value development scenarios. Consistent with the on-site affordable housing results, there is a significant improvement in indicative RLVs as the scenarios move from Value Point 1 to Value Point 8, as would be expected.

- 3.7.12 Bearing in mind the deterioration of results with increasing affordable housing proportion on these first-time impacted sites, it may be appropriate for the Council to consider a lower proportion to be applied to the calculation in these instances. This would respect a sliding scale principle which we consider as a possibility for schemes of fewer than 15 dwellings in Harrogate, Ripon and Knaresborough, and fewer than 3 dwellings elsewhere in the district.
- 3.7.13 At the time of writing, we are aware that many authorities are looking at, or pursuing, the idea of all sites making some form of contribution. Other local authorities, particularly in the South, are exploring the scope for, and issues with, lower thresholds and/or financial contributions linked to smaller sites in a similar way.
- 3.7.14 We are asked to review these areas, in terms of viability, in many of our studies. Adams Integra produced the viability study for South Hams District Council to support its Affordable Housing DPD at examination. We understand that approach and study, with which this and our other studies share common principles and methodology, has been received as good practice. Since then both Southampton City Council and Mole Valley District in Surrey have also had their policy stance (to include a similar type of financial contributions and sliding scale approach) examined (2009), with our similar study work supporting that and meeting the examination requirements.
- 3.7.15 Compared with previous national advice under Circular 6/98 and PPG3 (now rescinded), PPS3 gives more scope for the consideration of thresholds, related to local circumstances “where viable and practicable”.
- 3.7.16 The development of policy and explanatory text should include this financial contributions aspect within the wording if it is to be pursued, so as to make clear to landowners and developers the principles to be applied and the essence of the Council’s approach. This might include the general basis on which calculations would be made, but not the detail or any aspects that might need subsequent regular updating. From that point it would become an area of the Council’s potential approach that would need to be developed either through SPD or in another DPD e.g. dealing with Sites and Policies or affordable housing detail.
- 3.7.17 Ours is by no means the definitive or only approach that could or should be taken in the collection of financial contributions. As far as establishing or indicating payment levels is concerned, local authorities adopt a number of calculation methods. Above all, clarity and certainty of the Council’s expectations should be provided for the development industry. In most cases it means considering a methodology which either:
- Relates to the build cost of the affordable homes, or

- Relates to the land cost element – allied to a nil-cost land approach to on site affordable housing, or
- Considers the difference between the open market sale revenue and the affordable housing revenue for the relevant homes that would have formed the on-site quota. This latter route may be more complex, need more updating and be viewed as less market related. However, it has the potential to be workable if guided appropriately.

3.7.18 Some local authorities have continued using mechanisms which relate back to the former Housing Corporation Total Cost Indicator (“TCI”) regime in some way, or to RSL finance-driven models which link to how much finance RSLs are able raise or grant/other subsidy they need based on dwelling type and tenure assumptions. Reference to TCIs is now outmoded. Furthermore, methodologies such as those relate less well to the market in our view. Methodologies that relate more closely to the market-led provision that flows from the planning obligations are preferable and more widely understood in our experience.

3.7.19 Our suggested route is purely a mechanism to allow us to calculate a reasonable contribution and test the impact on development viability of collecting those sums of money in lieu of onsite affordable housing provision. It is an approach that has been applied usefully and successfully in negotiations, outside of Harrogate district. We have selected it because it relates to land value, and so shares thinking with the study basis. In our experience this also usually makes it better understood by landowners and developers compared with potentially complex and highly variable affordable housing funding related mechanisms. A commuted sums methodology based on land value links well to market reality and processes, and should be simpler to take account of in the early stages of site feasibility.

3.7.20 In essence, the thinking involves calculating how much it would cost, approximately, to go off-site and replace the land on which the affordable housing would have been provided on-site. This is the basis we have assumed, and we allow for indicative costs associated with land purchase and getting the site ready for development (aspects which would usually be provided or assumed within the arrangements and calculations for on-site affordable housing).

3.7.21 We are assuming here a straightforward payment being made by the landowner (who may be the developer) under the terms of a s106 agreement in much the same way as occurs with planning obligations for aspects such as highways/transport, open space, education, etc. The calculation should not (and this way it does not) look at the benefit to the developer of moving the affordable housing contribution off-site. PPS3 requires the contribution

secured to be “of broadly equivalent value” to that which would have been secured through on-site provision.

3.7.22 The suggested route involves a formulaic approach to approximating the land value that needs to be replaced elsewhere, and then allowing also for the cost of acquiring and servicing that land – as above. In practice, the Council might not look to buy another site, but should have a strategy for monitoring, managing, allocating and committing these contributions. That strategy could include providing a variety of more creative affordable housing funding assistance to other local schemes, addressing priority needs and contributing to sustainable communities aims - again as envisaged by PPS3.

3.7.23 The methodology used to calculate the financial contributions involves taking a pre-affordable housing land (plot) value, calculated as a percentage of the market sale value of a property and taking account of other planning obligations and development cost assumptions. This percentage would reflect the range of pre-affordable housing (0%) RLV results, as taken from this study. We take the view that an allowance should be added to this base sum (bearing in mind that as well as land value there would be acquisition plus potentially site preparation and servicing costs to bear). We are envisaging being able to replace the land elsewhere as the broadly equivalent benefit being secured.

3.7.24 The details at Appendix IIh include indicative per dwelling equivalent payment figures (financial contributions) generated through the following steps:

- a. Open market value (OMV) of relevant or comparative property (depending on to what degree the formulaic approach is to be site-specific and linked to actual values or to a district-wide guide figure, etc).
- b. Multiply by the RLV percentage. In Harrogate’s case, we have used 24.8%, derived as per 3.7.23 above (and see also Appendix IIh). Note that it would be possible to look at this in a variety of ways, including on a more scheme-specific RLV basis.
- c. Add 15% of the result of [a x b] to reflect (as an estimate) site acquisition and preparation/servicing costs. This produces the (per dwelling) equivalent sum.
- d. Apply to the relevant dwelling numbers and types, and to the equivalent affordable housing policy proportion (in this case we reviewed potential positions for this at 20%, 30%, 40% or 50% equivalent proportion).

- 3.7.25 Appendix IIh sets out the per (whole) dwelling indicative financial contributions which we have arrived at on this basis for this study, using our dwelling size and wider assumptions as applied for the wider study modelling.
- 3.7.26 The results set out in Appendix IIh suggest that seeking to collect financial contributions driven by these sums in areas or instances that fall within Value Points 1 to 2 will have a significant impact on viability – again reflective of the on-site affordable housing results. At Value Points 3-4 and above, RLVs improve to the point where, with the normal caveats applying (with regard to site specifics, being allied to a target approach as with on-site provision, etc), viability should be workable subject to a negotiated approach. So we see a similar pattern, as would be expected, to the on-site affordable housing results. The range of results highlighted in the following two paragraphs is shown at Appendix IIh.
- 3.7.27 Overall, excluding the 0% affordable housing equivalent results flowing from the low end value assumptions (VPs 1 and 2, plus a few VP 3 instances), RLVs ranging between 1.4% and 41.5% of GDV (between Value Points 3 and 8) can be seen on sites of between 1 and 14 dwellings on this basis. Approximate RLVs in the overall range 0% to 12.5% of GDV (the low end of these results) were seen from all schemes of 1 to 14 units at Value Point 3 with 50% reducing to 20% affordable housing equivalent. Conversely, indicative RLV results all in excess of about 26% (going up to 36.8%) of GDV were generated by these schemes at Value Point 7 with 50% reducing to 20% affordable equivalent again. With reference to our finding that VP 3 is at the lower end of the typical range seen, and that VP8 is beyond (above) the current typical range, this range of outcomes represents those most likely to be relevant in the Harrogate Borough context.
- 3.7.28 In all cases of moving from one level of affordable housing equivalent to the next (e.g. 20% to 30%, and so on) the RLV results deteriorate notably. On these small sites this could potentially become critical to scheme finances including existing/alternative use value relationships, perhaps especially where residential development is concerned.
- 3.7.29 Whilst, as with other results, there can be no single right answer or definitive cut off point, we consider that the results indicate potential or even likely viability difficulties with increasing affordable housing equivalent % at the lower end of the typical current values range (around VP3). The VP results suggest that while a 30% affordable equivalent based financial contribution should be workable on this basis, a 40% to 50% one might well be difficult to achieve on a regular basis. Also, at these value levels, the potential contributions tend to look disproportionately large in relation to the scale of RLV indicated as being produced by some of the schemes. This effect should be borne in mind (whereby if the balance is wrong, too large a contribution relative to site value would be required). If this area of policy is pursued, these

findings point to the Council weighing up this viability sensitivity against the degree of need to optimise contribution levels. In this process, the potential advantages for delivery of an equivalent contribution pitched relative to the scheme size, and bearing in mind the sensitivities around the first-time impact on some sites (i.e. if operated on sites of fewer than 3 dwellings outside the 3 key urban areas; fewer than 15 within those) should be considered.

3.7.30 This also has to be viewed in the context of site specifics. In pure viability terms, similar considerations apply as with on-site situations. What one landowner finds acceptable as a payment for their land will be different from another. This is especially true on small sites where we could be considering garden plots, etc. In real monetary terms, the residual value of land may reduce to the point whereby landowners of small plots do not feel there is sufficient recompense to sell. Equally, where existing residential units are bought up and demolished to make way for a larger number of units, viability issues may occur. This is due to the high value of the existing residential properties that usually needs to be overcome before the new development can become viable. The approach needs to respect the market-driven basis that it would be reliant upon, not be too rigid, and be sensitive to these factors.

3.7.31 The simplest interpretation of this approach to financial contributions would be setting out a district-wide single contribution figure per property type. If this route were preferred then a mid-range figure from the above could be selected for each unit type. This would mean taking an average approach, with the outcome from some sites more favourable in terms of monies secured than others (from both the Council's and developer's/landowner's points of view). In the case of Harrogate's local property price levels, as discussed, the point selected for this simple uniform approach could be the Appendix 11h per (whole) unit commuted payments relating to Value Point 4, for example – also see the summary below at Figure 11. That includes the indicative (per whole dwelling) contribution figures from our formulaic route. The relevant affordable housing element (by types and numbers of dwellings) can then be multiplied by the appropriate per whole dwelling sums, even if fractions of dwellings are involved.

3.7.32 Figure 11 below summarises the (per whole dwelling) indicative potential financial contributions produced by our calculation route across the range of Value Points and assumed dwelling sizes:

Figure 11: Summary of indicative potential per whole dwelling equivalent affordable housing Financial Contributions

VP	1-Bed Flats	£ (per Unit)	2-Bed Flats	£ (Per Unit)	2-Bed Houses	£ (per Unit)	3-Bed Houses	£ (per Unit)	4-Bed Houses	£ (per Unit)
1	£80,000	£22,816	£107,200	£30,573	£111,000	£31,657	£125,800	£35,878	£148,000	£42,210
2	£100,000	£28,520	£134,000	£38,217	£138,750	£39,572	£157,250	£44,848	£185,000	£52,762
3	£120,000	£34,224	£160,800	£45,860	£172,500	£49,197	£195,500	£55,757	£230,000	£65,596
4	£140,000	£39,928	£187,600	£53,504	£206,250	£58,823	£233,750	£66,666	£275,000	£78,430
5	£160,000	£45,632	£214,400	£61,147	£240,000	£68,448	£272,000	£77,574	£320,000	£91,264
6	£180,000	£51,336	£241,200	£68,790	£273,750	£78,074	£310,250	£88,483	£365,000	£104,098
7	£200,000	£57,040	£268,000	£76,434	£307,500	£87,699	£348,500	£99,392	£410,000	£116,932
8	£240,000	£68,448	£321,600	£91,720	£369,000	£105,239	£418,200	£119,271	£492,000	£140,318

3.7.33 Alternatively, a more sophisticated approach could be developed for the district. For example, guidance could set out higher level guide or target contributions sums applicable to high value areas such as some rural areas (e.g. allied to Value Point 5 to 6 levels), compared with lower value areas within the district. The approach would rely on defining the higher value areas relevant to the increased target contribution levels, but this might also be viewed as an equitable approach in the circumstances.

3.7.34 The same formulaic approach could be used to develop an equitable approach to seeking financial contributions from schemes that produce much larger and more valuable properties than those envisaged through our current appraisals. The use of increased values and/or floor areas (or multiples of the more typical floor areas) could be picked up through the formula to generate appropriate contributions.

3.7.35 Similarly, the formulaic approach could be used to calculate top-up financial contributions if the Council decided to seek whole numbers of affordable homes on-site and accept payments for the part units produced by the proportion calculation.

3.8 Social Housing Grant (or equivalent other subsidy)

3.8.1 Sample appraisals have also been carried out to show what happens to our notional sites as we reduce the viability picture through the removal of grant from schemes (see also Appendix IIa). The appraisals were run on all sites. Figure 12 below compares the results of appraisals run with and without grant on a 15 unit housing scheme. In this instance grant was removed from the base appraisals.

Figure 12: Comparison of Appraisal Results With and Without Grant – (Value Point 4 only; lower infrastructure cost)

Appraisal Type	15 Unit Housing Scheme			
	RLV Without Grant (£)	RLV With Grant (£)	RLV Without Grant (£/Ha)	RLV With Grant (£/Ha)
30% Affordable	£445,982	£496,886	£1,173,636	£1,307,595
40% Affordable	£220,024	£302,383	£579,010	£795,744
50% Affordable	£115,032	£215,415	£302,716	£566,882

- 3.8.2 Figure 12, with data taken from Appendix II and IIa indicates that removing the grant from a scheme reduces the RLV by 10%, 27%, and 47% (at 30%, 40% and 50% affordable housing respectively). Grant ultimately improves the viability of a scheme, but the availability of grant is an element that must be considered on a site-specific basis. It is not possible to predict grant availability. Harrogate Borough Council and its partner RSLs have over the past few years secured limited amounts of grant funding as a matter of course, in recognition of its high targets, small sites and quality standards. The availability of social housing grant is not guaranteed but as the Council has also indicated, in the current climate some RSLs have been able to pay the envisaged transfer prices (see Appendix I) without the aid of social housing grant in any event. Related to these points, the use of a flexible mechanism (“cascade”) will be valuable for consideration within the Council’s overall approach. Where grant is needed for scheme viability, but is not available, it has been standard practice to reduce the affordable housing element. This practical approach envisages the Council working with developing partners – where necessary - to adjust, but still optimise, affordable housing delivery in all the circumstances relevant to a particular site, including the funding levels ultimately available. The Council would expect to take a lead role in such discussions, aimed at maintaining appropriate affordable housing delivery within the s106 framework agreed - avoiding going back to the start with that process (effectively, keeping the planning consent alive), and thus avoiding significant delivery delays. These principles are discussed further below.
- 3.8.3 The findings indicate a range of values are likely to be seen across the study area - from relatively low values in the local context (where development viability is compromised bearing in mind the range of costs and obligations to be met) to very strong values (where development viability is greatly improved and schemes will usually be able bear greater costs).
- 3.8.4 Grant may well have an important role to play on many sites - where affordable housing numbers, quality standards and/or deliverability of a favourable tenure mix can be improved compared with a nil grant route.

- 3.8.5 Given the potential viability constraints discussed so far at Value Point 1 and to some degree Value Point 2 with even low levels of affordable housing, plus the possibility of increased planning obligations or other increased cost impacts, it is possible that social housing grant or other public subsidy (or indeed developer financial contributions in the form of commuted sums) may need to be brought in to the Borough to support delivery. At the higher value points especially, there is scope for the Council to adopt a relatively robust position on the use of grant, and in negotiations with landowners and developers on what any grant input will be adding to a scheme. On lower value schemes, it should be possible for the Council and its partners to readily demonstrate the “additionality” achieved through grant input where that is available, in accordance with HCA principles.
- 3.8.6 These figures are based purely on the appraisals carried out and assume that the intermediate product is feasible for RSLs and their customers. Aside from the well-established difficulties that can arise with the overall affordability (total costs) of shared ownership for its purchasers, there are increased experiences of difficulties with shared ownership saleability in the current market. This is largely due to mortgage availability. Some RSLs have responded by developing intermediate rented housing products. As we understand it, experiences are very mixed, however, and tend to echo the open market in that the most popular, well located and attractively priced low cost ownership (e.g. shared ownership) schemes can still sell relatively well while others are attracting little or no interest. Harrogate prescribes a ‘discounted sale’ model, rather than shared ownership on its s106 sites. An RSL will pay the appropriate transfer price and then sell on a 100% leasehold to an eligible occupier. At completion the transfer price is calculated as a percentage of open market value (OMV) and a supplemental agreement signed to ensure that all future resales are at the same percentage of OMV.
- 3.8.7 Whilst (in line with the HCA’s “additionality” approach), the Council’s starting point may well be to consider what affordable housing can be achieved without grant, as discussed above, our view is that grant may well have an important role to play in balanced housing delivery locally, and in particular in supporting varied and appropriate tenure provision, perhaps especially on lower value schemes or in instances of alternative land use values where viability may be more marginal. We understand that the Council’s general approach will be to seek varying tenure mixes dependent on site specifics – up to 65% affordable rented tenure and 35% intermediate tenure (in accordance with the findings of the SHMA, 2008). Site specifics will prevail. Whether or not grant is available, and if so at what level, will be one of the key determinants of whether this tone of tenure mix can be supported on a regular basis over the longer term. Unfortunately, it is not possible to rely on, or predict, grant availability. The HCA has been contacted previously and

Adams Integra was provided with the following information, which reflects our understanding of the HCA's position.

“The Homes and Communities Agency works on a basis of additionality on s.106 sites whereby any social housing grant going into a scheme is to purchase outcomes above and beyond those that can be delivered through the s.106 agreement itself. The starting position is to assume no grant goes into a s.106 as the s.106 itself should be securing affordable housing outcomes. Grant input would then be required to improve the affordable housing outputs (e.g. secure a greater percentage of social rented homes).”

3.8.8 Our recent experience is that HCA social housing grant funding has been quite opportunity-led and many schemes have provided increased proportions of affordable rent compared with previous experience. This is because of a mixture of factors including:

- The HCA's recent relatively reactive funding approach (based on deliverable schemes – i.e. those with planning/ready to proceed, and often in progress).
- Wider housing market trends (crucially the limited availability, still, of suitable mortgage finance) mean that low cost homes ownership tenure such as shared ownership may be either unattractive or unworkable in many instances, but in any event highly site-specific as to its suitability and its affordability details.
- Linked to this, affordable rent with grant can now look equally, or more attractive to RSLs in terms of their financial appraisals – and thus also to developers in terms of viability.

3.8.9 In our experience, approximately balanced tenure can be achieved with little or no grant, providing the affordable housing proportions sought (and other planning requirements) are not too high. However, as above, we consider that there is likely to be a role for grant to support a bias towards the priority needed affordable rented tenure in particular, as will be the case here, given the level of need. As an example of the possible positive impact of grant, with regard to the current mortgage access issues that can be experienced with home ownership products, it may be that through increased grant input more affordable rent could produce more viable schemes which are also more acceptable financially to RSLs in the current conditions. Although there is much uncertainty surrounding grant funding availability, the Council and its development partners will need to consider such factors in relation to site specifics.

3.8.10 The use of a flexible cascade type mechanism may well be valuable for consideration within the Council's overall approach. This envisages the

Council working with developing partners – where necessary - to adjust, but still optimise, affordable housing delivery in all the circumstances relevant to a particular site, including the funding levels ultimately available.

- 3.8.11 This mechanism allows the affordable housing element of a scheme to adapt to funding circumstances at the point of the delivery details being fixed (i.e. most likely post planning, but prior to contracts being entered into by the developer and RSL for the affordable housing construction and purchase).
- 3.8.12 A “cascade” arrangement would normally be built in to the s106 agreement. It has the potential to help delivery when the availability of funding is uncertain, or perhaps when other planning or site issues mean that the exact details of the affordable housing delivery need to be agreed. This can help avoid or reduce delays where s106 agreements would otherwise be renegotiated instead. An agreement including a cascade principle provides scope for the affordable housing content of a scheme to be reshaped and usually optimised given the available funding and perhaps other financial circumstances.
- 3.8.13 Usually a Local Authority would expect to lead the process that redefines the affordable housing, working closely with the other parties such as the developer, HCA and any involved RSL. As an example of a potential cascade outcome, the Council may take a view that it is better to consider fewer affordable homes but with an increased proportion of affordable rented units or to maintain the affordability of the units by reducing the overall affordable housing numbers. Ultimately, discussions and outcomes would be very site-specific.
- 3.8.14 In recent and current market conditions there have also been many discussions around what should happen if a reduced affordable housing proportion is agreed on current viability grounds, and the market does pick up meaning that more could be provided. These discussions have been linked to the idea of overage (or “clawback” or “escalator”) arrangements where provision can be re-assessed and if appropriate topped-up at some future point. We are not aware of any working examples of this approach. It would seem most practical to link it to a top-up financial contribution. An alternative being discussed, and that it seems may be emerging as more workable and controllable, is to have a framework type approach to affordable housing and possibly other obligations for schemes that are not going ahead short-term, or are phased over long periods. This would involve maintaining the targets and making a later stage assessment of what could be provided once much more is known about the market conditions, funding availability and other delivery circumstances.
- 3.8.15 The same principle as outlined above (the need to inform judgments on the affordable housing target proportions in conjunction with wider criteria including likely funding availability) is also relevant in the context of any wider

consideration the Council may be giving to overall planning obligations requirements and other development cost impacts on schemes. The wider costs and obligations also affecting viability always need to be taken into account.

3.9 Developer's Profit

3.9.1 As mentioned at 2.5 of this report, viability has also been investigated on a small sample of scenarios using 12.5%, 15%, 20% and 25% developers profit in place of 17.5%. This has been carried out on schemes of 25 and 50 units at all Value Points at 20%, 30% and 40% affordable housing. A summary of a 15 unit housing scheme results at Value Point 4 is provided here with a comparison to the results using a 17.5% developer's profit. The full results can be found in Appendix IId.

3.9.2 This comparison allows us to investigate the additional impact of increased profit requirements that may be more likely on schemes as a result, for example, of increased risk in bringing more complex sites forward for development. The results also allow us to see what happens if profit levels decrease from our base level, as may happen, for example, with a stronger, more confident market or on smaller, lower risk schemes. As expected, the same trends discussed previously are seen, whereby with higher profit levels, the lower the development value, the greater the additional impact on scheme viability and vice versa.

3.9.3 Figure 13 below shows the comparison where the only change made was to the developer's profit level. In this instance the developer's profit altered on the base appraisals.

Figure 13: Comparison of Appraisal Results at Varying Developer's Profit (Value Point 4)

Appraisal Type	15 Unit Housing Scheme		
	30% Affordable (RLV - £ per Ha)	40% Affordable (RLV - £ per Ha)	50% Affordable (RLV - £ per Ha)
12.5% Profit	£1,606,245	£1,043,506	£779,369
15% Profit	£1,456,920	£919,625	£667,399
17.5% Profit	£1,307,595	£795,744	£566,882
20% Profit	£1,170,335	£671,863	£457,176
25% Profit	£868,574	£437,218	£226,312

3.9.4 As would be expected, the result of an increase or decrease in developer's profit leads to further reductions or increases in the residual land values

across the range. As the percentage of affordable housing increases, with consequent reducing RLV, the impact of an increased developer's profit on scheme viability becomes greater; there are more burdens on the development revenue in simple terms. The impact is also more marked with lower starting values. What can clearly be seen is the combined impact a 50% affordable housing proportion and a 25% profit requirement have on the residual land value (and in any event what increases in both assumptions from base levels mean for outcomes). This reinforces earlier points that there will be schemes that the Council will need to consider in this context, in negotiations. It should be noted that this effect will be more in focus when looking at lower value schemes such as those discussed already – especially in relation to Value Point 3 and below. From this work it may also help the Council to consider which combinations of these assumptions give similar indicative RLV outcomes, so that effectively a trade-off between them or other planning obligations could be monitored while reviewing viability information.

3.9.5 We have to consider that there will be a wide range of scheme types brought forward by an equally wide range of parties. Once again, there are no firm rules when it comes to scheme specifics. In our view, however, the 17.5% level we use would form a reasonable benchmark for the Council when first considering site specific viability appraisals and engaging developers and other in discussions. We might expect to see some profit expectations beneath this level.

3.9.6 As the study has progressed we have seen some reporting on developers having to accept reduced profit levels in some instances in what have been weakening market conditions. However, there is also an argument to be made about increased risk in such circumstances. In this context we noted at 2.5 that on its summer 2009 Appraisal Tool re-launch the HCA moved its developer's profit guide assumption up to 17.5% of GDV from 15%. In the current uncertain market conditions we are seeing a range of indicators on developer's profit levels, and these are becoming increasingly difficult to judge with respect to perception of risk levels. So, on balance, our range of assumptions is considered to be appropriate with regard to market conditions. These will need to be kept under review as part of the Council's monitoring processes, negotiations and delivery experiences. What is appropriate for one scheme may well not be for another, and the collective costs burden on schemes will always need to be borne in mind.

3.10 Code for Sustainable Homes/Carbon Reduction Measures

3.10.1 Further sensitivity analysis has been carried out on the impact of applying likely additional development costs to schemes to meet the requirements of

Core Strategy policy EQ1¹⁰. This sets out a requirement on all new development to attain the following levels of the Code for Sustainable Homes (CfSH) until a higher standard is required:

- up to 2010: Code Level 3
- 2011 to 2015: Code Level 4
- 2016 onwards: Code Level 6

3.10.2 In addition, the supporting text to Core Strategy Policy EQ1 states that:

“In advance of a local target being set in the LDF, new developments of more than 10 dwelling or 1000m² of non-residential floor space should secure at least 10% of their energy from decentralised and renewable or low-carbon sources, unless, having regard to the type of development involved and its design, this is not feasible or viable, in accordance with RSS Policy ENV5”.

3.10.3 For this study we have assumed within all base appraisals that the requirement to secure 10% of renewable energy from decentralised and renewable sources requires an additional cost only at CfSH Level 3 (this level has also been assumed for all base appraisals). At Code Level 4 and above, it is assumed that in meeting the Code requirements those costs will already be incorporated (to avoid possible double counting).

3.10.4 The sensitivity analysis has been carried out on schemes of 15, 25 and 50 units only. On an example scheme of 15 units, the comparison of the residual land values created after the addition of each level of cost is shown in Figure 14 below (all other assumptions as per the base appraisals) also see Appendices II f and II g:

Figure 14: Comparison of Appraisal Results – Increasing Code for Sustainable Homes Requirements – Value Point 4 Only

Appraisal Type	15 Unit Housing Scheme		
	RLV (£ per Ha) CfSH Level 3 (Base)	RLV (£ per Ha) CfSH Level 4 (Base)	RLV (£ per Ha) CfSH Level 6 (Base)
30% Affordable	£1,307,595	£1,277,763	£434,078
40% Affordable	£795,744	£765,602	£0
50% Affordable	£566,882	£536,119	£0

3.10.5 The results show slightly lower RLVs as the requirement changes from Code Level 3 to Code Level 4. This is primarily due to the fact that for the purposes

¹⁰ Harrogate Borough Council – Harrogate District Local Development Framework Core Strategy (adopted February 2010)

of this study it was decided that the cost of meeting CfSH Level 4 would include an allowance to appropriately meet the CO₂ emissions reduction targets. As such, on the assumptions made, the additional cost of meeting CfSH Level 4 (over Level 3) is balanced by removing the additional cost allowance for achieving a 10% reduction in CO₂ made at CfSH Level 3. The additional approximate costs included to achieve Code Level 4 or CfSH Level 3 and 10% CO₂ reduction (based on the costs assumed in this study) deteriorate the residual land values generated, and this is before the addition of potentially higher infrastructure costs. At Code Level 6 there is a further large reduction in the residual land value to the point that only at the lowest proportions of affordable housing are these requirements likely to be met (based on current costs). There are however, potential cost savings to be made over time as the likelihood of meeting the CfSH requirements becomes cheaper (potentially as technologies and their supply improve and cost savings are made through future innovations in this area). We cannot predict or rely on such trends, however. These results assume approximate costs as known today and as set out in DCLG report.¹¹

3.10.6 While there can never be any defined cut-off points for scheme viability (unless looking at a specific site with known parameters on existing use value, etc), the impact of these cost areas alone are not felt to be a make or break scenario for scheme viability at CfSH Level 4. It can be seen that the key deterioration of the Figure 14 RLV results comes from the affordable housing proportion, rather than moving from CfSH Level 3 to 4 (although a far greater impact is seen when the required attainment for the CfSH is increased beyond Level 4).

3.10.7 There may need to be some consideration of balancing of priorities and costs in some instances in order to meet these requirements whilst still providing profitable residential development and sufficient land value. We talk about the collective impact from all of the items investigated through the sensitivity analysis at the end of this chapter. However, when compared with indicative information such as Harrogate land values guides or alternative use values per hectare provided by the VOA (see earlier), it appears likely that the Figure 14 scenarios would all achieve land values per hectare in excess of those from most commercial and agricultural uses (apart from at the CfSH Level 6 assumption).

3.11 Increase in Planning (infrastructure) Obligations Costs

3.11.1 One of the biggest single impacts on development viability (other than the proportion and type of affordable housing) is the level of other (i.e. not affordable housing) planning infrastructure requirements. Appraisals were carried out assuming varying infrastructure (planning obligations) contribution

¹¹ DCLG – Cost Analysis of the Code for Sustainable Homes (July 2008)

levels of £2,500 and £5,000 per dwelling (applied to all dwellings). This part of the work also has a wider potential relevance in that it enables the Council to see how viability results deteriorate when costs are added. An increase in costs could come from a wide variety of sources – related to planning requirements, site conditions, scheme specification or a combination of those.

3.11.2 Increased planning infrastructure burdens, as with any costs, have a negative impact on development viability. We have discussed the effect of additional costs, profit, affordable housing, etc above. Figure 15 below shows a brief example of the additional impact that higher planning infrastructure costs may have on schemes when combined with the “cost” of affordable housing provision.

Figure 15: Comparison of Appraisal Results from Varying Infrastructure Cost/ (Planning obligations/other costs) - (Value Point 4 only)

Appraisal Type	15 Unit Housing Scheme	
	RLV (£ per Ha) – £2,500 / unit Planning Infrastructure	RLV (£ / Ha) – £5,000 / unit Planning Infrastructure
30% Affordable	£1,307,595	£1,234,586
40% Affordable	£795,744	£709,114
50% Affordable	£566,882	£478,466

3.11.3 These results (taken from Appendices II and IIb, Tables 1b and 3b respectively) show the reduction in RLV that occurs as the planning infrastructure (or other equivalent) cost assumptions are increased. We refer to ‘other costs’ as an alternative here, because any equivalent increase in the appraisal cost assumptions would have the same effect. In practice, scheme costs could increase over time for a variety of reasons, not only planning obligations. Effectively, therefore, these appraisals reviews added collective cost (whether related to planning obligations in full, a mix of those and other items, or other items in full).

3.11.4 The trends shown in the example results above are again repeated for all scheme types. This further emphasises the potential viability issues that could flow from seeking the highest levels of affordable housing whilst at the same time increasing the infrastructure burden on sites coming forward, especially in the event of nil or limited social housing grant.

4 CONCLUSIONS and RECOMMENDATIONS THEMES

4.1 Local values, market and general overview

- 4.1.1 Looking at the Harrogate Borough area, a range of property values are seen within the overall (resales dominated) market. Our analysis of the property available at the time of considering our range of values assumptions confirms other information considered whereby, when viewed overall, the urban areas have generally lower house prices than the rural areas and smaller settlements. This can be regarded as a general picture only, because more localised variations are also seen.
- 4.1.2 When comparing our overall market review with the SHLAA based locations/groups of locations, we saw the Group B and C villages having the highest average values (and values very similar to each other, overall). Beneath those in our informal hierarchy/overview of values – for values patterns – we saw Pateley Bridge and Masham values. In turn, we saw the principle urban area values – with Harrogate and Knaresborough overall average price levels grouped mid range and approximately together; Ripon and Boroughbridge overall average prices grouped approximately together beneath those at the lower end of the range when viewed in that way.
- 4.1.3 On reviewing that data in a more broken down way, we found as at 4.1.1 that individual localities have value levels which do not fit that overview. We saw the same through our local research, whereby values in some instances in Harrogate, Ripon and Knaresborough were approaching or equivalent to those higher up the overall range for the Borough.
- 4.1.4 Although owing to the economic climate we observed a relatively small amount of new build activity at the time, in terms of new property in the Borough, the range of values appears to be narrower than that seen when considering the overall (resales dominated) market. For new builds quite a high level of consistency of values between settlements and neighbourhoods was seen. Again it appears that the differences occur mainly through the desirability of particular locations within the settlements or neighbourhoods, and based also on property and scheme type, rather than between the settlements. As normal there are local differences even to the extent of street-by-street variations. In a more active development scenario, we could well see a greater variety of new build schemes and locations, and therefore values, emerging.
- 4.1.5 Value Point 1 was selected as a bottom end value level, representative mainly of a further declining market that could reduce current lower end values further. Although we do not regard Value Point 1 levels as a key part of the picture currently, values towards the lower parts of our overall range were seen. This has to be factored in to our overall thinking as the occurrence of

higher values does. In terms of very general context only, the values levels here, although mixed, often bear more relation to south of England levels than others we have seen while working away from the south east and south west on similar studies – for example in other areas such as the West Midlands and East Anglia.

- 4.1.6 At the time of fixing appraisal assumptions, after considering potential adjustments from advertised asking prices, the typical new build values locally are in or close to the range represented by our Value Points 3 to 5.
- 4.1.7 The varying property value (house price) levels which are key drivers of the appraisals support quite a wide range of RLV outcomes when we take our necessary strategic view and, therefore, give a variable picture of development viability. However, the tone of results generated here, taken as a whole, is relatively strong when typical value levels as well as higher value levels are considered. This needs to be viewed alongside the lower values that are also part of the local picture and, overall, forms the backdrop for coming to recommendations which will aim to strike an appropriate balance between the opposing tensions of affordable housing need and development viability.
- 4.1.8 While we have picked out general trends, due to local and even street-by-street variations, it is not possible to state that any given area or settlement has consistently higher or lower sales. It follows that consistently higher or lower RLV outcomes likely to be associated with improved or poorer development viability cannot be predicted on a fixed or reliable basis, by locality or area, either. While the rural areas/smaller settlements will generally see the higher value levels, there are favoured areas of all the main towns where mid to high end values are also quite regularly seen. High end values (above the typical range) are normally associated with premium housing products, in a variety of locations.
- 4.1.9 This is a dynamic picture – and more so at present than at any recent point in time. Values will sometimes fall outside what we describe as the key part of the range (currently VPs 3 to 5). Given the ongoing uncertain state of the market, the Council will need to monitor value levels particularly with regard to the frequency of lower end new build values occurring (below Value Point 3 levels) that are more likely to mean viability is severely tested by the time affordable housing and other planning obligations are considered. The relatively low level of activity within the housing market has been the recent primary concern. Whilst the market appears to have improved and settled to some degree, there is still a period of uncertainty ahead, given the fragile economic backdrop, where prices could move in either direction.
- 4.1.10 As per our Value Points approach and reiterated above, the most important theme to recognise is that a range of values is seen, ultimately dependent on

site-specific factors. Value patterns are blurred. These may be influenced by factors such as local schooling, transport links, historically favoured areas and other facilities or amenities. When looking at the overall market, prices are also affected by the local housing stock make up and profile of recent sales, or currently marketed property in each area.

- 4.1.11 In the Harrogate Borough context, therefore, we do not feel it appropriate to recommend varying policy on affordable housing proportion targets (%s) based on a key driver of varying values levels (as seen through new build property pricing) seen within the Council's area. We consider that in viability terms a simpler, uniform policy approach will be more appropriate here.
- 4.1.12 There are insufficient firm value patterns in our view to justify making policy more complex or adopting a location/area specific approach based on an overview of varying values alone. Such an approach may be difficult to define and link with appropriate geographies. In addition, it may not create adequate clarity for landowners and the development industry either. We have considered that type of approach to be appropriate in only limited instances elsewhere. We will go on to develop recommendations that link to the overview of the likely range of new build values and viability outcomes seen.
- 4.1.13 Attempting to vary affordable housing proportions as a direct response to particular local value levels here could also prejudice affordable housing outcomes on specific sites or schemes within more generally lower value areas where particular scheme values exceeded the typical level for that location.
- 4.1.14 So any policy distinctions pursued by the Council would in our view be related primarily to scheme size/type and therefore potentially to any continued threshold variations – for example related to rural areas/villages compared with the main urban settlements. In general terms, looking at viability and bearing in mind the need to make an appropriate strategic overview for policy development, we would expect to see scheme types and value levels which would be supportive of a continued distinctive approach to the rural areas and villages, viewed alongside wider evidence for such an approach.
- 4.1.15 Wider evidence base factors rather than values patterns and the range of likely development viability outcomes might also point to a variable approach by area or settlement type. Given the existing variation in thresholds, an option open to the Council could be to continue that type of approach – i.e. based still on meeting local needs, local sustainability, typical scheme types, site sizes and settlement types.
- 4.1.16 An affordable housing policy approach within which any variation relates to scheme type and size (and not to geography in respect of value patterns) is therefore most likely to be appropriate in viability terms. In our view that would

lead to the most clarity and simplest guide to inform landowners', developers' and other stakeholders' expectations and plans.

4.1.17 In our view, the Council's operation of good practice and track record on successfully negotiating and securing appropriate affordable housing within or alongside small housing schemes forms part of the evidence base and is a driver for continuing with a similar approach; as far as can be achieved given individual site circumstances, underpinned by reasonably ambitious targets.

4.1.18 There will always be certain cases where abnormal site costs, particular overall planning obligations burdens, existing/alternative use value issues (or a combination of these) mean that affordable housing targets cannot be met in full. These provisos are always relevant in any area, and we advise all local authority clients accordingly.

4.1.19 At and around section 2.3.12 we discussed the type of market features seen. There are difficulties in fully reflecting the potential range of site-specific level reactions to such market conditions in an overview study. We consider that the Council's most realistic reaction to this will be through operating a practical and flexible view to help secure all round housing delivery as far as possible, together with having in place monitoring, review and contingency plans.

4.1.20 It is unlikely to be practical to seek to vary affordable housing targets in response to evolving market conditions, the longevity or degree of change to which cannot be predicted. In the short-term an open and practical approach to housing enabling, continuing the type of negotiated approach the Council currently applies (but related to clear, confirmed targets as a backdrop to that) will be the key aspect that underpins continued local delivery to an optimal degree in the challenging conditions. Ambitious joint working between developers, landowners, RSLs and others will be required.

4.1.21 An alternative approach that attempted to regularly follow market movements through policy adjustments could, in theory, mean frequent target adjustments, which would not serve to provide the crucial level of guidance and clarity that developers and landowners need when first considering opportunities in relation to the Council's strategic approach.

4.1.22 So it will be vital for the Council to consider this range of factors whilst continuing to apply a practical, negotiated approach to scheme progression – potentially as influenced by appropriate viability information presented to them by developers and landowners. We consider it much more realistic to seek to react to current and future short-term market features through that mode than to expect to almost continually review this type of study together with the Council's wider information and evidence base.

4.1.23 Periodic reviews of strategic viability information are more likely to be realistic, economic and useful; possibly in conjunction with other planning obligation reviews being considered or in response to delivery experiences over a monitoring period which is sufficient to see the impacts and delivery trends from the policy positions, once settled.

4.1.24 Various balances need to be addressed in selecting policy positions. That bigger picture also means the Council:

- Ensuring a continued supply of housing sites more generally.
- Seeking an appropriate balance between affordable housing needs and viability.
- Delivering wider planning objectives including suitable infrastructure provision, bearing in mind also the likely direction of travel on wider scheme costs and obligations.
- Considering in parallel the climate change agenda – which is setting specification standards and other aspects that, in some form, are not going to be optional; and there will be growing focus on this.
- Keeping in mind that affordable housing is not just about numbers of dwellings; it is also about a suitable mix of dwelling types, tenure, affordability, quality, choice and funding scope.

4.1.25 In Harrogate Borough Council's case, in selecting policy positions there are strong reasons for moving the balance towards the affordable housing needs side as far as possible. There is also information pointing to successful delivery of affordable homes on an ambitious basis, including from very small schemes – as was highlighted at section 2.10.3.

4.1.26 However, bearing in mind the factors outlined above on the variation of values and likely viability outcomes, and particularly at 4.1.21, Adams Integra's view is that a policy headline based around 40% affordable housing would be more appropriate than 50% here, when all is considered. We do not envisage a proportion beyond 40% being suitable as a district-wide/universally applicable target, given the other scheme costs and wider issues raised. This involves taking a strategic, longer-term view across a range of potential market conditions. In this context we think 40% represents an appropriately challenging target; and it must be acknowledged perhaps especially so in the recent and current/foreseeable uncertain market conditions (potentially on a range of scheme types).

- 4.1.27 A suitable level of challenge is clearly appropriate and delivery will always need to be optimised against the targets. Bearing in mind the need levels, the established expectation set by the Council's track record and the typical market value levels we have seen here, looking the other way from a 40% target, to say 30%, from our feel for the local characteristics would represent an inadequate target position leaning too far towards likely short-term market or site-specific viability issues. A target reduced to that degree would not represent a suitable strategic position.
- 4.1.28 Where public funding is confirmed as available and/or (depending on scheme specifics) wider planning obligations are not at levels beyond those we have assumed, do we feel that there may be potential scope to look beyond a 40% affordable target. The same might apply where commuted sums – funded by developers' financial contributions - are available to replace public subsidy.
- 4.1.29 The results indicate that where land value expectations are at lower levels than for some previously developed (Brownfield) scenarios there could well be scope for the Council, with its partners, to deliver an increased proportion of affordable housing – based on seeking up to 50% as a starting point, usually on a mixed tenure basis. There is scope for the Council to consider these outcomes where early engagement and the wider evidence base supports such an approach, subject to achieving sustainable, mixed communities and to the usual approach of a target and negotiation around optimal delivery given the specific scheme circumstances and timing (market, funding availability, phasing, etc). This type of scenario was discussed, for example, at 3.4.15 above and could have the potential to contribute usefully to overall affordable housing delivery through some balancing given our lower (40%) headline target recommendation compared with the Council's aspirations to date for 50%.
- 4.1.30 We would not expect any expanded approach to affect a generally applied Borough-wide target proportion on the majority of sites. However, such an approach might well be appropriate for particular site types, those most likely being uncomplicated Greenfield releases, where in some cases significant planning infrastructure obligations or works may not be necessary. In those situations, early engagement with landowners and others is possible through the allocations process, enabling the early setting and discussion of expectations and associated feasibility work.
- 4.1.31 We think in Harrogate's case, the way in which policy is expressed, clarified and then applied adds another layer of opportunity whereby the Council could still operate many of its current good practices and be close to its current general approach. We believe the Council successfully sets high aspirations in the area of provision towards meeting affordable housing needs. It could maintain the level of ambition but do so through its detailed approach and by

bringing formally into the policy scope a broader range of scheme types (through the potential to lower thresholds on a wider basis).

4.1.32 These themes flow through into our recommendations:

- Pitch the headline appropriately bearing in mind other objectives and calls on the development pot – leads to 40%.
- Consider lower thresholds as a key part of the approach – more equitable - not just in rural areas/for smaller settlements – helps to compensate for not pursuing a potentially over ambitious % target on a narrower range of larger sites.
- Set out complementary detail to clarify and formalise aspects of the current approach and good practice (thinking again of the type of examples provided at 2.10.3).
- Consider the use of commuted sums (funded by developers' and landowners' contributions) as a wider tool that has potential to reinforce the Council's enabling role and affordable housing provision.

4.2 Schemes of fewer than 15 dwellings

(Beneath the current main urban areas established policy threshold) – exploration of potential to consider a formalised lower threshold for urban areas.

4.2.1 The greatest reductions in RLVs (and therefore impacts to likely viability) are always seen where affordable housing is required for the first time, i.e. affects a scheme that is not currently within policy scope (falls under the threshold). In the case of Harrogate, this would be on sites of fewer than 15 dwellings in the main urban areas (the existing 3 dwellings threshold relevant to other areas is considered separately, in a following section). We refer to this key effect as the first-time impact.

4.2.2 The Council's currently applied target for negotiation purposes on these schemes is 50%. In addition to looking at this it was necessary to explore other potential policy options to enable us to consider the RLV results (and therefore likely viability outcomes) from that target assumption in a wider context.

4.2.3 The degree of impact from the affordable housing is then dependent on a range of other assumptions applied. Market sales values for the private housing element (expressed as a range of Value Points in this study) drive the scheme and its viability is heavily dependent on those. Other key assumptions include affordable housing tenure mix, developer's profit,

developer/landowner subsidy (provided through a reduced level of revenue from the affordable housing), planning obligations (infrastructure) cost levels, and other assumptions including, if applicable, grant availability. As values increase (i.e. GDV increases), there is more scope to bear affordable housing and other costs (in this Borough's case, generally Value Point 3 and higher values are needed). In other words, the study indicates that with increasing collective costs impacting, mid to higher end values in the local context tend to be needed to support those alongside adequate developer's profit and landowner's receipt (land price).

- 4.2.4 Given that particular threshold positions are to a degree always arbitrary, we consider that a more equitable approach to planning-led affordable housing is possible through a larger range of schemes contributing towards the Council's strategy for providing affordable housing. A level of provision from smaller sites in all localities of the Borough would help to balance the overall picture and, again, would be preferable to pushing targets too far (in viability terms) on a narrower group of larger sites.
- 4.2.5 We consistently find through all such viability overview studies that smaller or larger developments are not necessarily more or less viable than each other. There may be lower risks and reduced planning obligations on smaller sites, but conversely, there might not be the same opportunities for economies of scale or there may be particular local materials requirements, etc. There are a range of factors that could well balance out or alter the viability of smaller sites compared to larger ones either way, dependent on the circumstances. The outcomes relate to scheme specifics. Scheme size alone is not a determinant of viability.
- 4.2.6 Having said this, we also point out two key features of smaller sites that in many cases have directed us towards recommending a form of sliding scale approach. Firstly, there is the first-time impact issue, as above. Secondly, the values generated by the smallest schemes are likely to be increasingly marginal when compared with existing/alternative uses and with owners' aspirations. Generally, the smaller the development scheme, the lower the sales value (GDV) and land value (RLV) flowing from that.
- 4.2.7 As with most of our studies, the findings point towards the Council considering the potential value of sliding scale principles for smaller first time captured sites; or at least considering how best to implement an approach to targets through respecting these sensitivities (through its negotiated processes with and more detailed guidance to stakeholders).
- 4.2.8 By sliding scale principles we mean either expressly stating carefully thought out reduced proportion targets for the smallest sites; or making sure that a strict application of the full headline target does not unduly affect smaller sites due to the outcome of affordable housing numbers rounding or other scheme

detail. If pursuing the inclusion of smaller sites within the policy scope, then a lower proportion of affordable housing could be sought or possibly a financial contribution considered.

4.2.9 For the urban areas we consider this means potential here to lower the threshold to bring the Council's approach in those areas more in line with its rural areas/villages practice. This could be down to 5 dwellings for on-site provision of affordable homes, but is not recommended for on-site provision on smaller urban sites at this stage of policy development.

4.2.10 Bearing in mind the first-time impact, our preference at this stage would be to see any lowered urban areas threshold combined with a reduced target relative to our suggested 40% headline. We envisage the 40% being relevant at 15 dwellings in any event (the existing urban areas threshold). However, if applied practically in line with the Council's current approach to a range of small sites beyond the main urban settlements, consideration could be given to the 40% applying at 10 dwellings, or even at 5, instead of at 15. So, beneath the headline 40% target position, up to a 30% proportion (meaning a fixed % target figure at a level within that range) could relate to scheme sizes of 5 to 14 dwellings, or to any part of that range. Alternatively, the 40% target could be set with respect to that whole range of scheme sizes as a continuation of the policy headline, but then be applied with great regard to the implications for the scheme – in terms of viability and achievement of wider planning objectives.

4.2.11 This is not an exact science and there are no specific cut-offs viability wise. It follows that there is also the potential for a range of workable policy options around a more formal/defined sliding scale; graduation/stepping up of target requirements with site size up to 15 dwellings.

4.2.12 There is also potential for the Council to consider an approach which extends these principles to include the collection of financial contributions towards meeting affordable housing needs from all schemes (i.e. down to 1 new dwelling) in the urban areas in a similar way to that operated to date for some of smallest rural area sites in occasional situations where circumstances show that to be the most appropriate route. In this case, the proportional approach would be maintained by seeking contributions linked to an affordable housing equivalent proportion not exceeding 20% - 30% depending on scheme size, again on a target basis as a backdrop to negotiations and following the same principles as above so as to respect viability and delivery sensitivities.

4.3 Schemes of fewer than 3 dwellings – rural areas/smaller settlements

4.3.1 The context here is acute affordability and needs issues in the rural areas. Given the Council's practical, innovative delivery approach and success rate,

together with our consistent finding that scheme size alone is not a determinant of viability, we consider that these thresholds could be maintained as a key part of this appropriately challenging approach. The relevant scheme values are typically within the mid to high part of our range. Viability outcomes are generally positive unless particular site issues arise with abnormal costs or specific existing use value barriers – as has been the Council's experience. Our relevant appraisals indicated that it is possible to create sufficient value from such schemes to support challenging affordable housing aspirations, providing that the approach is clear and that scheme-specific viability can still be factored in to the negotiated outcome. A 40% headline could still be relevant here linked to the aspiration, but with requirements more related to what would actually be required given the nature of the scheme, dwelling types, local needs and realities of numbers rounding, etc.

4.3.2 We consider that it would be helpful for clarity if the Council were to set out specifically what different scheme sizes/types will be asked to accommodate by way of affordable housing contributions.

4.3.3 We suggest that at 1 and 2 dwellings this is likely to mean appropriate financial contributions (aiding off-site provision). At 3 and 4 dwellings this could mean 1 on-site appropriately sized and specified affordable home on-site (whilst this equates to 33% and 25% affordable housing respectively, we consider this more suitable and more likely to be successfully delivered than 2 affordable homes on-site in either of these cases. The Council's track record suggests mixed outcomes at these schemes sizes, and that overall the resulting lower proportions produced by the mathematical realities would be practical, suitable and generally achievable. Our work supports this.

4.3.4 As an example of the Council's approach which has worked, a strict application of its current 50% target aspiration to a scheme starting as 2 private units would mean 1 private: 1 affordable. Clearly the prospect of this might struggle to sufficiently incentivise the landowner and developer. Instead a view has been taken that a re-plan providing 1 modest affordable home in addition to 2 larger private homes (actually meaning a 33% of units split) meets the same affordable housing end and provides the market incentive. There could be other thinking on these lines. Overall, we consider that the approach would be fairly reflected by a 40% target, practically applied. We consider that this would be more representative and better for market perceptions than a 50% target that might well not be implemented.

4.3.5 So, for example:

- Scheme of 1 dwelling: proportional financial contribution.
- Scheme of 2 dwellings: proportional financial contribution.

- Scheme of 3 or 4 dwellings: 1 unit on-site (broadly equivalent to the Council's existing target or our 40% approach rounded down; or to 30% rounded up - means 1 unit in any event).
- Scheme of 5 dwellings – target 40% = seek 2 affordable on-site but, as in all cases, subject to viability and delivery scope.

4.4 Affordable housing tenure mix and general policy considerations

4.4.1 The Council's clear priority housing need is for affordable (social) rented accommodation. Depending on location and site viability resulting from a review of development and infrastructure costs, the Council will always initially seek to optimise the scope for affordable rented housing wherever possible. The Council understands, however, that this has to be balanced with deliverability and subsidy/funding availability issues. Therefore, the Council's position is likely to be to seek 65% social rented housing/35% intermediate affordable tenure, aimed to be a reasonable and generally achievable target in our view. A flexible approach may be adopted to secure affordable rented accommodation as a priority in lower numbers if that becomes necessary and is appropriate on a particular site, in line with a "Cascade" type approach as this report mentions, and as per the type of practical approach taken by the Council.

4.4.2 In all cases, wherever settled, the proportions would need to be regarded as targets, with the relevance of development viability to site specifics acknowledged.

4.4.3 In principle, the highest proportions of affordable housing are likely to be viable on sites with low existing use value and no significant competing use value (for example, Greenfield site releases where agricultural values rather than higher value alternatives set the starting point for comparison and consideration of scope to support development costs and obligations).

4.4.4 In all cases and results seen, we assume no major abnormal costs. These would need to be considered as part of the overall burden on sites and could further affect viability outcomes.

4.4.5 The Council will need to consider the wider issues of need, site supply and the like alongside our viability findings.

4.4.6 From the tone of our results it is also possible to start to consider the potential trade-offs which may occur should the Council consider increased planning infrastructure burdens (for example should Community Infrastructure Levy (CIL) policies be introduced in future, or other burdens be expanded in a similar way or to an equivalent extent). The examination of the results related to varying per dwelling planning obligation levels may assist with this, as well

as making sure that sufficient allowances are made within current assessments to allow for some future growth in planning obligation costs.

- 4.4.7 As a general principle, but especially given current market conditions and values levels, it is possible that the Council may in some situations need to consider priority planning obligations. Based on current viability tones, this will certainly be the case if overall planning obligations costs are to be significantly increased.
- 4.4.8 Our key policy recommendations flowing from this work are set out in the next Chapter. There we will not repeat the wider messages already covered.

5 KEY RECOMMENDATIONS

- 5.1.1 For the main aspects of setting affordable housing policy thresholds and proportions we propose that the Council considers the following recommendations alongside its wider evidence base.
- 5.1.2 **A suggested headline affordable housing target of 40%, Borough-wide.** This recommendation is linked to a practical interpretation of this level of target, taking into account dwelling mix and the impact of rounding down. It is based on consideration of the study outcomes and related to the context and factors summarised at paragraphs 4.1.24 to 4.1.26.
- 5.1.3 This is put forward for a scheme size threshold of 10 or 15 dwellings for the main urban areas (latter as existing for these localities) although there is considered to be some flexibility on this, depending on how policy is applied; 3 dwellings (as existing) for smaller settlements/rural areas.
- 5.1.4 That, depending on the selection from 5.1.3, for urban area sites of 5 to 9 or 5 to 14 dwellings (or any part of that range to come within policy scope) reduced affordable housing proportion(s) be considered at this sensitive stage of policy development. This relates to bearing in mind the first-time impact and potential viability outcomes. These sliding scale principles could be formally set out – as target steps – or be dealt with by way of practical application of the headline 40% policy bearing in mind dwelling mix, numbers rounding and viability sensitivities generally. The parameters for this would be generally be up to 30% affordable housing, with various options /combinations open to the Council for expressing and seeking these valuable contributions towards meeting needs.
- 5.1.5 Given the likely different characteristics of the land value relationships, we are able to leave open the scope for the Council to consider and potentially target increased affordable housing provision (up to 50%) from certain Greenfield site allocations as its more detailed localised work progresses. We consider it likely that these would be the subject of further viability consideration and engagement with landowners and developer partners at a scheme-specific level once more is known about the particular opportunities, requirements and constraints. As the study explains, any reviewed scope for such scenarios would be subject to balancing with wider planning objectives and, as in all cases, scheme viability.
- 5.1.6 For the urban areas, setting an on-site affordable housing threshold lower than 5 dwellings is not recommended. If such schemes are to be brought within policy scope as a result also of the Council's wider evidence base and site supply information, then we would envisage a carefully judged financial contributions approach being applicable to that group of schemes

(1 to 4 new dwellings). A continuation of the sliding scale principles should be considered.

- 5.1.7 In any event a financial contributions approach could be a useful additional tool for the Council. Its wider use would be consistent with the approach currently taken to commuted provision within the smallest rural area/village sites. It could fit in to an approach that applied sliding scale principles to respect viability sensitivities on small sites, and could be used alongside on-site affordable housing targets with solutions best fitting particular circumstances. In periods of grant funding uncertainty (as at present) it could be a particularly useful additional tool.
- 5.1.8 A **target** affordable housing tenure mix not in excess of 65% affordable (social) rented; 35% suitable intermediate tenure (not to the exclusion of other tenure models or variations of existing models being considered, and not to be applied in a rigid way – intended as a strategic approach and starting point/target).
- 5.1.9 In all cases the policy positions should be set out as clear targets, to help inform land value expectations and form the basis for a continued practical, negotiated approach. Precise wording of policy is an important aspect, particularly in relation to the terms associated with the targets. It needs to create clarity.
- 5.1.10 Policy wording will need to acknowledge the relevance of considering development viability on case specifics.
- 5.1.11 The Council will need to consider the mathematical subtleties of its selected approach – for example, how numbers rounding and net/gross (new dwellings numbers) application affects the working of the policy positions, and we encourage the Council to illustrate how the policies would be applied to the smaller sites - especially those of fewer than 5 dwellings – again for clarity. This would build on the Council's existing practical approach, we think without reducing delivery aspirations from current positions and practice in the rural areas/smaller settlements.
- 5.1.12 Delivery experiences from all positions will need to be monitored, regardless of where they are pitched. The Council should have contingency plans in place for reacting to those experiences.

6 FURTHER DISCUSSION

- 6.1 The “National indicative minimum” (site size) threshold for affordable housing is regarded as 15 dwellings, as set out by the Government’s PPS3: Housing. The PPS3 goes on to say, however, that Local Authorities can set lower thresholds “where viable and practicable”. The results discussed in this study show that lower thresholds could be considered, provided that the affordable housing target proportion is not viewed in isolation and rigidly. It is one factor to be considered alongside the numbers rounding and other points we have put forward, depending on the Council’s final policy selections.
- 6.2 Where we have mentioned negotiation, that does not necessarily mean an overall reduction in affordable housing – it could mean negotiations over grant input or changes to the tenure mix to provide an element of cross-subsidy into a scheme. Similarly, there may need to be a compromise position achievable rather than moving straight to an assumption that leaves a site contributing nothing to affordable housing needs, but that allows the affordable housing delivery on particular sites to react to changing viability and funding circumstances as more certainty is created with scheme progression.
- 6.3 If the policy targets cannot be met, then landowners and developers will need to clearly demonstrate why. The final judgment on exactly where this element of the policy proposals will settle should, in our view, be based on all the factors viewed together, i.e. alongside the viability outcomes. Included in these will be the key elements of forecasting of increased affordable housing units delivery based on the size and number of sites coming forward (site capture), local housing needs and practical thinking on the consequences of having small numbers of affordable homes distributed widely across a higher number of schemes.
- 6.4 Crucially, and regardless of detail, the policies should be worded in clear terms. They should not be expressed as a minimum level of provision or be capable of interpretation in an ambiguous way.
- 6.5 It is important that a flexible and negotiated approach to policy application is adopted to ensure the continued supply of residential development land, notwithstanding the very high priority that will be given to addressing affordable housing need. The policy or supporting text would need to make this flexible approach clear. The aim is to provide clear and robust targets for guidance to developers and landowners in appraising and bringing forward sites.
- 6.6 As part of providing clarity of expectations and to aid the smooth working of the approach, the Council will need to be clear about whether any new policy positions will be applied to the gross (total, irrespective of any dwellings

existing prior to the scheme) number or net (i.e. deducting for any such dwellings) number of dwellings being provided by a development scheme.

- 6.7 It may be particularly relevant to clarify this in respect of the very smallest schemes including single dwellings, replacement dwellings, conversions, etc. In our experience, Examination Inspectors have been nervous about gross policies universally applied – particularly to the smallest schemes, because there can be such a significant difference in implications compared with a net new dwellings application.
- 6.8 We expect that in site-specific viability discussions, where necessary, the use of a toolkit (including but not limited to the Housing Corporation’s “Economic Appraisal Tool” - re-badged by the HCA in 2009 - or developer’s own workings) will be encouraged. Developers will be encouraged to work closely with their RSL partners, who will increasingly be using that type of appraisal work to support their decisions and approaches for social housing grant in conjunction with the Council.
- 6.9 The key factors influencing policy should be kept under review - including housing affordability and needs, site supply, economic trends/housing market and viability. Our recommendations are considered to be sound for the current stage of policy development, which is set in a strategic context. Their impact and the delivery resulting from them will need to be monitored with a view to longer-term future direction.
- 6.10 The Council should also monitor local property prices and development activity. This could be carried out by reviewing Land Registry figures, estate agents’ views and website information, etc, much as we have done. Maintaining a level of familiarity with the local market would assist greatly with scheme-specific reviews and ongoing work in general.
- 6.11 Updates of the viability picture should be considered. Rather than looking at this purely periodically, we consider that it would be prudent to link viability updating to events or points in time which might include the review of changes to wider planning policy/obligations, updating work on SPD or similar (i.e. also consider other events or influences which might impact viability, and roll those in to reviews).
- 6.12 It will also be important for the Council to consider contingency measures in the event of slippage in meeting affordable housing targets (potentially for example through short-term worsening of housing markets). Just as examples, these might include considering:
- Potential extended use of financial contributions route in certain situations - to increase the scope for operating the commuted sums approach the Council currently uses within its overall set of tools e.g.

for increased forward funding and viability gap funding of key schemes which are meeting local priority needs.

- Potentially re-appraising overall planning objectives and priorities within those – in wider/overview terms perhaps as well as looking at how the collective impact of obligations affects specific sites.
- Considering the timing and nature of obligations within s106 agreements.
- Potentially re-assessing the detail of the affordable housing payments to developers approach.
- Looking at greater use of exceptions scenarios or perhaps at small sites allocations/incentivised exceptions sites for rural housing.
- Longer term, and depending on the nature of the delivery experiences /issues, potentially re-appraise policy positions and their application.

6.13 The Council will expect developers and landowners to come to the table and be prepared to explain and justify why, in any relevant cases, the affordable housing targets and/or other planning obligations requirements cannot be met given other demands on a scheme. The onus will be on developers to clearly and fully demonstrate the issues, with evidence to back-up costs associated with abnormal site complexities and the like.

6.14 It is expected that a methodology similar to one we have used will be appropriate for this process, to explore the relationship between development costs and values. Again, however, we reiterate that whilst this methodology is generally accepted, and the assumptions we have used might guide the Council on starting/indicative parameters, there will be no substitute for site-specific appraisal work of this type. Such work would take into account appropriate specific assumptions.

6.15 Issues may arise on those sites that have already changed hands or are committed through option or similar arrangements, where figures may simply not work when set against the proposed policy requirements. In the same way, there will be some previous planning consents capable of implementation (where previous policy positions would have determined requirements).

6.16 Similarly, a degree of difficulty with increasing planning-led affordable housing supply may be experienced during the adjustment process where there may be issues whilst developers/landowners get accustomed to the new policies and expectations are modified. The modelling in this study has been carried out on the assumption that knowledge of policies exists and that the

landowner/developer information and adjustment process has been undertaken.

- 6.17 Good practice points to bringing to life through appropriate Supplementary Planning Documents and/or Development Plan Documents the type of negotiated approach envisaged and supported by Government guidance.
- 6.18 This study has considered planning-led affordable housing in the context of integrated provision within market-led schemes, secured through planning obligations usually embodied in a s106 agreement. The Council, along with its partners, should also continue to consider the wider routes to affordable housing provision.
- 6.19 Housing Association or contractor/developer-led schemes can be successful in significantly bolstering local provision – sometimes on lower value, more difficult sites, for example as a part of removing non-conforming uses from older residential areas, recycling unviable former commercial land or making better use of existing estates.
- 6.20 The various supply sources of affordable housing need to be considered and encouraged. The use and role of local authority or other publicly-owned land might also be very valuable in this sense. There is a potential emerging role for local authorities as key developers of housing again.
- 6.21 In addition the role of exception to policy sites and specific allocations processes could be considered for rural affordable housing provision.
- 6.22 Housing Associations and others should be encouraged to be proactive in these areas, and supported by the Council where possible.

End of main study text
Appendices follow
September 2010

Appendices

Appendix I	Development Scenarios
Appendix II	Base Appraisals ¹² Residual Land Value Results (£2,500 per unit Infrastructure Cost, with grant)
Appendix IIa	Residual Land Value Results (£2,500 per unit Infrastructure Cost, nil grant)
Appendix IIb	Residual Land Value Results £5,000 per unit Infrastructure Cost, with grant)
Appendix IIc	Residual Land Value Results (£5,000 per unit Infrastructure Cost, nil grant)
Appendix IId	Residual Land Value Results (Sample Results Varying Developer's Profit - £2,500 per unit Infrastructure Cost)
Appendix IIe	Residual Land Value Results (Sample Results Varying Developer's Profit - £5,000 per unit Infrastructure Cost)
Appendix IIf	Residual Land Value Results (Sample Results CfSH Level 4)
Appendix IIg	Residual Land Value Results (Sample Results CfSH Level 6)
Appendix IIh	Residual Land value Results from Financial Contributions Calculations
Appendix III	Harrogate Borough Council – Property Values Report
Appendix IV	Details of Stakeholder Consultation Event
Appendix V	Glossary

¹² Base appraisals assume base build costs; CfSH Level 3; 10% requirement for renewable energy provision; 17.5% developer's profit, £2,500 per unit planning infrastructure costs, grant.

Appendix I

Appendix I - Development Scenarios and Key Assumptions Required for Harrogate Borough Council Affordable Housing Economic Viability Study - On-Site Affordable Housing

Site Size Appraised	Number of Units	Site Size (Ha)	Density (DPH)	Dwelling Mix (BF = Bed Flat; BH = Bed House)	Percentage Affordable Housing & Tenure Mix										Survey Costs (per site)	Build Period (Months)	Site Prep.		
					20% Affordable Housing		30% Affordable Housing		40% Affordable Housing		50% Affordable Housing		60% Affordable Housing						
					Private Mix	Affordable Housing Mix	Private Mix	Affordable Housing Mix	Private Mix	Affordable Housing Mix	Private Mix	Affordable Housing Mix	Private Mix	Affordable Housing Mix					
2 Houses	2	0.08 / 0.05	25 / 40	2 x 3BH	N/A	N/A	N/A	N/A	N/A	N/A	1 x 3BH	1 x 3BH	As 50%	As 50%	As 50%	As 50%	£2,500	6	£8,000
3 Houses	3	0.12 / 0.08	25 / 40	3 x 3BH	N/A	N/A	N/A	N/A	2 x 3BH	1 x 3BH	As 40%	As 40%	As 40%	As 40%	As 40%	As 40%	£2,500	6	£12,000
4 Houses	4	0.16 / 0.10	25 / 40	4 x 3BH	N/A	N/A	3 x 3BH	1 x 3BH	As 30%	As 30%	2 x 3BH	2 x 3BH	As 50%	As 50%	As 50%	As 50%	£2,500	6	£16,000
5 Houses	5	0.20 / 0.13	25 / 40	2 x 2BH; 3 x 3BH	2 x 2BH; 2 x 3BH	1 x 3BH	As 20%	As 20%	1 x 2BH; 2 x 3BH	1 x 2BH; 1 x 3BH	As 40%	As 40%	1 x 2BH; 1 x 3BH	1 x 2BH; 2 x 3BH	As 40%	As 40%	£2,500	6	£20,000
5 Flats	5	0.07 / 0.05	75 / 100	5 x 2BF	4 x 2BF	1 x 2BF	As 20%	As 20%	3 x 2BF	2 x 2BF	As 40%	As 40%	2 x 2BF	3 x 2BF	As 40%	As 40%	£2,500	6	£20,000
10 Houses	10	0.40 / 0.25	25 / 40	3 x 2BH; 5 x 3BH; 2 x 4BH	2 x 2BH; 4 x 3BH; 2 x 4BH	1 x 2BH; 1 x 3BH	2 x 2BH; 3 x 3BH; 2 x 4BH	1 x 2BH; 2 x 3BH	1 x 2BH; 3 x 3BH; 2 x 4BH	2 x 2BH; 2 x 3BH	1 x 2BH; 2 x 3BH; 2 x 4BH	2 x 2BH; 3 x 3BH	1 x 2BH; 1 x 3BH; 2 x 4BH	2 x 2BH; 4 x 3BH	As 50%	As 50%	£5,000	9	£40,000
10 Flats	10	0.13 / 0.10	75 / 100	3 x 1BF; 7 x 2BF	2 x 1BF; 6 x 2BF	1 x 1BF; 1 x 2BF	2 x 1BF; 5 x 2BF	1 x 1BF; 2 x 2BF	2 x 1BF; 4 x 2BF	1 x 1BF; 3 x 2BF	1 x 1BF; 4 x 2BF	2 x 1BF; 3 x 2BF	1 x 1BF; 3 x 2BF	2 x 1BF; 4 x 2BF	As 50%	As 50%	£5,000	9	£40,000
15 Houses	15	0.60 / 0.38	25 / 40	5 x 2BH; 7 x 3BH; 3 x 4BH	4 x 2BH; 5 x 3BH; 3 x 4BH	3 x 2BH; 5 x 3BH; 3 x 4BH	2 x 2BH; 2 x 3BH	3 x 2BH; 3 x 3BH; 3 x 4BH	2 x 2BH; 4 x 3BH	2 x 2BH; 5 x 3BH; 3 x 4BH	3 x 2BH; 4 x 3BH	2 x 2BH; 5 x 3BH; 3 x 4BH	3 x 2BH; 4 x 3BH	4 x 2BH; 5 x 3BH	As 50%	As 50%	£7,500	12	£60,000
15 Flats	15	0.20 / 0.15	75 / 100	5 x 1BF; 10 x 2BF	4 x 1BF; 7 x 2BF	1 x 1BF; 3 x 2BF	5 x 1BF; 5 x 2BF; 5 x 4BH	3 x 1BF; 4 x 2BF	4 x 1BF; 6 x 2BF	3 x 1BF; 5 x 2BF	2 x 1BF; 5 x 2BF	2 x 1BF; 5 x 2BF	2 x 1BF; 4 x 2BF	3 x 1BF; 6 x 2BF	As 50%	As 50%	£7,500	12	£60,000
25 Houses	25	1.00 / 0.63	25 / 40	8 x 2BH; 12 x 3BH; 5 x 4BH	7 x 2BH; 9 x 3BH; 5 x 4BH	5 x 2BH; 8 x 3BH; 5 x 4BH	3 x 2BH; 4 x 3BH	4 x 2BH; 6 x 3BH	4 x 2BH; 6 x 3BH	3 x 2BH; 5 x 3BH; 5 x 4BH	5 x 2BH; 7 x 3BH	2 x 2BH; 3 x 3BH; 5 x 4BH	6 x 2BH; 9 x 3BH	As 50%	As 50%	£12,500	12	£100,000	
50 Mixed	50	1.43 / 0.91	35 / 55	5 x 1BF; 5 x 2BF; 10 x 2BH; 20 x 3BH; 10 x 4BH	4 x 1BF; 4 x 2BF; 8 x 2BH; 12 x 3BH; 10 x 4BH	3 x 1BF; 3 x 2BF; 7 x 2BH; 12 x 3BH; 10 x 4BH	2 x 1BF; 2 x 2BF; 3 x 2BH; 8 x 3BH	2 x 1BF; 2 x 2BF; 6 x 2BH; 10 x 3BH; 10 x 4BH	3 x 1BF; 3 x 2BF; 4 x 2BH; 10 x 3BH	1 x 1BF; 1 x 2BF; 5 x 2BH; 8 x 3BH; 10 x 4BH	4 x 1BF; 4 x 2BF; 5 x 2BH; 12 x 3BH	4 x 2BH; 6 x 3BH; 10 x 4BH	5 x 1BF; 5 x 2BF; 6 x 2BH; 14 x 3BH	As 50%	As 50%	£25,000	18	£200,000	
100 Mixed	100	2.86 / 1.82	35 / 55	10 x 1BF; 10 x 2BF; 20 x 2BH; 40 x 3BH; 20 x 4BH	8 x 1BF; 8 x 2BF; 14 x 2BH; 24 x 3BH; 20 x 4BH	6 x 1BF; 6 x 2BF; 14 x 2BH; 24 x 3BH; 20 x 4BH	4 x 1BF; 4 x 2BF; 6 x 2BH; 16 x 3BH	4 x 1BF; 4 x 2BF; 12 x 2BH; 20 x 3BH; 20 x 4BH	6 x 1BF; 6 x 2BF; 8 x 2BH; 20 x 3BH	2 x 1BF; 2 x 2BF; 10 x 2BH; 16 x 3BH; 20 x 4BH	8 x 1BF; 8 x 2BF; 10 x 2BH; 24 x 3BH	8 x 2BH; 12 x 3BH; 20 x 4BH	10 x 1BF; 10 x 2BF; 12 x 2BH; 28 x 3BH	As 50%	As 50%	£50,000	24	£400,000	

Value Point	Values (Provisional)									
	1-Bed Flats	2-Bed Flats	2-Bed Houses	3-Bed Houses	4-Bed Houses	£ / sq m (Flats)	£ / sq ft (Flats)	£ / sq m (Houses)	£ / sq ft (Houses)	
1 (minimum less 20%)	£80,000	£107,200	£111,900	£125,800	£148,000	£1,600	£148	£1,480	£137	
2	£100,000	£134,000	£138,750	£157,250	£185,000	£2,000	£186	£1,850	£172	
3	£120,000	£160,800	£172,500	£195,500	£230,000	£2,400	£223	£2,300	£214	
4	£140,000	£187,600	£206,250	£235,750	£275,000	£2,800	£260	£2,750	£255	
5	£160,000	£214,400	£240,000	£272,000	£320,000	£3,200	£297	£3,200	£297	
6	£180,000	£241,200	£273,750	£310,250	£365,000	£3,600	£334	£3,650	£329	
7	£200,000	£268,000	£307,500	£348,500	£410,000	£4,000	£372	£4,100	£381	
8 (maximum plus 20%)	£240,000	£321,600	£369,000	£418,200	£492,000	£4,800	£446	£4,920	£467	

Sizes sq m (sq ft in parentheses) - Gross Internal Area (GIA)				
1-Bed Flats	2-Bed Flats	2-Bed Houses	3-Bed Houses	4-Bed Houses
50 (538)	67 (721)	75 (807)	85 (915)	100 (1076)

Other Assumptions: Developments are 2-3 storeys unless stated.
Values: 8 Value Points; 6 forming the normal range of values seen across the Borough; 2 additional points looking at reducing and increasing the lowest and highest values by 20%

Infrastructure / Planning Obligations Costs per unit: Agreed with HBC to model range of infrastructure costs - £2,500 and £5,000 per unit.

Finance (%) 7.0%
Base Build Costs (Flats) £1,100 per sq m
Base Build Costs (Houses) £1,000 per sq m
Build Period Lead In 6 months
Developer Profit: 17.5% of Gross Development Value - Sample of appraisals at 12.5%, 15%, 20% and 25% developer's profit on sample of appraisals. Profit on affordable - 6%
Grant Subsidy: Carry out all appraisals assuming grant subsidy; sample to be carried out without grant. Also see below.
Affordable Unit Mix: As per table above. Transferred on a proportional basis. No 4-bed housing to be transferred as affordable.
Developer Receipt for Affordable Units (on-site provision): Based on payment table provided by HBC. Assumptions for this study - £53,061; £65,871 & £79,230 for 1, 2 and 3 bed properties regardless of tenure and unit type. Assumes grant is available. For non-grant appraisals assume £40,000, £50,000 and £60,000 per 1, 2 and 3 bed unit respectively

Code for Sustainable Homes Assume all units comply - Level 3 of CSH. Costs are approximately £50 per m2 for flats and houses based on Cyrill Sweet Cost Analysis of the Code for Sustainable Homes July 2008 (assumes medium case scenario for flats and terraced houses). Sample to be carried out assuming higher Code for Sustainable Homes Levels 4 and 6 on sites of 25 & 50 units (£100/m2 and £350/m2 added to above build costs respectively).

Lifetime Homes Allowance to achieve Lifetime Homes Standards included within above build costs and acknowledged within report as potential variable cost issue (depending on design etc). Approx between £165 and £545 per unit

Renewables 10% reduction in CO2 through renewables cost allowed for on all base appraisals (linked to CSH Level 3 attainment). Not allowed for in appraisals linked to CSH Level 4 and 6 as assume these include an element of renewables).

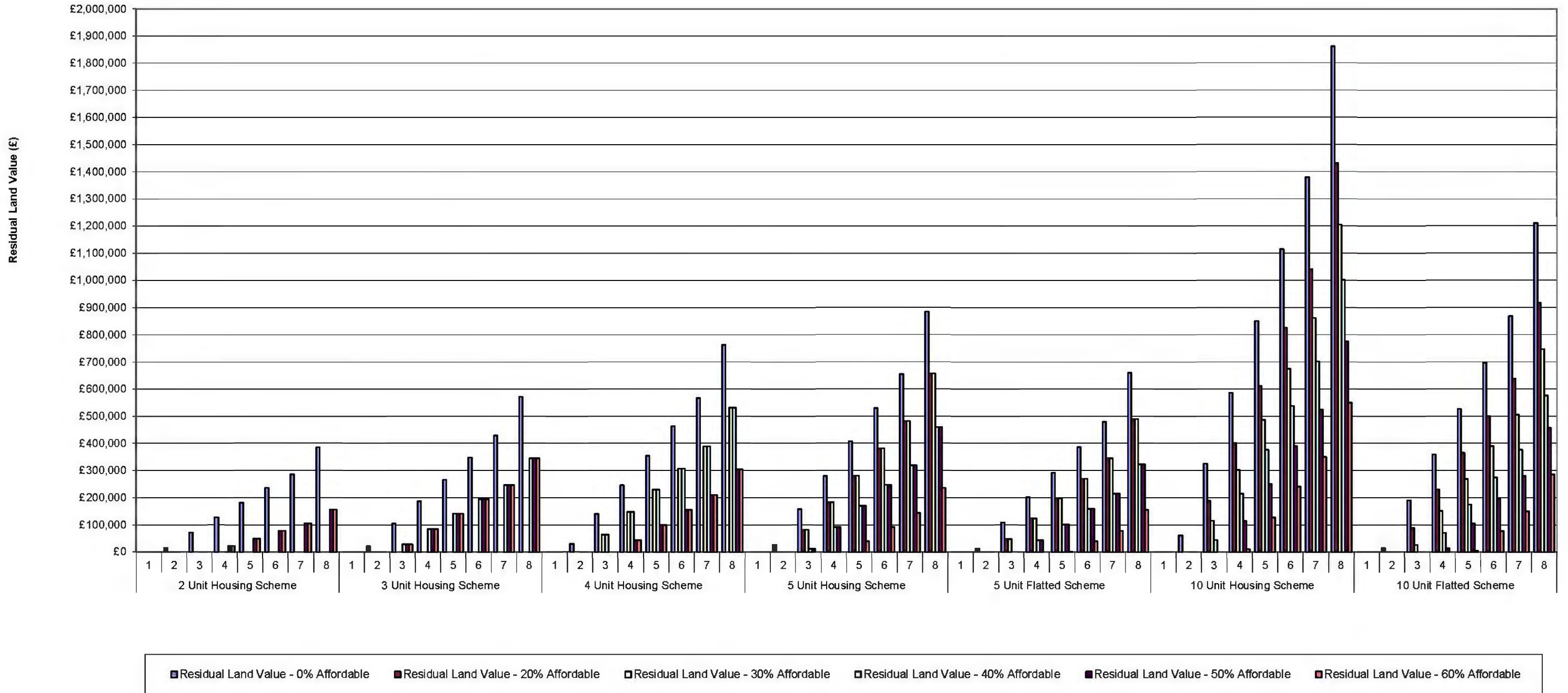
Density: Densities as set out above.
Rounding Always round down to nearest whole unit.
Commuted Sums: Investigate the viability of collecting financial contributions from sites of 1 dwelling.
 BF = Bed Flat; BH = Bed House
 GNR = General Needs Rent; IT = Intermediate

Appendix II

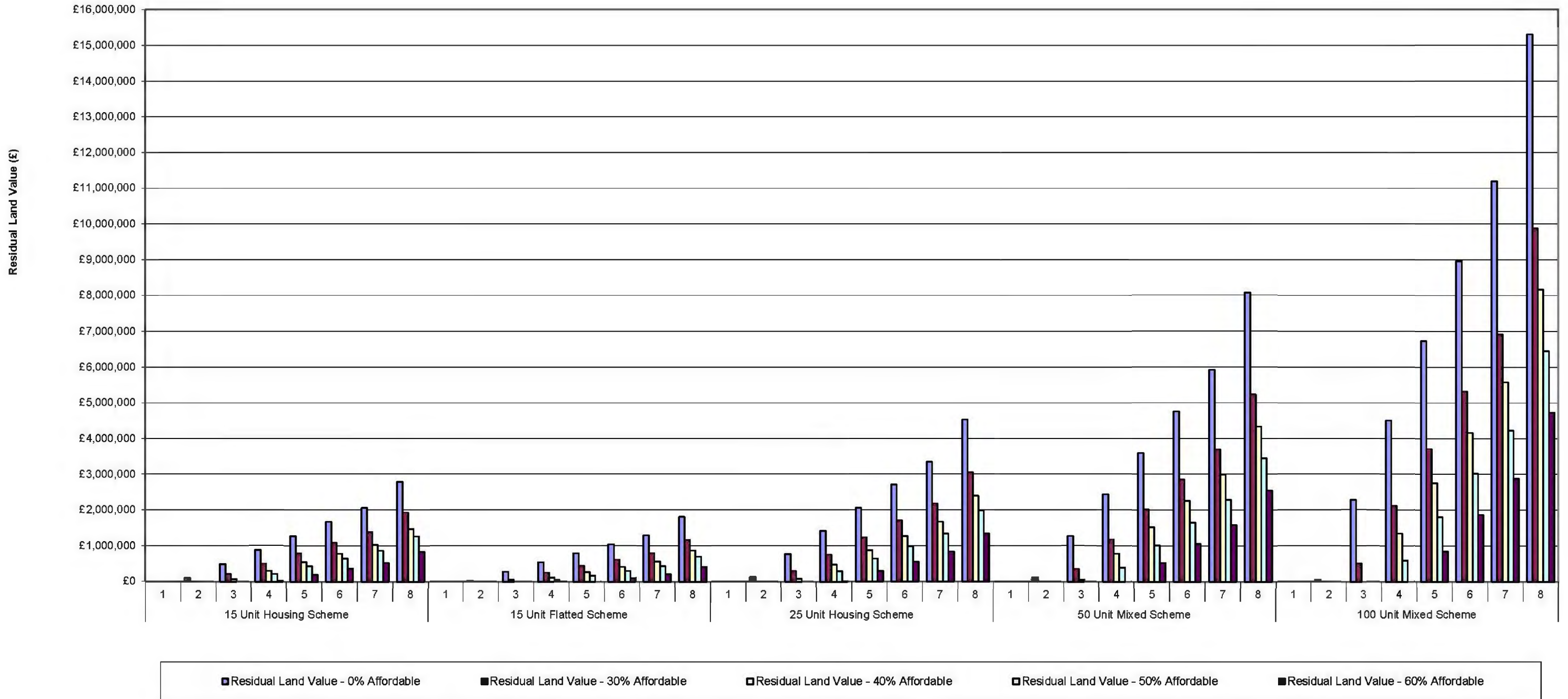
**Table 1: Summary of Residual Land Value (£) Appraisals for
All Value Points -
Planning Infrastructure Level £2,500**

Development Scenario / Threshold	Value Point	Residual Land Value - 0% Affordable	Residual Land Value - 20% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable
2 Unit Housing Scheme	1	£0				£0	£0
	2	£14,289				£0	£0
	3	£70,393				£0	£0
	4	£126,498				£21,580	£21,580
	5	£180,776				£49,632	£49,632
	6	£236,319				£77,684	£77,684
	7	£285,966				£105,736	£105,736
	8	£385,133				£156,853	£156,853
3 Unit Housing Scheme	1	£0			£0	£0	£0
	2	£21,434			£0	£0	£0
	3	£105,590			£28,725	£28,725	£28,725
	4	£187,849			£84,829	£84,829	£84,829
	5	£265,686			£140,933	£140,933	£140,933
	6	£347,317			£195,067	£195,067	£195,067
	7	£426,949			£245,547	£245,547	£245,547
	8	£571,744			£344,714	£344,714	£344,714
4 Unit Housing Scheme	1	£0		£0	£0	£0	£0
	2	£28,579		£0	£0	£0	£0
	3	£140,787		£63,921	£63,921	£0	£0
	4	£245,405		£148,077	£148,077	£43,160	£43,160
	5	£354,247		£229,911	£229,911	£99,264	£99,264
	6	£463,089		£306,898	£306,898	£155,368	£155,368
	7	£566,035		£380,530	£380,530	£209,357	£209,357
	8	£762,325		£531,742	£531,742	£304,295	£304,295
5 Unit Housing Scheme	1	£0	£0	£0	£0	£0	£0
	2	£26,053	£0	£0	£0	£0	£0
	3	£157,177	£81,770	£81,770	£11,908	£11,908	£0
	4	£279,653	£183,521	£183,521	£91,231	£91,231	£0
	5	£406,843	£280,309	£280,309	£170,553	£170,553	£40,105
	6	£528,520	£380,806	£380,806	£247,376	£247,376	£91,908
	7	£654,408	£481,302	£481,302	£319,321	£319,321	£143,710
	8	£883,788	£657,579	£657,579	£459,527	£459,527	£235,724
5 Unit Flatted Scheme	1	£0	£0	£0	£0	£0	£0
	2	£11,974	£0	£0	£0	£0	£0
	3	£108,384	£46,940	£46,940	£0	£0	£0
	4	£202,745	£124,068	£124,068	£43,342	£43,342	£0
	5	£292,167	£199,104	£199,104	£101,108	£101,108	£1,181
	6	£385,684	£269,974	£269,974	£159,034	£159,034	£39,745
	7	£479,202	£344,788	£344,788	£214,711	£214,711	£78,309
	8	£659,368	£489,318	£489,318	£322,594	£322,594	£155,436
10 Unit Housing Scheme	1	£0	£0	£0	£0	£0	£0
	2	£60,261	£0	£0	£0	£0	£0
	3	£325,396	£188,289	£114,784	£44,922	£0	£0
	4	£586,233	£401,181	£301,341	£214,352	£113,590	£10,662
	5	£850,424	£611,506	£486,276	£376,469	£249,935	£127,217
	6	£1,114,615	£825,967	£674,318	£537,318	£389,687	£241,334
	7	£1,378,807	£1,040,428	£862,360	£702,049	£523,982	£349,517
	8	£1,860,222	£1,431,224	£1,205,015	£1,002,226	£776,017	£549,807
10 Unit Flatted Scheme	1	£0	£0	£0	£0	£0	£0
	2	£13,522	£0	£0	£0	£0	£0
	3	£189,747	£87,581	£26,138	£0	£0	£0
	4	£358,711	£229,732	£151,327	£70,601	£13,573	£0
	5	£526,030	£365,227	£268,220	£174,743	£105,090	£5,083
	6	£697,046	£500,154	£389,653	£273,942	£194,641	£77,318
	7	£868,062	£638,845	£505,817	£376,672	£279,481	£149,553
	8	£1,210,895	£916,229	£746,179	£576,129	£457,024	£285,203
15 Unit Housing Scheme	1	£0			£0	£0	£0
	2	£89,372			£0	£0	£0
	3	£480,530			£207,914	£59,199	£0
	4	£875,263			£496,886	£302,383	£215,415
	5	£1,269,995			£792,159	£541,700	£432,469
	6	£1,664,728			£1,087,431	£784,134	£647,134
	7	£2,059,461			£1,382,704	£1,026,568	£866,257
	8	£2,770,752			£1,920,756	£1,468,338	£1,265,549
15 Unit Flatted Scheme	1	£0			£0	£0	£0
	2	£18,545			£0	£0	£0
	3	£274,812			£56,342	£0	£0
	4	£526,155			£246,385	£111,120	£30,395
	5	£780,331			£428,163	£261,881	£169,973
	6	£1,034,507			£608,579	£415,975	£300,265
	7	£1,288,684			£793,410	£564,192	£435,655
	8	£1,797,036			£1,163,070	£869,204	£699,154
25 Unit Housing Scheme	1	£0			£0	£0	£0
	2	£122,672			£0	£0	£0
	3	£763,947			£285,616	£78,040	£0
	4	£1,410,129			£756,840	£479,150	£291,688
	5	£2,056,312			£1,230,609	£873,503	£639,204
	6	£2,702,494			£1,704,577	£1,272,795	£989,728
	7	£3,348,677			£2,178,546	£1,672,086	£1,340,251
	8	£4,526,164			£3,042,222	£2,399,685	£1,978,983
50 Unit Mixed Scheme	1	£0			£0	£0	£0
	2	£108,210			£0	£0	£0
	3	£1,266,229			£346,494	£51,291	£0
	4	£2,428,576			£1,179,401	£783,538	£391,713
	5	£3,590,923			£2,015,881	£1,517,837	£1,019,792
	6	£4,753,270			£2,852,361	£2,252,136	£1,651,910
	7	£5,915,617			£3,688,841	£2,986,434	£2,284,028
	8	£8,060,737			£5,229,333	£4,335,316	£3,441,300
100 Unit Mixed Scheme	1	£0			£0	£0	£0
	2	£46,988			£0	£0	£0
	3	£2,274,360			£903,559	£0	£0
	4	£4,503,612			£2,107,834	£1,348,613	£589,391
	5	£6,732,864			£3,712,110	£2,756,916	£1,801,722
	6	£8,962,116			£5,316,385	£4,165,219	£3,014,053
	7	£11,191,367			£6,920,660	£5,573,522	£4,226,365
	8	£15,305,470			£9,875,152	£8,160,528	£6,445,903

**Graph 1: Summary of Residual Land Values at 0%, 20%, 30%, 40%, 50% & 60% Affordable Housing Across All Value Points
Planning Infrastructure Level £2,500**



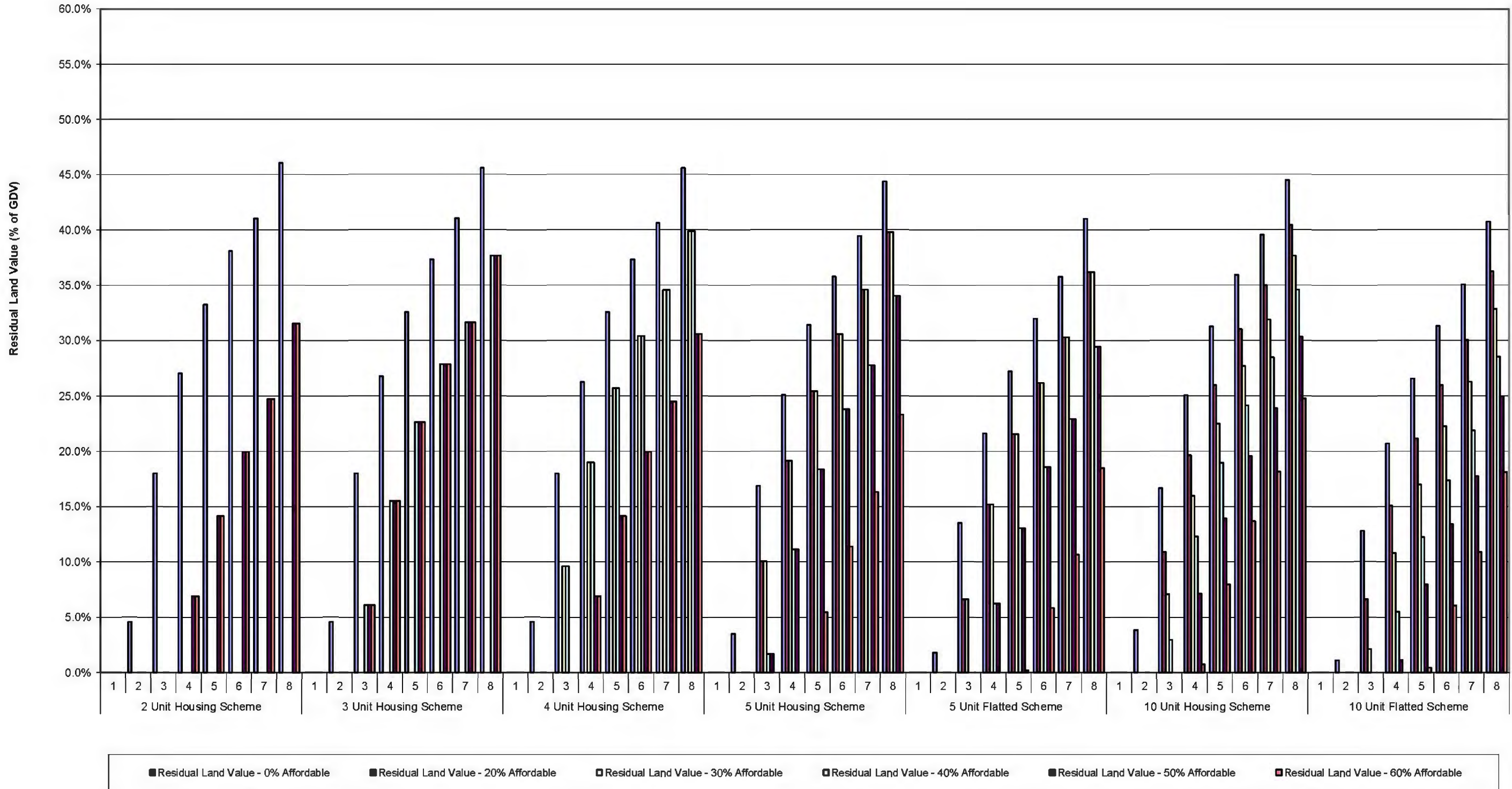
Graph 1i: Summary of Residual Land Values at 0%, 30%, 40%, 50% & 60% Affordable Housing Across All Value Points
 Planning Infrastructure Level £2,500



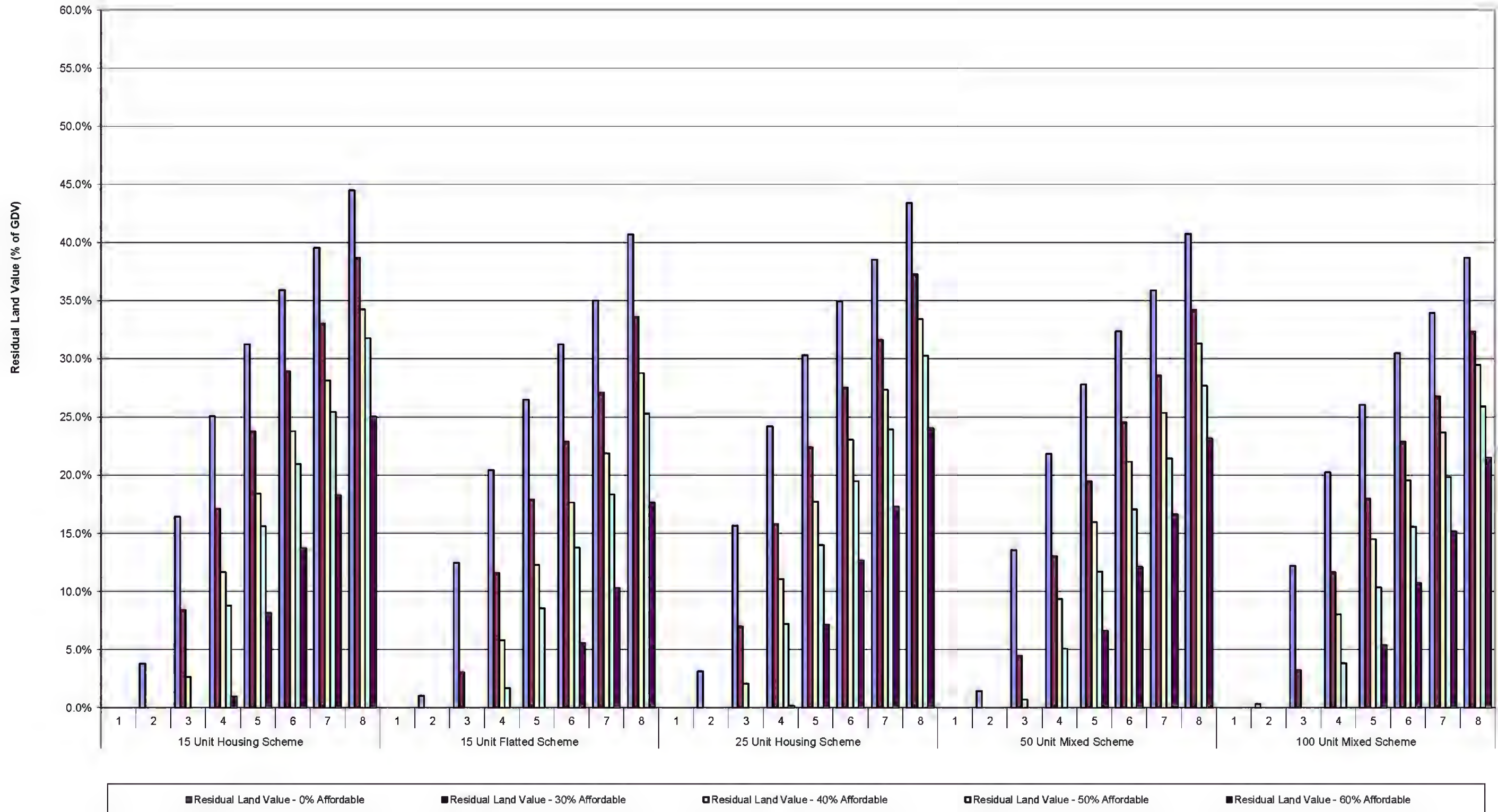
**Table 1a: Summary of Residual Land Value (as % of GDV) Appraisals for All Value Points
Planning Infrastructure Level £2,500**

Development Scenario / Threshold	Value Point	Residual Land Value - 0% Affordable	Residual Land Value - 20% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable
2 Unit Housing Scheme	1	0.0%				0.0%	0.0%
	2	4.5%				0.0%	0.0%
	3	18.0%				0.0%	0.0%
	4	27.1%				6.9%	6.9%
	5	33.2%				14.1%	14.1%
	6	38.1%				19.9%	19.9%
	7	41.0%				24.7%	24.7%
	8	46.0%				31.5%	31.5%
3 Unit Housing Scheme	1	0.0%			0.0%	0.0%	0.0%
	2	4.5%			0.0%	0.0%	0.0%
	3	18.0%			6.1%	6.1%	6.1%
	4	26.8%			15.5%	15.5%	15.5%
	5	32.6%			22.6%	22.6%	22.6%
	6	37.3%			27.9%	27.9%	27.9%
	7	41.0%			31.6%	31.6%	31.6%
	8	45.6%			37.6%	37.6%	37.6%
4 Unit Housing Scheme	1	0.0%		0.0%	0.0%	0.0%	0.0%
	2	4.5%		0.0%	0.0%	0.0%	0.0%
	3	18.0%		9.6%	9.6%	0.0%	0.0%
	4	26.2%		19.0%	19.0%	6.9%	6.9%
	5	32.6%		25.7%	25.7%	14.1%	14.1%
	6	37.3%		30.4%	30.4%	19.9%	19.9%
	7	40.6%		34.5%	34.5%	24.5%	24.5%
	8	45.6%		39.9%	39.9%	30.6%	30.6%
5 Unit Housing Scheme	1	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	2	3.5%	0.0%	0.0%	0.0%	0.0%	0.0%
	3	16.9%	10.0%	10.0%	1.7%	1.7%	0.0%
	4	25.1%	19.1%	19.1%	11.1%	11.1%	0.0%
	5	31.4%	25.4%	25.4%	18.4%	18.4%	5.4%
	6	35.8%	30.5%	30.5%	23.8%	23.8%	11.4%
	7	39.4%	34.6%	34.6%	27.8%	27.8%	16.3%
	8	44.4%	39.8%	39.8%	34.0%	34.0%	23.3%
5 Unit Flatted Scheme	1	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	2	1.8%	0.0%	0.0%	0.0%	0.0%	0.0%
	3	13.5%	6.6%	6.6%	0.0%	0.0%	0.0%
	4	21.6%	15.2%	15.2%	6.2%	6.2%	0.0%
	5	27.3%	21.6%	21.6%	13.1%	13.1%	0.2%
	6	32.0%	26.2%	26.2%	18.6%	18.6%	5.8%
	7	35.8%	30.3%	30.3%	22.9%	22.9%	10.7%
	8	41.0%	36.2%	36.2%	29.4%	29.4%	18.5%
10 Unit Housing Scheme	1	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	2	3.8%	0.0%	0.0%	0.0%	0.0%	0.0%
	3	16.6%	10.9%	7.1%	3.0%	0.0%	0.0%
	4	25.1%	19.6%	16.0%	12.3%	7.1%	0.7%
	5	31.3%	26.0%	22.5%	19.0%	13.9%	7.9%
	6	35.9%	31.0%	27.7%	24.2%	19.5%	13.7%
	7	39.6%	35.0%	31.9%	28.5%	23.9%	18.2%
	8	44.5%	40.4%	37.6%	34.6%	30.3%	24.8%
10 Unit Flatted Scheme	1	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	2	1.1%	0.0%	0.0%	0.0%	0.0%	0.0%
	3	12.8%	6.6%	2.1%	0.0%	0.0%	0.0%
	4	20.7%	15.1%	10.8%	5.5%	1.1%	0.0%
	5	26.6%	21.2%	17.0%	12.2%	8.0%	0.4%
	6	31.3%	26.0%	22.3%	17.4%	13.4%	6.1%
	7	35.1%	30.0%	26.3%	21.9%	17.7%	10.9%
	8	40.7%	36.2%	32.8%	28.6%	25.0%	18.1%
15 Unit Housing Scheme	1	0.0%		0.0%	0.0%	0.0%	0.0%
	2	3.8%		0.0%	0.0%	0.0%	0.0%
	3	16.5%		8.4%	2.6%	0.0%	0.0%
	4	25.1%		17.1%	11.7%	8.8%	1.0%
	5	31.2%		23.8%	18.4%	15.6%	8.1%
	6	35.9%		28.9%	23.8%	21.0%	13.7%
	7	39.6%		33.0%	28.2%	25.4%	18.2%
	8	44.5%		38.7%	34.3%	31.8%	25.0%
15 Unit Flatted Scheme	1	0.0%		0.0%	0.0%	0.0%	0.0%
	2	1.0%		0.0%	0.0%	0.0%	0.0%
	3	12.4%		3.0%	0.0%	0.0%	0.0%
	4	20.4%		11.6%	5.8%	1.7%	0.0%
	5	26.5%		17.9%	12.3%	8.6%	0.0%
	6	31.2%		22.9%	17.6%	13.8%	5.6%
	7	35.0%		27.1%	21.9%	18.3%	10.3%
	8	40.7%		33.6%	28.8%	25.3%	17.6%
25 Unit Housing Scheme	1	0.0%		0.0%	0.0%	0.0%	0.0%
	2	3.1%		0.0%	0.0%	0.0%	0.0%
	3	15.7%		7.0%	2.1%	0.0%	0.0%
	4	24.2%		15.8%	11.0%	7.2%	0.2%
	5	30.3%		22.4%	17.7%	14.0%	7.1%
	6	34.9%		27.5%	23.1%	19.5%	12.6%
	7	38.5%		31.6%	27.4%	23.9%	17.3%
	8	43.4%		37.3%	33.4%	30.3%	24.0%
50 Unit Mixed Scheme	1	0.0%		0.0%	0.0%	0.0%	0.0%
	2	1.4%		0.0%	0.0%	0.0%	0.0%
	3	13.6%		4.5%	0.7%	0.0%	0.0%
	4	21.8%		13.0%	9.3%	5.1%	0.0%
	5	27.8%		19.5%	15.9%	11.7%	6.6%
	6	32.3%		24.5%	21.1%	17.1%	12.1%
	7	35.9%		28.6%	25.4%	21.4%	16.6%
	8	40.7%		34.2%	31.3%	27.7%	23.1%
100 Unit Mixed Scheme	1	0.0%		0.0%	0.0%	0.0%	0.0%
	2	0.3%		0.0%	0.0%	0.0%	0.0%
	3	12.2%		3.2%	0.0%	0.0%	0.0%
	4	20.2%		11.6%	8.0%	3.8%	0.0%
	5	26.1%		18.0%	14.5%	10.3%	5.4%
	6	30.5%		22.9%	19.6%	15.6%	10.7%
	7	33.9%		26.8%	23.7%	19.8%	15.1%
	8	38.7%		32.3%	29.5%	25.9%	21.5%

**Graph 1a: Summary of Residual Land Values (as % of GDV) at 0%, 20%, 30%, 40%, 50% & 60% Affordable Housing
Across all Value Points
Planning Infrastructure Level £2,500**



Graph 1ai: Summary of Residual Land Values (as % of GDV) at 0%, 30%, 40%, 50% & 60% Affordable Housing
 Across all Value Points
 Planning Infrastructure Level £2,500



**Table 1b: Summary of Residual Land Value (£ per Ha) Appraisals for
All Value Points
Planning Infrastructure Level £2,500
(Higher Density)**

Development Scenario / Threshold	Value Point	Site Size	Residual Land Value - 0% Affordable	Residual Land Value - 20% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable
2 Unit Housing Scheme	1	0.05						
	2	0.05	£285,786					
	3	0.05	£1,407,869					
	4	0.05	£2,529,952				£431,598	£431,598
	5	0.05	£3,615,515				£992,639	£992,639
	6	0.05	£4,726,377				£1,553,681	£1,553,681
	7	0.05	£5,719,315				£2,114,722	£2,114,722
	8	0.05	£7,702,659				£3,137,064	£3,137,064
3 Unit Housing Scheme	1	0.08						
	2	0.08	£267,925					
	3	0.08	£1,319,877			£359,057	£359,057	£359,057
	4	0.08	£2,348,112			£1,060,359	£1,060,359	£1,060,359
	5	0.08	£3,321,069			£1,761,660	£1,761,660	£1,761,660
	6	0.08	£4,341,464			£2,438,333	£2,438,333	£2,438,333
	7	0.08	£5,361,858			£3,069,336	£3,069,336	£3,069,336
	8	0.08	£7,146,797			£4,308,926	£4,308,926	£4,308,926
4 Unit Housing Scheme	1	0.10						
	2	0.10	£285,786					
	3	0.10	£1,407,869		£639,213	£639,213		
	4	0.10	£2,454,054		£1,480,775	£1,480,775	£431,598	£431,598
	5	0.10	£3,542,474		£2,299,114	£2,299,114	£992,639	£992,639
	6	0.10	£4,630,894		£3,068,982	£3,068,982	£1,553,681	£1,553,681
	7	0.10	£5,660,353		£3,885,298	£3,885,298	£2,093,575	£2,093,575
	8	0.10	£7,623,250		£5,317,416	£5,317,416	£3,042,952	£3,042,952
5 Unit Housing Scheme	1	0.13						
	2	0.13	£200,408					
	3	0.13	£1,209,057	£628,999	£628,999	£91,604	£91,604	
	4	0.13	£2,151,174	£1,411,696	£1,411,696	£701,774	£701,774	
	5	0.13	£3,129,563	£2,156,225	£2,156,225	£1,311,944	£1,311,944	£308,503
	6	0.13	£4,065,602	£2,929,274	£2,929,274	£1,902,893	£1,902,893	£706,981
	7	0.13	£5,033,905	£3,702,322	£3,702,322	£2,456,316	£2,456,316	£1,105,460
	8	0.13	£6,798,368	£5,058,297	£5,058,297	£3,534,825	£3,534,825	£1,813,261
5 Unit Flatted Scheme	1	0.05						
	2	0.05	£239,481					
	3	0.05	£2,167,674	£938,804	£938,804			
	4	0.05	£4,054,909	£2,481,358	£2,481,358	£866,850	£866,850	
	5	0.05	£5,843,339	£3,983,674	£3,983,674	£2,023,765	£2,023,765	£23,618
	6	0.05	£7,713,606	£5,399,473	£5,399,473	£3,180,681	£3,180,681	£794,895
	7	0.05	£9,584,033	£6,895,751	£6,895,751	£4,294,221	£4,294,221	£1,566,172
	8	0.05	£13,187,359	£9,786,365	£9,786,365	£6,451,886	£6,451,886	£3,108,727
10 Unit Housing Scheme	1	0.25						
	2	0.25	£241,043					
	3	0.25	£1,301,585	£753,157	£459,135	£179,689		
	4	0.25	£2,344,931	£1,604,722	£1,205,364	£857,408	£454,359	£42,649
	5	0.25	£3,401,696	£2,446,023	£1,945,105	£1,505,874	£999,738	£508,869
	6	0.25	£4,458,461	£3,303,867	£2,697,273	£2,149,274	£1,558,749	£965,338
	7	0.25	£5,515,226	£4,161,712	£3,449,441	£2,808,190	£2,095,927	£1,398,069
	8	0.25	£7,440,886	£5,724,895	£4,820,058	£4,008,903	£3,104,067	£2,199,230
10 Unit Flatted Scheme	1	0.10						
	2	0.10	£135,216					
	3	0.10	£1,897,470	£875,815	£261,380			
	4	0.10	£3,587,115	£2,297,316	£1,513,266	£706,012	£135,731	
	5	0.10	£5,260,297	£3,652,270	£2,682,198	£1,747,428	£1,050,903	£50,829
	6	0.10	£6,970,461	£5,001,535	£3,896,528	£2,739,422	£1,946,414	£773,182
	7	0.10	£8,680,624	£6,388,453	£5,058,169	£3,766,717	£2,794,810	£1,495,535
	8	0.10	£12,100,951	£9,162,288	£7,461,791	£5,761,294	£4,570,244	£2,852,033
15 Unit Housing Scheme	1	0.38						
	2	0.38	£235,189					
	3	0.38	£1,264,552		£547,142	£155,787		
	4	0.38	£2,303,323		£1,307,595	£795,744	£566,882	£54,000
	5	0.38	£3,342,093		£2,084,628	£1,425,526	£1,138,077	£513,162
	6	0.38	£4,380,863		£2,861,661	£2,063,511	£1,702,995	£953,210
	7	0.38	£5,419,634		£3,638,694	£2,701,496	£2,279,625	£1,389,155
	8	0.38	£7,312,504		£5,054,621	£3,864,046	£3,330,392	£2,201,450
15 Unit Flatted Scheme	1	0.15						
	2	0.15	£123,631					
	3	0.15	£1,832,081		£375,615			
	4	0.15	£3,507,701		£1,642,567	£740,802	£202,632	
	5	0.15	£5,202,208		£2,854,421	£1,745,873	£1,133,153	
	6	0.15	£6,896,716		£4,057,196	£2,773,168	£2,001,764	£696,365
	7	0.15	£8,591,224		£5,289,397	£3,761,283	£2,904,369	£1,388,385
	8	0.15	£11,980,239		£7,753,801	£5,794,692	£4,661,028	£2,730,064
25 Unit Housing Scheme	1	0.63						
	2	0.63	£194,717					
	3	0.63	£1,212,614		£453,359	£123,874		
	4	0.63	£2,238,301		£1,201,016	£760,556	£462,997	
	5	0.63	£3,263,987		£1,953,347	£1,386,512	£1,014,610	£452,439
	6	0.63	£4,289,673		£2,705,679	£2,020,309	£1,570,996	£885,626
	7	0.63	£5,315,360		£3,458,010	£2,654,105	£2,127,383	£1,382,478
	8	0.63	£7,184,388		£4,828,924	£3,809,024	£3,141,242	£2,121,342
50 Unit Mixed Scheme	1	0.91						
	2	0.91	£118,913					
	3	0.91	£1,391,460		£380,762	£56,364		
	4	0.91	£2,668,765		£1,296,045	£861,031	£430,454	
	5	0.91	£3,946,069		£2,215,254	£1,667,953	£1,120,651	£573,349
	6	0.91	£5,223,373		£3,134,463	£2,474,874	£1,815,286	£1,155,697
	7	0.91	£6,500,678		£4,053,671	£3,281,796	£2,509,920	£1,738,045
	8	0.91	£8,857,953		£5,746,520	£4,764,084	£3,781,648	£2,799,212
100 Unit Mixed Scheme	1	1.82						
	2	1.82	£25,817					
	3	1.82	£1,249,648		£276,681			
	4	1.82	£2,474,512		£1,158,151	£740,996	£323,841	
	5	1.82	£3,699,376		£2,039,621	£1,514,789	£989,957	£465,126
	6	1.82	£4,924,239		£2,921,091	£2,288,582	£1,656,073	£1,023,565
	7	1.82	£6,149,103		£3,802,560	£3,062,375	£2,322,189	£1,582,004
	8	1.82	£8,409,599		£5,425,908	£4,483,806	£3,541,705	£2,599,604

Source: Adams Integra, November 2009

-Wide Range of Indicators (CA Appraisal) and Lower Infrastructure Land Values
 -Wide Range of Indicators (CA Appraisal) and Lower Infrastructure Land Values
 -Wide Range of Indicators (CA Appraisal) and Lower Infrastructure Land Values

Table 1c: Summary of Residual Land Value (£ per Ha) Appraisals for All Value Points Planning Infrastructure Level £2,500 (Lower Density)

Development Scenario / Threshold	Value Point	Site Size	Residual Land Value - 0% Affordable	Residual Land Value - 20% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable
2 Unit Housing Scheme	1	0.08						
	2	0.08	£178,617					
	3	0.08	£879,918					
	4	0.08	£1,581,220				£269,749	£269,749
	5	0.08	£2,259,697				£620,399	£620,399
	6	0.08	£2,953,905				£971,050	£971,050
	7	0.08	£3,574,572				£1,321,701	£1,321,701
	8	0.08	£4,814,162				£1,960,665	£1,960,665
3 Unit Housing Scheme	1	0.12						
	2	0.12	£178,617					
	3	0.12	£879,918			£239,371	£239,371	£239,371
	4	0.12	£1,565,408			£706,906	£706,906	£706,906
	5	0.12	£2,214,046			£1,174,440	£1,174,440	£1,174,440
	6	0.12	£2,894,309			£1,625,555	£1,625,555	£1,625,555
	7	0.12	£3,574,572			£2,046,224	£2,046,224	£2,046,224
	8	0.12	£4,764,531			£2,872,617	£2,872,617	£2,872,617
4 Unit Housing Scheme	1	0.16						
	2	0.16	£178,617					
	3	0.16	£879,918		£399,500	£399,500		
	4	0.16	£1,533,784		£925,484	£925,484	£269,749	£269,749
	5	0.16	£2,214,046		£1,436,946	£1,436,946	£620,399	£620,399
	6	0.16	£2,894,309		£1,918,114	£1,918,114	£971,050	£971,050
	7	0.16	£3,537,720		£2,428,311	£2,428,311	£1,308,484	£1,308,484
	8	0.16	£4,764,531		£3,323,385	£3,323,385	£1,901,845	£1,901,845
5 Unit Housing Scheme	1	0.20						
	2	0.20	£130,265					
	3	0.20	£785,887	£408,849	£408,849	£59,542	£59,542	
	4	0.20	£1,398,263	£917,603	£917,603	£456,153	£456,153	
	5	0.20	£2,034,216	£1,401,547	£1,401,547	£852,764	£852,764	£200,527
	6	0.20	£2,642,642	£1,904,028	£1,904,028	£1,236,880	£1,236,880	£459,538
	7	0.20	£3,272,038	£2,406,509	£2,406,509	£1,596,605	£1,596,605	£718,549
	8	0.20	£4,418,939	£3,287,893	£3,287,893	£2,297,637	£2,297,637	£1,178,619
5 Unit Flatted Scheme	1	0.07						
	2	0.07	£171,058					
	3	0.07	£1,548,339	£670,574	£670,574			
	4	0.07	£2,896,363	£1,772,399	£1,772,399	£619,178	£619,178	
	5	0.07	£4,173,813	£2,845,481	£2,845,481	£1,445,547	£1,445,547	
	6	0.07	£5,509,776	£3,856,767	£3,856,767	£2,271,915	£2,271,915	£567,782
	7	0.07	£6,845,738	£4,925,536	£4,925,536	£3,067,301	£3,067,301	£1,118,694
	8	0.07	£9,419,542	£6,990,261	£6,990,261	£4,608,490	£4,608,490	£2,220,519
10 Unit Housing Scheme	1	0.40						
	2	0.40	£150,652					
	3	0.40	£813,491	£470,723	£286,959	£112,306		
	4	0.40	£1,465,582	£1,002,951	£753,352	£535,800	£283,974	£26,656
	5	0.40	£2,126,060	£1,528,764	£1,215,691	£941,171	£624,836	£318,043
	6	0.40	£2,786,538	£2,064,917	£1,685,796	£1,343,296	£974,218	£603,336
	7	0.40	£3,447,016	£2,601,070	£2,155,901	£1,755,123	£1,309,954	£873,793
	8	0.40	£4,650,554	£3,578,059	£3,012,536	£2,505,565	£1,940,042	£1,374,519
10 Unit Flatted Scheme	1	0.13						
	2	0.13	£102,437					
	3	0.13	£1,459,592	£673,704	£201,061			
	4	0.13	£2,759,319	£1,767,166	£1,164,051	£543,086	£104,408	
	5	0.13	£4,046,383	£2,809,438	£2,063,229	£1,344,176	£808,387	£39,099
	6	0.13	£5,361,893	£3,847,335	£2,997,329	£2,107,248	£1,497,242	£594,755
	7	0.13	£6,677,403	£4,914,194	£3,890,899	£2,887,475	£2,149,854	£1,150,411
	8	0.13	£9,308,424	£7,047,914	£5,739,839	£4,431,765	£3,515,572	£2,193,872
15 Unit Housing Scheme	1	0.60						
	2	0.60	£148,953					
	3	0.60	£800,883		£346,523	£90,665		
	4	0.60	£1,458,771		£828,144	£503,971	£359,026	£34,200
	5	0.60	£2,116,659		£1,320,246	£902,833	£720,782	£325,803
	6	0.60	£2,774,547		£1,812,385	£1,306,890	£1,078,557	£603,700
	7	0.60	£3,432,435		£2,304,506	£1,710,947	£1,443,762	£879,798
	8	0.60	£4,631,253		£3,201,260	£2,447,229	£2,109,248	£1,394,252
15 Unit Flatted Scheme	1	0.20						
	2	0.20	£92,723					
	3	0.20	£1,374,061		£281,712			
	4	0.20	£2,630,776		£1,231,925	£595,601	£151,974	
	5	0.20	£3,901,656		£2,140,816	£1,309,405	£849,865	
	6	0.20	£5,172,537		£3,042,897	£2,079,876	£1,501,323	£522,273
	7	0.20	£6,443,418		£3,967,048	£2,820,962	£2,178,277	£1,041,289
	8	0.20	£8,985,179		£5,815,351	£4,346,019	£3,495,771	£2,047,548
25 Unit Housing Scheme	1	1.00						
	2	1.00	£122,672					
	3	1.00	£763,947		£285,616	£78,040		
	4	1.00	£1,410,129		£756,640	£479,150	£291,688	
	5	1.00	£2,056,312		£1,230,689	£873,503	£639,204	£285,036
	6	1.00	£2,702,494		£1,704,577	£1,272,795	£989,728	£557,945
	7	1.00	£3,348,677		£2,178,546	£1,672,086	£1,340,251	£833,791
	8	1.00	£4,526,164		£3,042,222	£2,399,685	£1,978,983	£1,336,445
50 Unit Mixed Scheme	1	1.43						
	2	1.43	£75,672					
	3	1.43	£885,475		£242,303	£35,868		
	4	1.43	£1,698,305		£824,796	£547,929	£273,925	
	5	1.43	£2,511,135		£1,409,767	£1,061,424	£713,142	£364,859
	6	1.43	£3,323,965		£1,994,658	£1,574,920	£1,155,182	£735,444
	7	1.43	£4,136,795		£2,579,609	£2,088,416	£1,597,222	£1,106,029
	8	1.43	£5,636,879		£3,656,876	£3,031,690	£2,406,503	£1,781,317
100 Unit Mixed Scheme	1	2.86						
	2	2.86						
	3	2.86	£795,231		£176,070			
	4	2.86	£1,574,689		£737,005	£471,543	£206,081	
	5	2.86	£2,354,148		£1,297,940	£963,957	£629,973	£295,989
	6	2.86	£3,133,607		£1,858,876	£1,456,370	£1,053,865	£651,359
	7	2.86	£3,913,066		£2,419,811	£1,948,784	£1,477,757	£1,006,730
	8	2.86	£5,351,563		£3,452,850	£2,853,331	£2,253,812	£1,654,293

Source: Adams Integra, November 2009

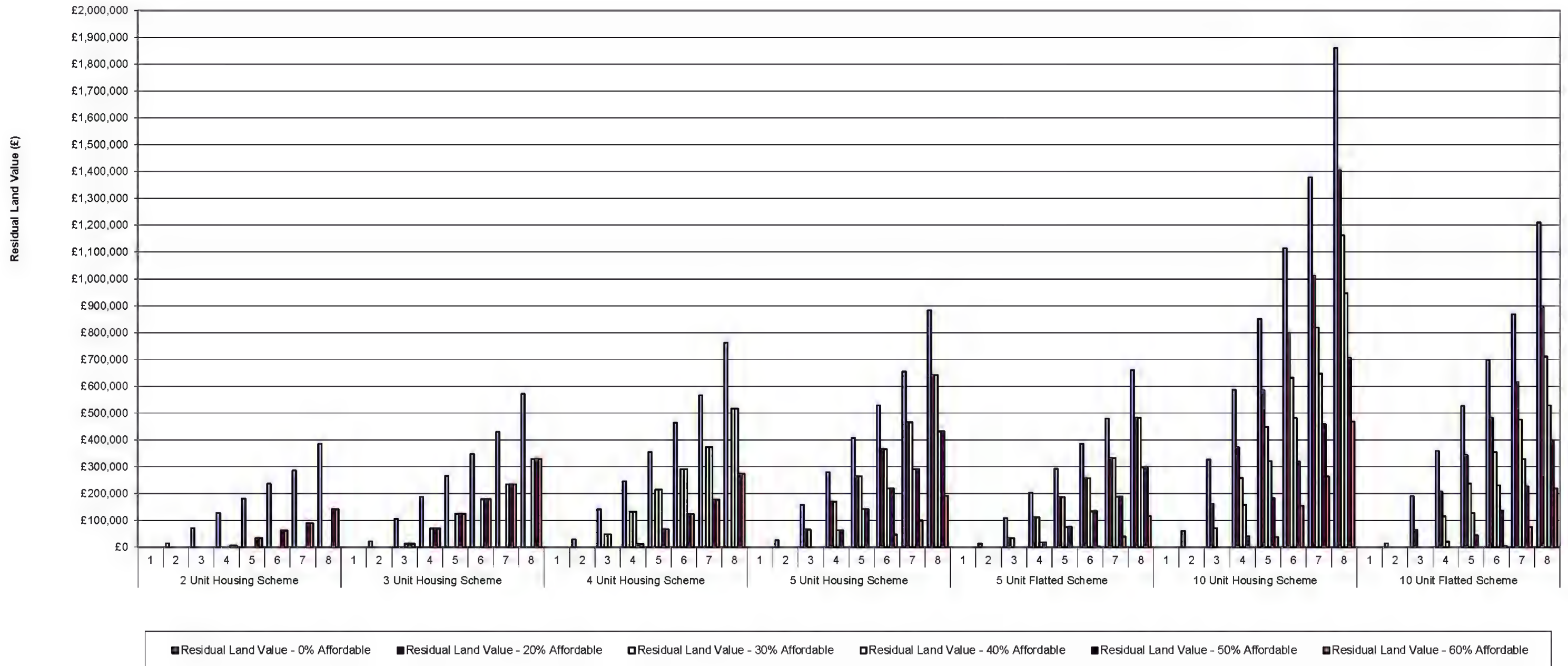
-Wide Range of Indicative VCA Appraisals and Lower Impacts Land Values.
-Wide Range of Indicative VCA Appraisals and Lower Values.
-Wide Range of Indicative VCA Appraisals and Lower Values.

Appendix IIa

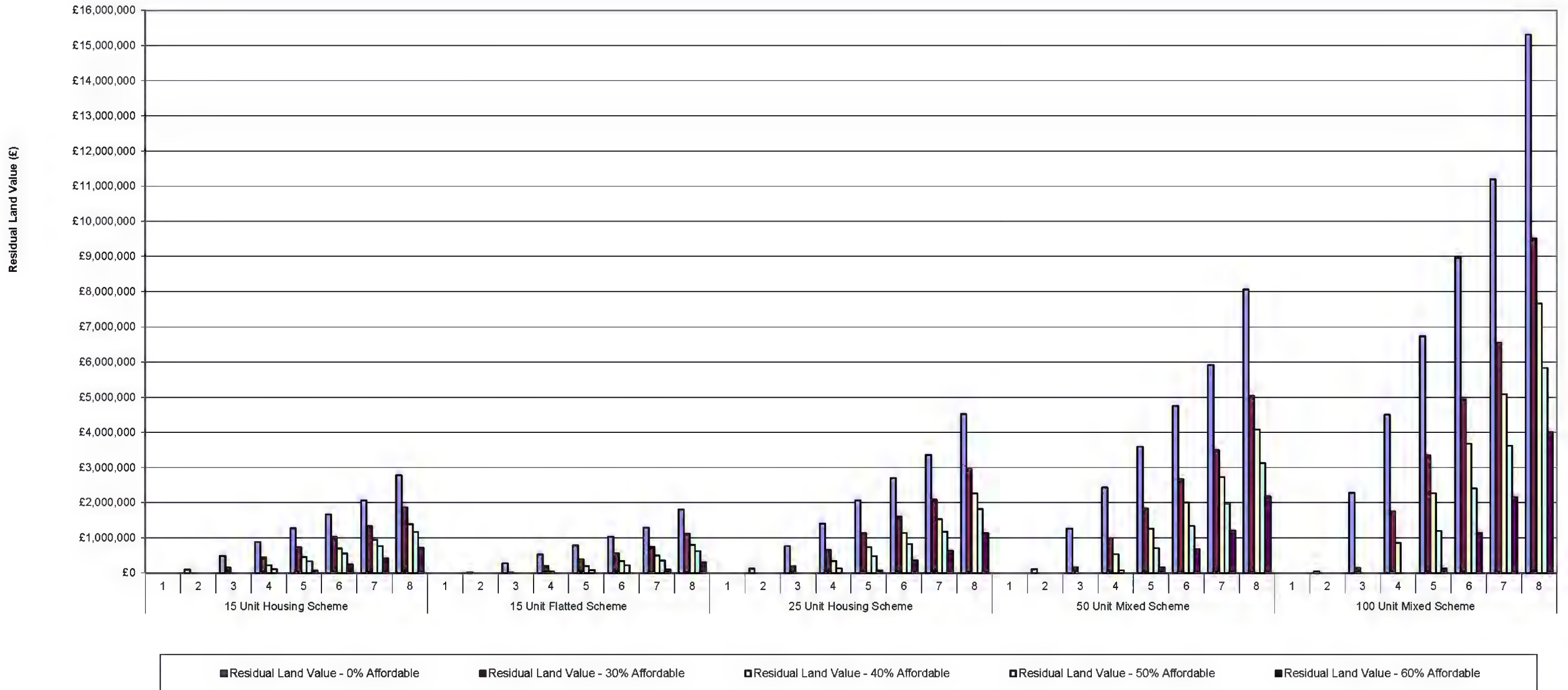
Table 2: Summary of Residual Land Value (£) Appraisals for All Value Points - Planning Infrastructure Level £2,500 Without Grant

Development Scenario / Threshold	Value Point	Residual Land Value - 0% Affordable	Residual Land Value - 20% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable
2 Unit Housing Scheme	1	£0				£0	£0
	2	£14,289				£0	£0
	3	£70,393				£0	£0
	4	£126,498				£5,437	£5,437
	5	£180,776				£33,489	£33,489
	6	£236,319				£61,541	£61,541
	7	£285,966				£89,593	£89,593
	8	£385,133				£140,710	£140,710
3 Unit Housing Scheme	1	£0			£0	£0	£0
	2	£21,434			£0	£0	£0
	3	£105,590			£12,581	£12,581	£12,581
	4	£187,849			£68,686	£68,686	£68,686
	5	£265,686			£124,790	£124,790	£124,790
	6	£347,317			£179,085	£179,085	£179,085
	7	£428,949			£234,628	£234,628	£234,628
	8	£571,744			£329,055	£329,055	£329,055
4 Unit Housing Scheme	1	£0		£0	£0	£0	£0
	2	£28,579		£0	£0	£0	£0
	3	£140,787		£47,778	£47,778	£0	£0
	4	£245,405		£131,934	£131,934	£10,874	£10,874
	5	£354,247		£213,930	£213,930	£66,978	£66,978
	6	£463,089		£291,239	£291,239	£123,082	£123,082
	7	£566,035		£372,871	£372,871	£177,394	£177,394
	8	£762,325		£516,244	£516,244	£272,978	£272,978
5 Unit Housing Scheme	1	£0	£0	£0	£0	£0	£0
	2	£26,053	£0	£0	£0	£0	£0
	3	£157,177	£65,933	£65,933	£0	£0	£0
	4	£279,653	£169,537	£169,537	£62,323	£62,323	£0
	5	£406,843	£264,948	£264,948	£141,645	£141,645	£0
	6	£528,520	£365,444	£365,444	£218,758	£218,758	£47,163
	7	£654,408	£465,940	£465,940	£291,281	£291,281	£98,965
	8	£883,788	£642,375	£642,375	£431,487	£431,487	£191,427
5 Unit Flatted Scheme	1	£0	£0	£0	£0	£0	£0
	2	£11,974	£0	£0	£0	£0	£0
	3	£108,384	£33,870	£33,870	£0	£0	£0
	4	£202,745	£110,997	£110,997	£17,201	£17,201	£0
	5	£292,167	£186,244	£186,244	£75,047	£75,047	£0
	6	£385,684	£257,295	£257,295	£132,893	£132,893	£533
	7	£479,202	£332,109	£332,109	£188,831	£188,831	£39,097
	8	£659,368	£481,737	£481,737	£297,237	£297,237	£116,225
10 Unit Housing Scheme	1	£0	£0	£0	£0	£0	£0
	2	£60,261	£0	£0	£0	£0	£0
	3	£325,396	£161,204	£70,039	£0	£0	£0
	4	£506,233	£373,140	£257,939	£158,702	£39,938	£0
	5	£850,424	£583,755	£447,940	£320,388	£182,173	£37,729
	6	£1,114,615	£798,216	£631,364	£481,816	£318,245	£154,284
	7	£1,378,807	£1,012,677	£819,406	£646,547	£457,998	£262,713
	8	£1,860,222	£1,403,473	£1,162,060	£946,724	£705,311	£468,731
10 Unit Flatted Scheme	1	£0	£0	£0	£0	£0	£0
	2	£13,522	£0	£0	£0	£0	£0
	3	£189,747	£63,755	£0	£0	£0	£0
	4	£358,711	£206,143	£114,429	£20,633	£0	£0
	5	£526,030	£342,115	£237,222	£126,540	£44,366	£0
	6	£697,046	£482,251	£353,862	£230,122	£135,883	£3,523
	7	£868,062	£615,971	£475,295	£328,203	£225,126	£75,758
	8	£1,210,895	£893,355	£710,757	£528,160	£398,122	£218,027
15 Unit Housing Scheme	1	£0				£0	£0
	2	£89,372				£0	£0
	3	£480,530			£152,199	£0	£0
	4	£875,263			£445,982	£220,024	£115,032
	5	£1,269,995			£736,656	£460,539	£332,987
	6	£1,664,728			£1,031,829	£698,225	£548,677
	7	£2,059,461			£1,327,201	£940,659	£767,801
	8	£2,778,752			£1,865,254	£1,382,428	£1,167,092
15 Unit Flatted Scheme	1	£0				£0	£0
	2	£18,545				£0	£0
	3	£274,812			£6,374	£0	£0
	4	£526,155			£196,917	£37,325	£0
	5	£780,331			£379,694	£194,223	£83,107
	6	£1,034,507			£560,610	£344,394	£220,459
	7	£1,288,684			£745,440	£493,349	£351,396
	8	£1,797,036			£1,115,101	£798,361	£615,763
25 Unit Housing Scheme	1	£0				£0	£0
	2	£122,672				£0	£0
	3	£763,947			£191,935	£0	£0
	4	£1,410,129			£660,087	£339,029	£127,906
	5	£2,056,312			£1,134,056	£734,826	£478,243
	6	£2,702,494			£1,608,025	£1,134,118	£823,836
	7	£3,348,677			£2,081,993	£1,533,410	£1,174,360
	8	£4,526,164			£2,945,669	£2,261,008	£1,813,091
50 Unit Mixed Scheme	1	£0				£0	£0
	2	£108,210				£0	£0
	3	£1,266,229			£156,038	£0	£0
	4	£2,428,576			£86,277	£528,404	£73,470
	5	£3,590,923			£1,822,756	£1,262,702	£702,648
	6	£4,753,270			£2,659,236	£1,997,001	£1,334,766
	7	£5,915,617			£3,495,716	£2,731,300	£1,966,884
	8	£8,060,737			£5,036,208	£4,080,182	£3,124,156
100 Unit Mixed Scheme	1	£0				£0	£0
	2	£46,988				£0	£0
	3	£2,274,360			£138,716	£0	£0
	4	£4,503,612			£1,737,443	£859,293	£0
	5	£6,732,864			£3,341,718	£2,267,597	£1,193,475
	6	£8,962,116			£4,945,993	£3,675,900	£2,405,806
	7	£11,191,367			£6,550,268	£5,084,203	£3,618,138
	8	£15,305,470			£9,504,760	£7,671,208	£5,837,656

Graph 2: Summary of Residual Land Values at 0%, 20%, 30%, 40%, 50% & 60% Affordable Housing Across All Value Points
Planning Infrastructure Level £2,500
Without Grant



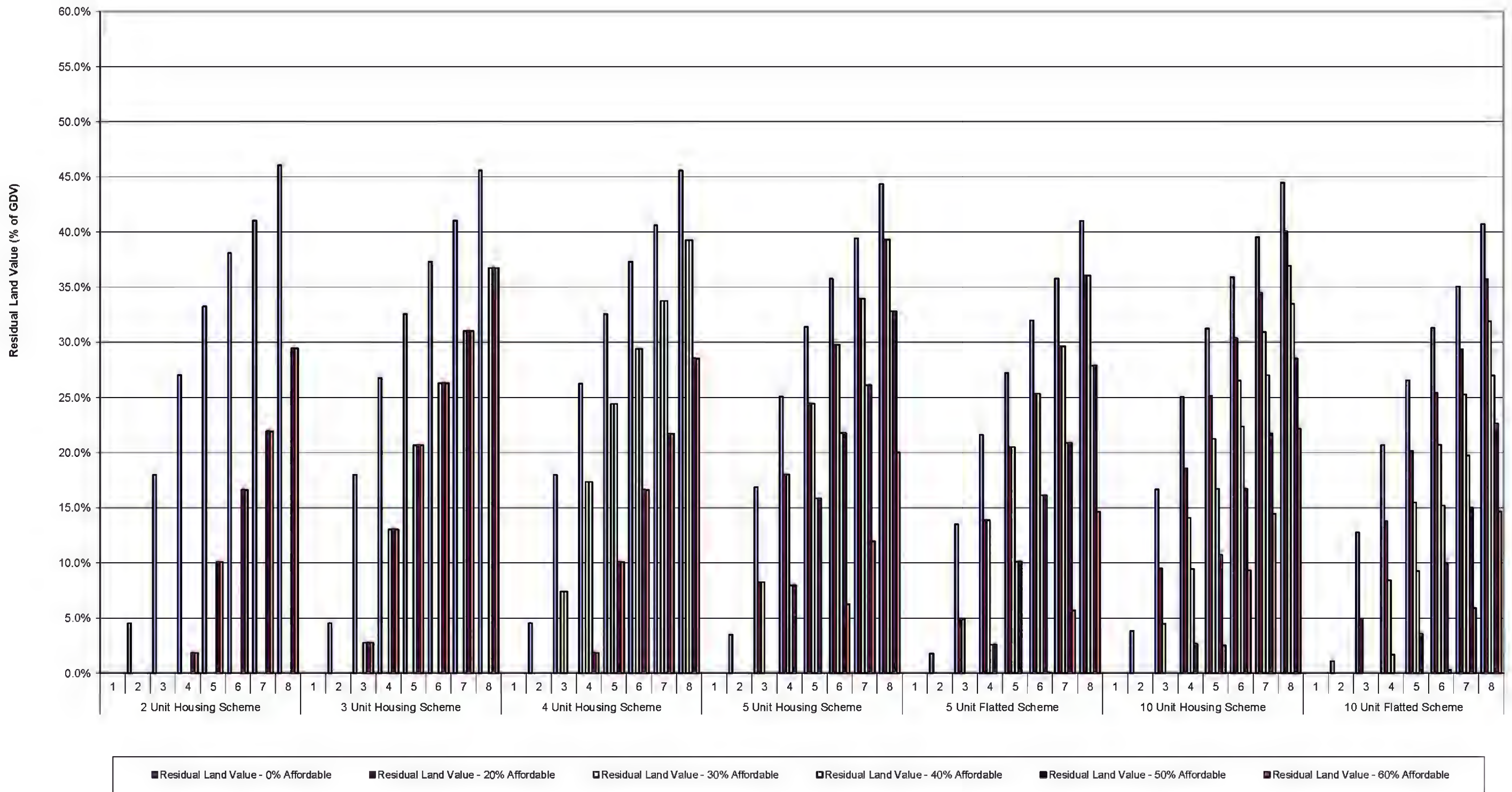
**Graph 2i: Summary of Residual Land Values at 0%, 30%, 40%, 50% & 60% Affordable Housing Across All Value Points
 Planning Infrastructure Level £2,500
 Without Grant**



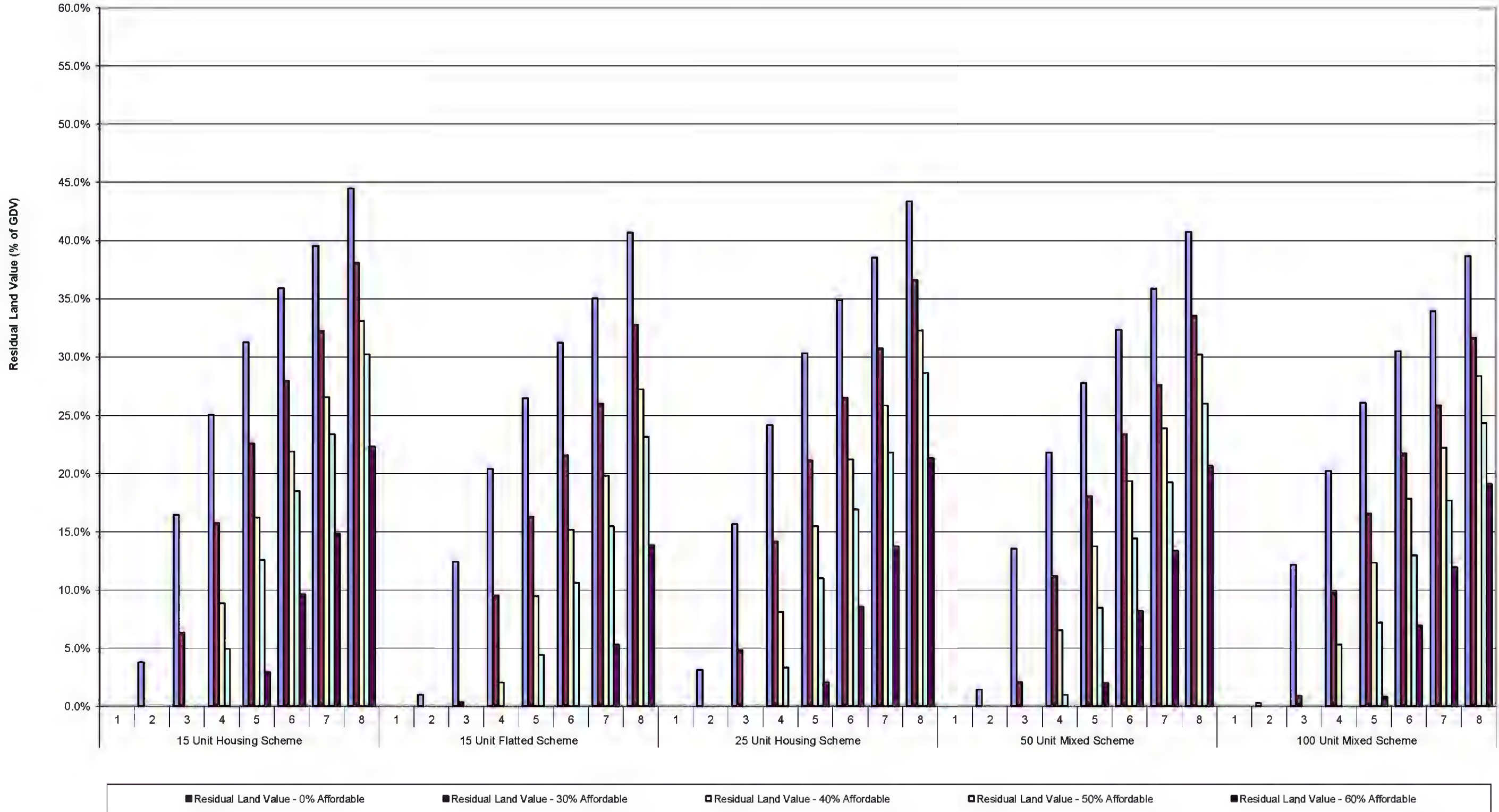
**Table 2a: Summary of Residual Land Value (as % of GDV) Appraisals for
All Value Points
Planning Infrastructure Level £2,500
Without Grant**

Development Scenario / Threshold	Value Point	Residual Land Value - 0% Affordable	Residual Land Value - 20% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable
2 Unit Housing Scheme	1	0.0%				0.0%	0.0%
	2	4.5%				0.0%	0.0%
	3	18.0%				0.0%	0.0%
	4	27.1%				1.9%	1.9%
	5	33.2%				10.1%	10.1%
	6	38.1%				16.6%	16.6%
	7	41.0%				21.9%	21.9%
	8	46.0%				29.4%	29.4%
3 Unit Housing Scheme	1	0.0%			0.0%	0.0%	0.0%
	2	4.5%			0.0%	0.0%	0.0%
	3	18.0%			2.8%	2.8%	2.8%
	4	26.8%			13.0%	13.0%	13.0%
	5	32.6%			20.7%	20.7%	20.7%
	6	37.3%			26.3%	26.3%	26.3%
	7	41.0%			31.0%	31.0%	31.0%
	8	45.6%			36.7%	36.7%	36.7%
4 Unit Housing Scheme	1	0.0%		0.0%	0.0%	0.0%	0.0%
	2	4.5%		0.0%	0.0%	0.0%	0.0%
	3	18.0%		7.4%	7.4%	0.0%	0.0%
	4	26.2%		17.3%	17.3%	1.9%	1.9%
	5	32.6%		24.4%	24.4%	10.1%	10.1%
	6	37.3%		29.4%	29.4%	16.6%	16.6%
	7	40.6%		33.7%	33.7%	21.7%	21.7%
	8	45.6%		39.3%	39.3%	28.5%	28.5%
5 Unit Housing Scheme	1	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	2	3.5%	0.0%	0.0%	0.0%	0.0%	0.0%
	3	16.9%	8.3%	8.3%	0.0%	0.0%	0.0%
	4	25.1%	18.0%	18.0%	8.0%	8.0%	0.0%
	5	31.4%	24.4%	24.4%	15.8%	15.8%	0.0%
	6	35.8%	29.8%	29.8%	21.8%	21.8%	6.3%
	7	39.4%	34.0%	34.0%	26.1%	26.1%	12.0%
	8	44.4%	39.3%	39.3%	32.8%	32.8%	20.0%
5 Unit Flatted Scheme	1	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	2	1.8%	0.0%	0.0%	0.0%	0.0%	0.0%
	3	13.5%	4.9%	4.9%	0.0%	0.0%	0.0%
	4	21.6%	13.9%	13.9%	2.6%	2.6%	0.0%
	5	27.3%	20.5%	20.5%	10.1%	10.1%	0.0%
	6	32.0%	25.4%	25.4%	16.1%	16.1%	0.1%
	7	35.8%	29.6%	29.6%	20.9%	20.9%	5.7%
	8	41.0%	36.0%	36.0%	27.9%	27.9%	14.7%
10 Unit Housing Scheme	1	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	2	3.8%	0.0%	0.0%	0.0%	0.0%	0.0%
	3	16.6%	9.5%	4.5%	0.0%	0.0%	0.0%
	4	25.1%	18.6%	14.1%	9.5%	2.7%	0.0%
	5	31.3%	25.2%	21.3%	16.7%	10.7%	2.5%
	6	35.9%	30.4%	26.5%	22.4%	16.7%	9.3%
	7	39.6%	34.5%	30.9%	27.0%	21.8%	14.5%
	8	44.5%	40.0%	36.9%	33.5%	28.6%	22.2%
10 Unit Flatted Scheme	1	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	2	1.1%	0.0%	0.0%	0.0%	0.0%	0.0%
	3	12.8%	4.9%	0.0%	0.0%	0.0%	0.0%
	4	20.7%	13.8%	8.4%	1.7%	0.0%	0.0%
	5	26.6%	20.2%	15.5%	9.3%	3.6%	0.0%
	6	31.3%	25.4%	20.7%	15.2%	9.9%	0.3%
	7	35.1%	29.4%	25.3%	19.7%	15.0%	5.9%
	8	40.7%	35.7%	31.9%	27.0%	22.7%	14.7%
15 Unit Housing Scheme	1	0.0%		0.0%	0.0%	0.0%	0.0%
	2	3.8%		0.0%	0.0%	0.0%	0.0%
	3	16.5%		6.3%	0.0%	0.0%	0.0%
	4	25.1%		15.7%	8.9%	4.9%	0.0%
	5	31.2%		22.6%	16.2%	12.6%	2.9%
	6	35.9%		28.0%	21.9%	18.5%	9.6%
	7	39.6%		32.3%	26.6%	23.4%	14.8%
	8	44.5%		38.1%	33.1%	30.2%	22.3%
15 Unit Flatted Scheme	1	0.0%		0.0%	0.0%	0.0%	0.0%
	2	1.0%		0.0%	0.0%	0.0%	0.0%
	3	12.4%		0.4%	0.0%	0.0%	0.0%
	4	20.4%		9.5%	2.0%	0.0%	0.0%
	5	26.5%		16.3%	9.5%	4.4%	0.0%
	6	31.2%		21.6%	15.2%	10.6%	0.0%
	7	35.0%		26.0%	19.8%	15.5%	5.3%
	8	40.7%		32.8%	27.3%	23.2%	13.8%
25 Unit Housing Scheme	1	0.0%		0.0%	0.0%	0.0%	0.0%
	2	3.1%		0.0%	0.0%	0.0%	0.0%
	3	15.7%		4.8%	0.0%	0.0%	0.0%
	4	24.2%		14.1%	6.1%	3.3%	0.0%
	5	30.3%		21.1%	15.5%	11.0%	2.1%
	6	34.9%		26.5%	21.2%	16.9%	8.5%
	7	38.5%		30.8%	25.9%	21.8%	13.8%
	8	43.4%		36.6%	32.3%	28.7%	21.3%
50 Unit Mixed Scheme	1	0.0%		0.0%	0.0%	0.0%	0.0%
	2	1.4%		0.0%	0.0%	0.0%	0.0%
	3	13.6%		2.1%	0.0%	0.0%	0.0%
	4	21.8%		11.2%	6.6%	1.0%	0.0%
	5	27.8%		18.1%	13.8%	8.5%	2.0%
	6	32.3%		23.4%	19.4%	14.4%	8.2%
	7	35.9%		27.6%	23.9%	19.2%	13.3%
	8	40.7%		33.5%	30.2%	26.0%	20.7%
100 Unit Mixed Scheme	1	0.0%		0.0%	0.0%	0.0%	0.0%
	2	0.3%		0.0%	0.0%	0.0%	0.0%
	3	12.2%		0.9%	0.0%	0.0%	0.0%
	4	20.2%		9.9%	5.3%	0.0%	0.0%
	5	26.1%		16.6%	12.4%	7.2%	0.8%
	6	30.5%		21.8%	17.8%	13.0%	6.9%
	7	33.9%		25.9%	22.2%	17.7%	11.9%
	8	38.7%		31.6%	28.4%	24.3%	19.1%

**Graph 2a: Summary of Residual Land Values (as % of GDV) at 0%, 20%, 30%, 40%, 50% & 60% Affordable Housing
Across all Value Points
Planning Infrastructure Level £2,500
Without Grant**



**Graph 2ai: Summary of Residual Land Values (as % of GDV) at 0%, 30%, 40%, 50% & 60% Affordable Housing
Across all Value Points
Planning Infrastructure Level £2,500
Without Grant**



**Table 2b: Summary of Residual Land Value (£ per Ha) Appraisals for All Value Points
Planning Infrastructure Level £2,500
Without Grant
(Higher Density)**

Development Scenario / Threshold	Value Point	Site Size	Residual Land Value - 0% Affordable	Residual Land Value - 20% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable
2 Unit Housing Scheme	1	0.05						
	2	0.05	£285,786					
	3	0.05	£1,407,869					
	4	0.05	£2,529,952				£108,736	£108,736
	5	0.05	£3,645,515				£669,777	£669,777
	6	0.05	£4,726,377				£1,230,819	£1,230,819
	7	0.05	£5,719,315				£1,791,860	£1,791,860
	8	0.05	£7,702,659				£2,814,202	£2,814,202
3 Unit Housing Scheme	1	0.08						
	2	0.08	£267,925					
	3	0.08	£1,319,877			£157,268	£157,268	£157,268
	4	0.08	£2,348,142			£858,570	£858,570	£858,570
	5	0.08	£3,321,069			£1,559,872	£1,559,872	£1,559,872
	6	0.08	£4,341,464			£2,238,562	£2,238,562	£2,238,562
	7	0.08	£5,361,858			£2,932,850	£2,932,850	£2,932,850
	8	0.08	£7,146,797			£4,113,191	£4,113,191	£4,113,191
4 Unit Housing Scheme	1	0.10						
	2	0.10	£285,786					
	3	0.10	£1,407,869		£477,782	£477,782		
	4	0.10	£2,454,054		£1,319,344	£1,319,344	£108,736	£108,736
	5	0.10	£3,542,474		£2,139,297	£2,139,297	£669,777	£669,777
	6	0.10	£4,630,894		£2,912,394	£2,912,394	£1,230,819	£1,230,819
	7	0.10	£5,660,353		£3,726,709	£3,726,709	£1,773,941	£1,773,941
	8	0.10	£7,623,250		£5,162,442	£5,162,442	£2,729,776	£2,729,776
5 Unit Housing Scheme	1	0.13						
	2	0.13	£200,408					
	3	0.13	£1,209,057	£507,177	£507,177			
	4	0.13	£2,451,174	£1,304,134	£1,304,134	£479,409	£479,409	
	5	0.13	£3,129,563	£2,038,058	£2,038,058	£1,089,579	£1,089,579	
	6	0.13	£4,065,602	£2,811,106	£2,811,106	£1,682,752	£1,682,752	£362,795
	7	0.13	£5,033,905	£3,584,154	£3,584,154	£2,240,622	£2,240,622	£761,273
	8	0.13	£6,798,368	£4,941,348	£4,941,348	£3,319,132	£3,319,132	£1,472,515
5 Unit Flatted Scheme	1	0.05						
	2	0.05	£239,401					
	3	0.05	£2,167,674	£677,393	£677,393			
	4	0.05	£4,054,909	£2,219,947	£2,219,947	£344,027	£344,027	
	5	0.05	£5,843,339	£3,724,877	£3,724,877	£1,500,943	£1,500,943	
	6	0.05	£7,713,686	£5,145,904	£5,145,904	£2,657,859	£2,657,859	
	7	0.05	£9,584,033	£6,642,182	£6,642,182	£3,776,627	£3,776,627	£781,938
	8	0.05	£13,187,359	£9,634,738	£9,634,738	£5,944,748	£5,944,748	£2,324,493
10 Unit Housing Scheme	1	0.25						
	2	0.25	£241,043					
	3	0.25	£1,301,585	£645,135	£280,157			
	4	0.25	£2,344,931	£1,492,561	£1,031,756	£634,809	£159,752	
	5	0.25	£3,401,696	£2,335,018	£1,791,759	£1,281,552	£728,691	£150,914
	6	0.25	£4,458,461	£3,192,863	£2,525,455	£1,927,264	£1,272,980	£617,134
	7	0.25	£5,515,226	£4,050,707	£3,277,623	£2,586,188	£1,831,991	£1,050,853
	8	0.25	£7,440,886	£5,613,890	£4,648,240	£3,786,894	£2,821,244	£1,874,923
10 Unit Flatted Scheme	1	0.10						
	2	0.10	£135,216					
	3	0.10	£1,897,470	£637,545				
	4	0.10	£3,587,115	£2,061,429	£1,144,291	£206,331		
	5	0.10	£5,260,297	£3,421,148	£2,372,216	£1,265,398	£443,658	
	6	0.10	£6,970,461	£4,822,513	£3,538,622	£2,301,221	£1,398,830	£35,232
	7	0.10	£8,680,624	£6,159,714	£4,752,952	£3,282,027	£2,251,263	£75,585
	8	0.10	£12,400,951	£8,933,549	£7,187,575	£5,281,600	£3,981,217	£2,180,268
15 Unit Housing Scheme	1	0.38						
	2	0.38	£235,189					
	3	0.38	£1,264,552		£400,524			
	4	0.38	£2,303,323		£1,173,636	£579,010	£302,716	
	5	0.38	£3,342,093		£1,938,569	£1,211,944	£876,281	£172,381
	6	0.38	£4,380,863		£2,715,602	£1,837,434	£1,443,888	£630,359
	7	0.38	£5,419,634		£3,492,635	£2,475,419	£2,020,528	£1,068,040
	8	0.38	£7,312,504		£4,908,562	£3,637,970	£3,071,295	£1,869,324
15 Unit Flatted Scheme	1	0.15						
	2	0.15	£123,631					
	3	0.15	£1,832,081		£42,495			
	4	0.15	£3,507,701		£1,312,778	£248,835		
	5	0.15	£5,202,208		£2,531,294	£1,294,823	£554,049	
	6	0.15	£6,896,716		£3,737,400	£2,295,960	£1,469,724	
	7	0.15	£8,591,224		£4,969,602	£3,288,995	£2,342,638	£664,459
	8	0.15	£11,980,239		£7,434,005	£5,322,404	£4,105,888	£2,014,252
25 Unit Housing Scheme	1	0.63						
	2	0.63	£194,717					
	3	0.63	£1,212,614		£304,658			
	4	0.63	£2,238,301		£1,047,758	£538,141	£203,025	
	5	0.63	£3,263,987		£1,800,089	£1,166,390	£759,116	£122,491
	6	0.63	£4,289,673		£2,552,420	£1,800,187	£1,307,677	£561,229
	7	0.63	£5,315,360		£3,304,751	£2,433,983	£1,864,063	£993,295
	8	0.63	£7,184,388		£4,675,666	£3,588,902	£2,877,923	£1,791,159
50 Unit Mixed Scheme	1	0.91						
	2	0.91	£118,913					
	3	0.91	£1,391,460		£171,471			
	4	0.91	£2,668,765		£1,083,820	£580,663	£80,736	
	5	0.91	£3,946,069		£2,003,029	£1,387,585	£772,141	£163,226
	6	0.91	£5,223,373		£2,922,238	£2,194,507	£1,466,776	£739,045
	7	0.91	£6,500,678		£3,841,446	£3,001,428	£2,161,411	£1,321,393
	8	0.91	£8,857,953		£5,534,295	£4,483,716	£3,433,138	£2,382,560
100 Unit Mixed Scheme	1	1.82						
	2	1.82	£25,817					
	3	1.82	£1,249,648		£76,218			
	4	1.82	£2,474,512		£954,639	£472,139		
	5	1.82	£3,699,376		£1,836,109	£1,245,932	£655,756	£68,312
	6	1.82	£4,924,239		£2,717,579	£2,019,725	£1,321,872	£674,018
	7	1.82	£6,149,103		£3,599,048	£2,793,518	£1,987,988	£1,182,457
	8	1.82	£8,409,599		£5,222,396	£4,214,950	£3,287,504	£2,200,058

Source: Adams Integra, Nov ember 2009

Key:

■ Within Range of Indicative VOA Agricultural and Lower Industrial Land Values

■ Within Range of Indicative VOA Industrial Land Values

■ Outside Range of Indicative VOA Agricultural and Lower Industrial Land Values

Table 2c: Summary of Residual Land Value (£ per Ha) Appraisals for All Value Points Planning Infrastructure Level £2,500 Without Grant (Lower Density)

Development Scenario / Threshold	Value Point	Site Size	Residual Land Value - 0% Affordable	Residual Land Value - 20% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable
2 Unit Housing Scheme	1	0.08						
	2	0.08	£178,617					
	3	0.08	£879,918					
	4	0.08	£1,581,220				£67,960	£67,960
	5	0.08	£2,259,697				£418,611	£418,611
	6	0.08	£2,953,985				£769,262	£769,262
	7	0.08	£3,574,572				£1,119,912	£1,119,912
	8	0.08	£4,814,162				£1,758,876	£1,758,876
3 Unit Housing Scheme	1	0.12						
	2	0.12	£178,617					
	3	0.12	£879,918			£104,845	£104,845	£104,845
	4	0.12	£1,565,408			£572,380	£572,380	£572,380
	5	0.12	£2,214,046			£1,039,914	£1,039,914	£1,039,914
	6	0.12	£2,894,309			£1,492,374	£1,492,374	£1,492,374
	7	0.12	£3,574,572			£1,955,234	£1,955,234	£1,955,234
	8	0.12	£4,764,531			£2,742,127	£2,742,127	£2,742,127
4 Unit Housing Scheme	1	0.16						
	2	0.16	£178,617					
	3	0.16	£879,918		£298,614	£298,614		
	4	0.16	£1,533,784		£824,590	£824,590	£67,960	£67,960
	5	0.16	£2,214,046		£1,337,061	£1,337,061	£418,611	£418,611
	6	0.16	£2,894,309		£1,820,246	£1,820,246	£769,262	£769,262
	7	0.16	£3,537,720		£2,330,443	£2,330,443	£1,108,713	£1,108,713
	8	0.16	£4,764,531		£3,226,526	£3,226,526	£1,706,110	£1,706,110
5 Unit Housing Scheme	1	0.20						
	2	0.20	£130,265					
	3	0.20	£785,887	£329,665	£329,665			
	4	0.20	£1,398,263	£847,687	£847,687	£311,616	£311,616	
	5	0.20	£2,034,216	£1,324,738	£1,324,738	£708,226	£708,226	
	6	0.20	£2,642,642	£1,827,219	£1,827,219	£1,093,789	£1,093,789	£235,816
	7	0.20	£3,272,838	£2,329,700	£2,329,700	£1,456,404	£1,456,404	£494,827
	8	0.20	£4,418,939	£3,211,876	£3,211,876	£2,157,436	£2,157,436	£957,135
5 Unit Flatted Scheme	1	0.07						
	2	0.07	£171,058					
	3	0.07	£1,548,339	£483,852	£483,852			
	4	0.07	£2,896,363	£1,585,677	£1,585,677	£245,734	£245,734	
	5	0.07	£4,173,813	£2,660,626	£2,660,626	£1,072,102	£1,072,102	
	6	0.07	£5,509,776	£3,675,646	£3,675,646	£1,898,470	£1,898,470	
	7	0.07	£6,845,738	£4,744,416	£4,744,416	£2,697,590	£2,697,590	£558,527
	8	0.07	£9,419,542	£6,881,955	£6,881,955	£4,246,248	£4,246,248	£1,660,352
10 Unit Housing Scheme	1	0.40						
	2	0.40	£150,652					
	3	0.40	£813,491	£403,209	£175,098			
	4	0.40	£1,465,582	£932,851	£644,847	£396,756	£99,845	
	5	0.40	£2,126,060	£1,459,386	£1,119,849	£800,970	£455,432	£94,322
	6	0.40	£2,786,538	£1,995,539	£1,578,409	£1,204,540	£795,613	£385,709
	7	0.40	£3,447,016	£2,531,692	£2,048,514	£1,616,368	£1,144,994	£656,783
	8	0.40	£4,650,554	£3,508,682	£2,905,150	£2,366,809	£1,763,278	£1,171,827
10 Unit Flatted Scheme	1	0.13						
	2	0.13	£102,437					
	3	0.13	£1,459,592	£490,420				
	4	0.13	£2,759,319	£1,585,714	£880,224	£158,716		
	5	0.13	£4,046,393	£2,631,653	£1,824,791	£973,393	£341,276	
	6	0.13	£5,361,893	£3,709,625	£2,722,017	£1,770,170	£1,045,254	£27,101
	7	0.13	£6,677,403	£4,738,241	£3,656,117	£2,524,636	£1,731,741	£582,757
	8	0.13	£9,308,424	£6,871,961	£5,467,365	£4,062,770	£3,062,474	£1,677,429
15 Unit Housing Scheme	1	0.60						
	2	0.60	£148,953					
	3	0.60	£800,883		£253,665			
	4	0.60	£1,458,771		£743,303	£366,706	£191,720	
	5	0.60	£2,116,659		£1,227,761	£767,564	£554,978	£109,175
	6	0.60	£2,774,547		£1,719,882	£1,163,708	£914,462	£399,227
	7	0.60	£3,432,435		£2,212,002	£1,567,766	£1,279,668	£876,425
	8	0.60	£4,631,253		£3,108,756	£2,304,047	£1,945,153	£1,183,905
15 Unit Flatted Scheme	1	0.20						
	2	0.20	£92,723					
	3	0.20	£1,374,061		£31,871			
	4	0.20	£2,630,776		£984,583	£106,626		
	5	0.20	£3,901,856		£1,898,471	£971,117	£415,537	
	6	0.20	£5,172,537		£2,803,050	£1,721,970	£1,102,293	
	7	0.20	£6,443,418		£3,727,201	£2,466,746	£1,756,979	£498,344
	8	0.20	£8,995,179		£5,575,504	£3,991,803	£3,078,816	£1,510,689
25 Unit Housing Scheme	1	1.00						
	2	1.00	£122,672					
	3	1.00	£763,947		£191,935			
	4	1.00	£1,410,129		£660,087	£339,029	£127,906	
	5	1.00	£2,056,312		£1,134,056	£734,826	£478,243	
	6	1.00	£2,702,494		£1,608,025	£1,134,118	£823,836	£353,575
	7	1.00	£3,348,677		£2,081,993	£1,533,410	£1,174,360	£625,776
	8	1.00	£4,526,164		£2,945,669	£2,261,008	£1,813,091	£1,128,430
50 Unit Mixed Scheme	1	1.43						
	2	1.43	£75,672					
	3	1.43	£885,475		£109,118			
	4	1.43	£1,698,305		£689,704	£369,513	£51,377	
	5	1.43	£2,511,135		£1,274,655	£883,009	£491,362	£103,871
	6	1.43	£3,323,965		£1,859,606	£1,396,504	£933,403	£470,301
	7	1.43	£4,136,795		£2,444,557	£1,910,000	£1,375,443	£848,886
	8	1.43	£5,636,879		£3,521,824	£2,853,274	£2,184,724	£1,516,174
100 Unit Mixed Scheme	1	2.86						
	2	2.86						
	3	2.86	£795,231		£48,502			
	4	2.86	£1,574,889		£607,497	£300,452		
	5	2.86	£2,354,148		£1,168,433	£792,866	£417,299	£43,471
	6	2.86	£3,133,607		£1,729,368	£1,285,280	£841,191	£397,103
	7	2.86	£3,913,066		£2,290,304	£1,777,693	£1,265,083	£752,473
	8	2.86	£5,351,563		£3,323,343	£2,682,241	£2,041,139	£1,400,037

Source: Adams Integra, November 2009
Key:

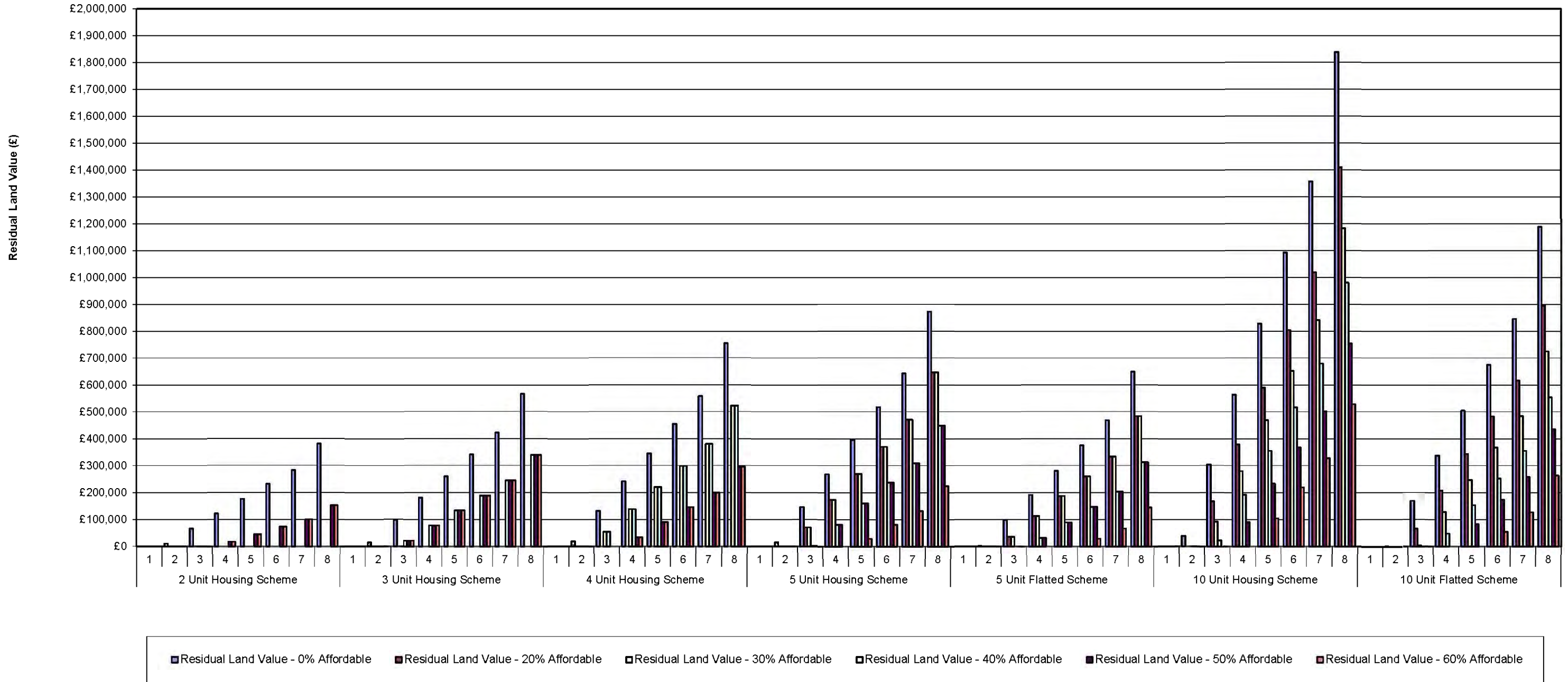
 = Within Range of Indicative VOA Agricultural and Lower Industrial Land Values
 = Within Range of Indicative VOA Industrial Land Values
 = Outside Range of Indicative VOA Agricultural and Lower Industrial Land Values

Appendix IIb

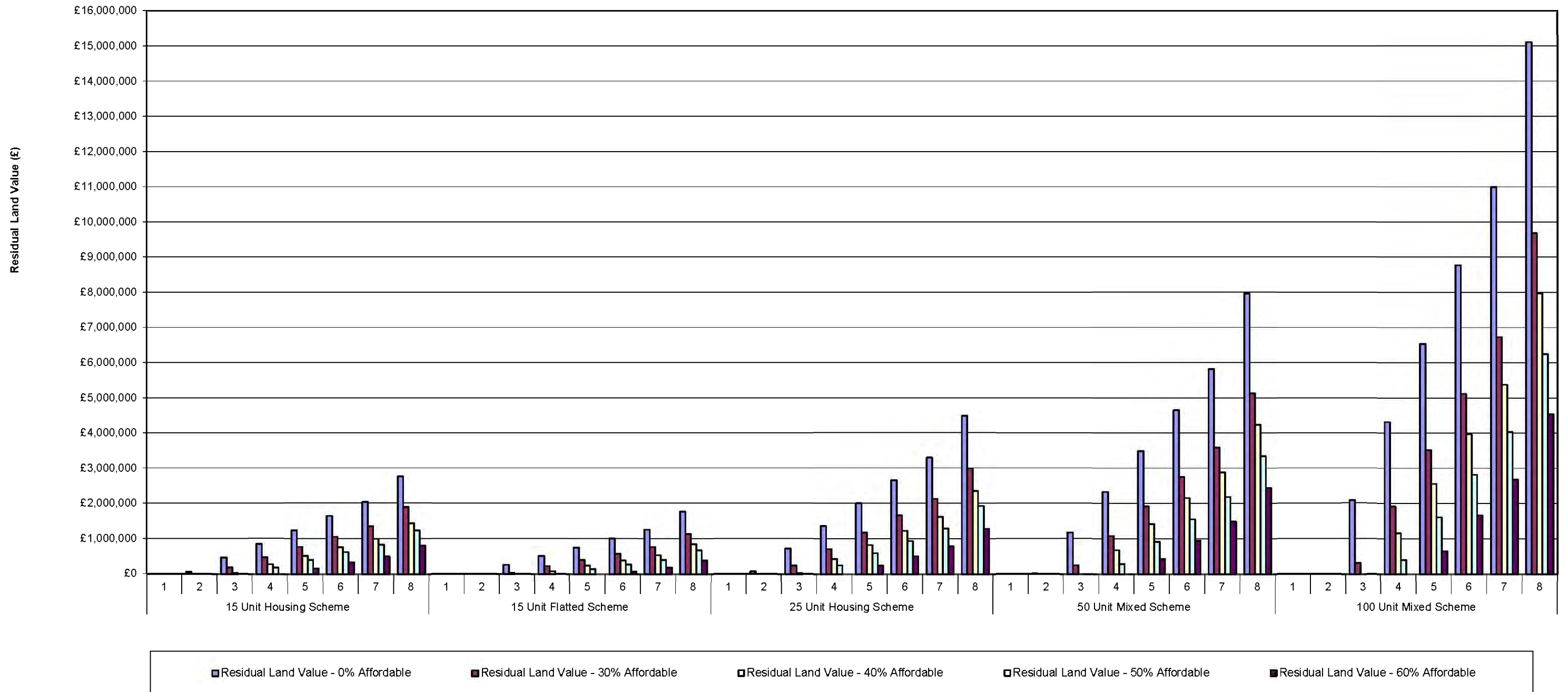
**Table 3: Summary of Residual Land Value (£) Appraisals for
All Value Points -
Planning Infrastructure Level £5,000**

Development Scenario / Threshold	Value Point	Residual Land Value - 0% Affordable	Residual Land Value - 20% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable
2 Unit Housing Scheme	1	£0				£0	£0
	2	£9,677				£0	£0
	3	£65,781				£0	£0
	4	£121,885				£16,967	£16,967
	5	£176,209				£45,019	£45,019
	6	£231,752				£73,072	£73,072
	7	£281,492				£101,124	£101,124
	8	£380,659				£152,241	£152,241
3 Unit Housing Scheme	1	£0			£0	£0	£0
	2	£14,515			£0	£0	£0
	3	£98,671			£21,806	£21,806	£21,806
	4	£180,999			£77,910	£77,910	£77,910
	5	£258,974			£134,014	£134,014	£134,014
	6	£340,606			£188,217	£188,217	£188,217
	7	£422,237			£243,760	£243,760	£243,760
	8	£565,102			£338,003	£338,003	£338,003
4 Unit Housing Scheme	1	£0		£0	£0	£0	£0
	2	£19,354		£0	£0	£0	£0
	3	£131,562		£54,696	£54,696	£0	£0
	4	£241,333		£138,852	£138,852	£33,935	£33,935
	5	£345,299		£220,779	£220,779	£90,039	£90,039
	6	£454,141		£297,950	£297,950	£146,143	£146,143
	7	£557,179		£379,582	£379,582	£200,225	£200,225
	8	£753,469		£522,886	£522,886	£295,347	£295,347
5 Unit Housing Scheme	1	£0	£0	£0	£0	£0	£0
	2	£14,741	£0	£0	£0	£0	£0
	3	£145,865	£70,457	£70,457	£596	£596	£0
	4	£268,680	£174,062	£174,062	£79,918	£79,918	£0
	5	£395,870	£269,336	£269,336	£159,240	£159,240	£29,793
	6	£517,668	£369,832	£369,832	£236,177	£236,177	£80,595
	7	£643,548	£470,329	£470,329	£308,348	£308,348	£132,397
	8	£872,928	£646,719	£646,719	£448,554	£448,554	£224,524
5 Unit Flatted Scheme	1	£0	£0	£0	£0	£0	£0
	2	£662	£0	£0	£0	£0	£0
	3	£97,071	£35,628	£35,628	£0	£0	£0
	4	£191,546	£112,755	£112,755	£32,030	£32,030	£0
	5	£281,194	£187,984	£187,984	£89,876	£89,876	£0
	6	£374,711	£259,001	£259,001	£147,722	£147,722	£28,432
	7	£468,229	£333,814	£333,814	£203,512	£203,512	£66,996
	8	£648,508	£483,442	£483,442	£311,621	£311,621	£144,124
10 Unit Housing Scheme	1	£0	£0	£0	£0	£0	£0
	2	£37,636	£0	£0	£0	£0	£0
	3	£303,450	£167,566	£92,159	£22,297	£0	£0
	4	£564,513	£379,234	£279,395	£191,953	£90,965	£0
	5	£828,704	£589,786	£469,395	£354,522	£232,689	£104,592
	6	£1,092,895	£804,247	£652,598	£515,598	£367,741	£218,936
	7	£1,357,087	£1,018,708	£840,640	£680,329	£502,262	£327,571
	8	£1,838,502	£1,409,504	£1,183,295	£980,506	£754,297	£528,087
10 Unit Flatted Scheme	1	£0	£0	£0	£0	£0	£0
	2	£0	£0	£0	£0	£0	£0
	3	£169,039	£64,956	£3,513	£0	£0	£0
	4	£336,765	£207,333	£128,702	£47,976	£0	£0
	5	£504,310	£343,281	£246,274	£153,883	£82,465	£0
	6	£675,326	£483,417	£367,707	£251,996	£173,983	£54,693
	7	£846,342	£617,125	£484,097	£354,725	£257,535	£126,928
	8	£1,188,375	£894,509	£724,459	£554,409	£435,078	£263,257
15 Unit Housing Scheme	1	£0				£0	£0
	2	£95,434				£0	£0
	3	£452,616		£174,316	£25,262	£0	£0
	4	£842,683		£469,143	£269,463	£181,817	£0
	5	£1,237,415		£759,579	£509,120	£399,550	£163,034
	6	£1,632,148		£1,054,851	£751,554	£614,554	£329,301
	7	£2,026,881		£1,350,124	£993,988	£833,677	£495,299
	8	£2,746,172		£1,888,176	£1,435,758	£1,232,969	£803,971
15 Unit Flatted Scheme	1	£0				£0	£0
	2	£0				£0	£0
	3	£246,880		£22,405	£0	£0	£0
	4	£493,575		£212,787	£77,183	£0	£0
	5	£747,751		£395,244	£233,682	£136,035	£0
	6	£1,001,927		£575,999	£383,056	£267,345	£70,517
	7	£1,256,104		£760,830	£531,612	£402,736	£174,660
	8	£1,764,456		£1,130,490	£836,624	£666,574	£376,590
25 Unit Housing Scheme	1	£0				£0	£0
	2	£67,203				£0	£0
	3	£710,697		£236,591	£22,572	£0	£0
	4	£1,356,879		£703,390	£425,346	£242,788	£0
	5	£2,003,062		£1,177,359	£820,253	£585,954	£235,999
	6	£2,649,244		£1,651,327	£1,219,545	£936,478	£504,695
	7	£3,295,427		£2,125,296	£1,618,836	£1,287,801	£780,541
	8	£4,472,914		£2,988,972	£2,346,435	£1,925,733	£1,283,195
50 Unit Mixed Scheme	1	£0				£0	£0
	2	£1,648				£0	£0
	3	£1,163,929		£243,128	£0	£0	£0
	4	£2,326,276		£1,077,101	£681,238	£288,347	£0
	5	£3,488,623		£1,913,581	£1,415,537	£917,492	£423,817
	6	£4,650,970		£2,750,061	£2,149,836	£1,549,610	£949,384
	7	£5,813,317		£3,586,541	£2,884,134	£2,181,728	£1,479,321
	8	£7,950,437		£5,127,033	£4,233,016	£3,339,000	£2,444,983
100 Unit Mixed Scheme	1	£0				£0	£0
	2	£0				£0	£0
	3	£2,078,160		£310,561	£0	£0	£0
	4	£4,307,412		£1,911,634	£1,152,413	£397,287	£0
	5	£6,536,664		£3,515,910	£2,560,716	£1,605,522	£650,329
	6	£8,765,916		£5,120,185	£3,969,019	£2,817,853	£1,666,888
	7	£10,995,167		£6,724,460	£5,377,322	£4,030,195	£2,683,047
	8	£15,109,270		£9,678,952	£7,964,328	£6,249,703	£4,535,079

**Graph 3: Summary of Residual Land Values at 0%, 20%, 30%, 40%, 50% & 60% Affordable Housing Across All Value Points
Planning Infrastructure Level £5,000**



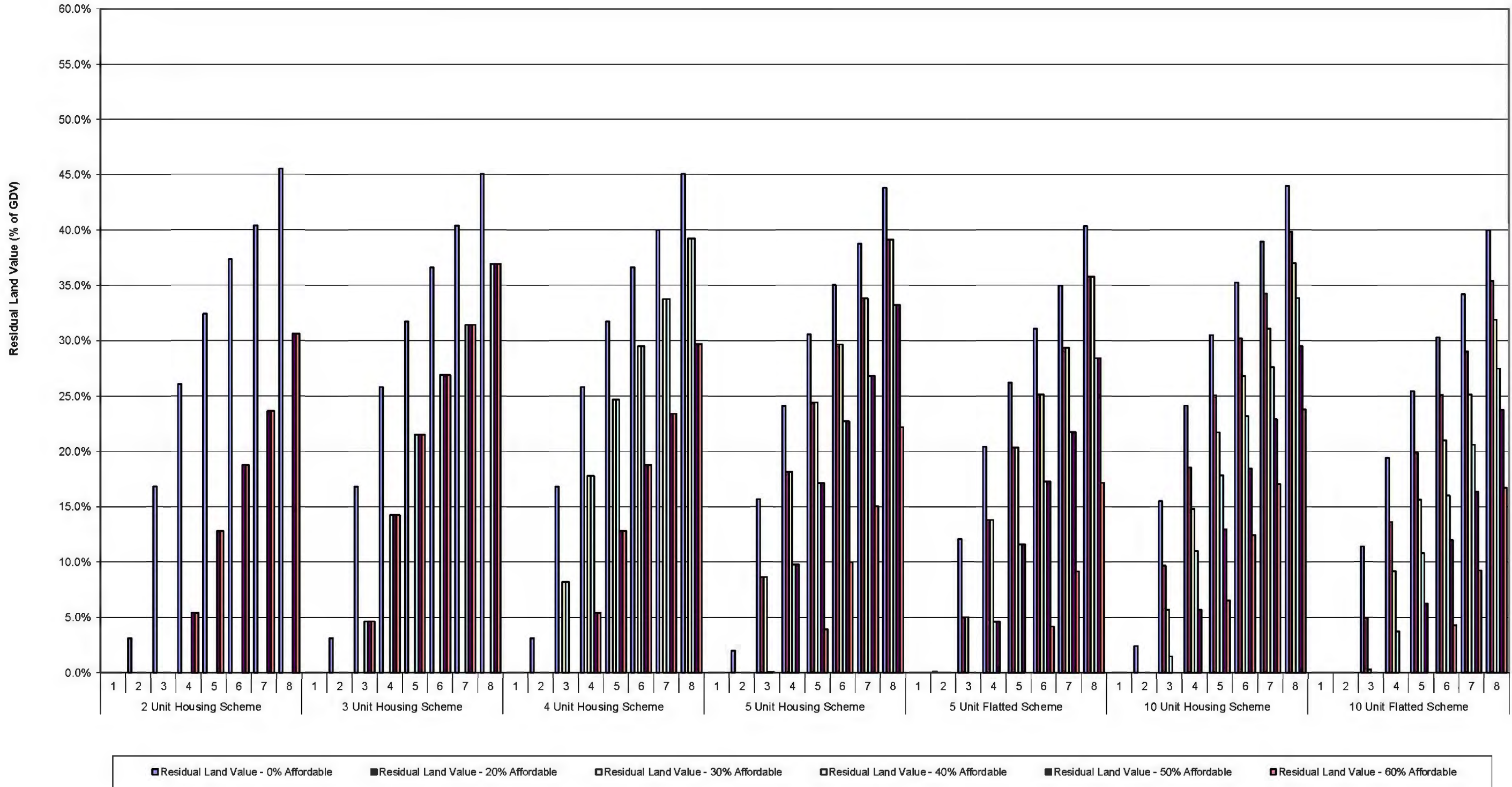
**Graph 3i: Summary of Residual Land Values at 0%, 30%, 40%, 50% & 60% Affordable Housing Across All Value Points
Planning Infrastructure Level £5,000**



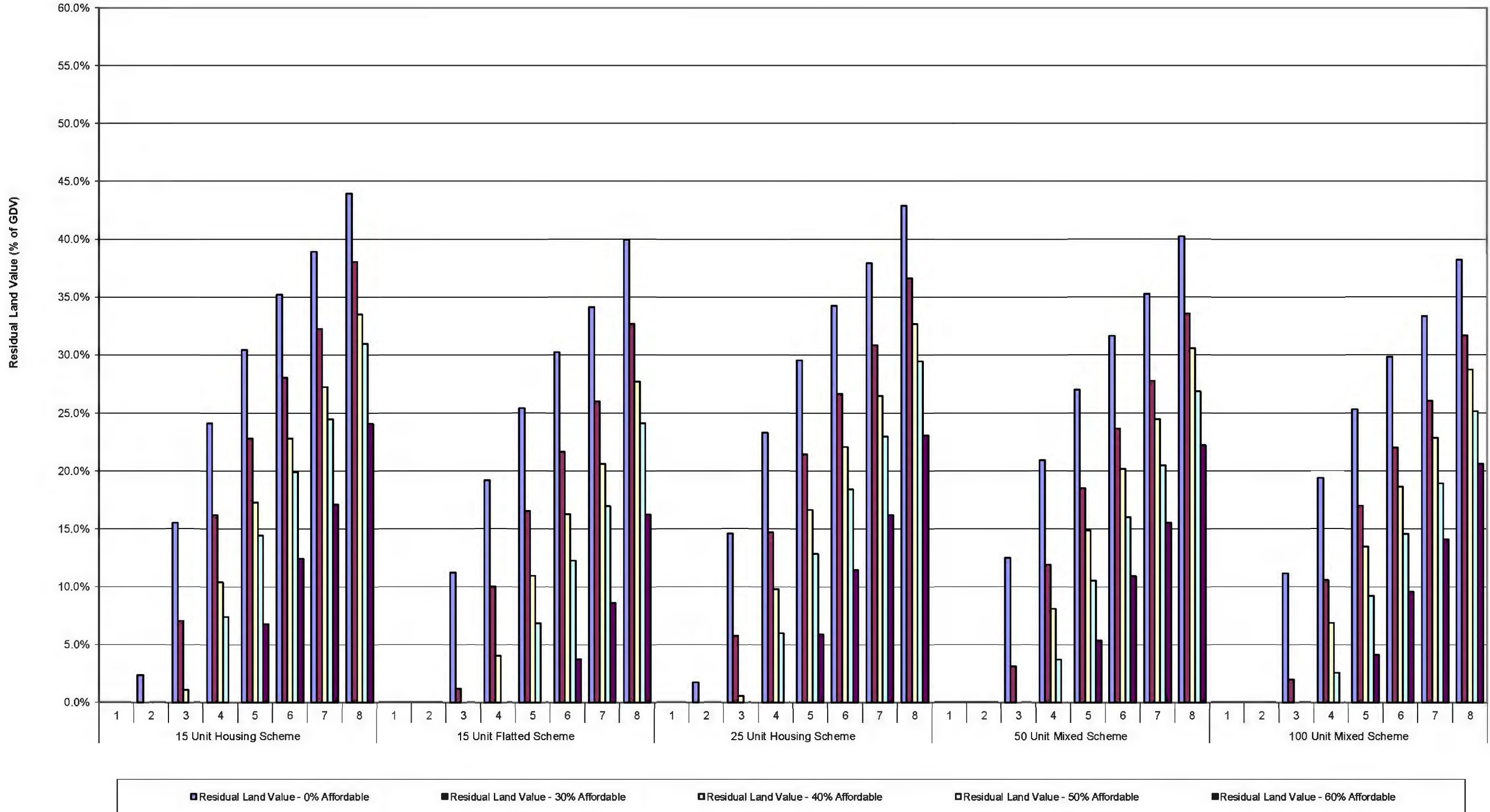
**Table 3a: Summary of Residual Land Value (as % of GDV) Appraisals for All Value Points
Planning Infrastructure Level £5,000**

Development Scenario / Threshold	Value Point	Residual Land Value - 0% Affordable	Residual Land Value - 20% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable
2 Unit Housing Scheme	1	0.0%				0.0%	0.0%
	2	3.1%				0.0%	0.0%
	3	16.8%				0.0%	0.0%
	4	26.1%				5.4%	5.4%
	5	32.4%				12.8%	12.8%
	6	37.3%				18.8%	18.8%
	7	40.4%				23.6%	23.6%
	8	45.5%				30.6%	30.6%
3 Unit Housing Scheme	1	0.0%			0.0%	0.0%	0.0%
	2	3.1%			0.0%	0.0%	0.0%
	3	16.8%			4.6%	4.6%	4.6%
	4	25.8%			14.3%	14.3%	14.3%
	5	31.7%			21.5%	21.5%	21.5%
	6	36.6%			26.9%	26.9%	26.9%
	7	40.4%			31.4%	31.4%	31.4%
	8	45.0%			36.9%	36.9%	36.9%
4 Unit Housing Scheme	1	0.0%		0.0%	0.0%	0.0%	0.0%
	2	3.1%		0.0%	0.0%	0.0%	0.0%
	3	16.8%		8.2%	8.2%	0.0%	0.0%
	4	25.8%		17.8%	17.8%	5.4%	5.4%
	5	31.7%		24.7%	24.7%	12.8%	12.8%
	6	36.6%		29.5%	29.5%	18.8%	18.8%
	7	40.0%		33.7%	33.7%	23.4%	23.4%
	8	45.0%		39.2%	39.2%	29.7%	29.7%
5 Unit Housing Scheme	1	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	2	2.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	3	15.7%	8.6%	8.6%	0.1%	0.1%	0.0%
	4	24.1%	18.1%	18.1%	9.8%	9.8%	0.0%
	5	30.5%	24.4%	24.4%	17.1%	17.1%	3.9%
	6	35.0%	29.7%	29.7%	22.7%	22.7%	10.0%
	7	38.8%	33.8%	33.8%	26.8%	26.8%	15.0%
	8	43.8%	39.1%	39.1%	33.2%	33.2%	22.2%
5 Unit Flatted Scheme	1	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	2	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%
	3	12.1%	5.0%	5.0%	0.0%	0.0%	0.0%
	4	20.4%	13.8%	13.8%	4.6%	4.6%	0.0%
	5	26.2%	20.4%	20.4%	11.6%	11.6%	0.0%
	6	31.1%	25.1%	25.1%	17.3%	17.3%	4.2%
	7	34.9%	29.3%	29.3%	21.7%	21.7%	9.1%
	8	40.3%	35.8%	35.8%	28.4%	28.4%	17.1%
10 Unit Housing Scheme	1	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	2	2.4%	0.0%	0.0%	0.0%	0.0%	0.0%
	3	15.5%	9.7%	5.7%	1.5%	0.0%	0.0%
	4	24.2%	18.6%	14.8%	11.0%	5.7%	0.0%
	5	30.5%	25.1%	21.7%	17.8%	13.0%	6.5%
	6	35.2%	30.2%	26.8%	23.2%	18.4%	12.4%
	7	38.9%	34.3%	31.1%	27.6%	22.9%	17.0%
	8	44.0%	39.8%	37.0%	33.8%	29.5%	23.8%
10 Unit Flatted Scheme	1	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	2	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	3	11.4%	4.9%	0.3%	0.0%	0.0%	0.0%
	4	19.4%	13.6%	9.2%	3.7%	0.0%	0.0%
	5	25.5%	19.9%	15.6%	10.8%	6.2%	0.0%
	6	30.3%	25.1%	21.0%	16.0%	12.0%	4.3%
	7	34.2%	29.0%	25.2%	20.6%	16.3%	9.2%
	8	40.0%	35.4%	31.9%	27.5%	23.8%	16.7%
15 Unit Housing Scheme	1	0.0%		0.0%	0.0%	0.0%	0.0%
	2	2.4%		0.0%	0.0%	0.0%	0.0%
	3	15.5%		7.0%	1.1%	0.0%	0.0%
	4	24.1%		16.2%	10.4%	7.4%	0.0%
	5	30.4%		22.8%	17.3%	14.4%	6.8%
	6	35.2%		28.1%	22.8%	19.9%	12.4%
	7	38.9%		32.3%	27.3%	24.5%	17.1%
	8	43.9%		38.0%	33.5%	31.0%	24.1%
15 Unit Flatted Scheme	1	0.0%		0.0%	0.0%	0.0%	0.0%
	2	0.0%		0.0%	0.0%	0.0%	0.0%
	3	11.2%		1.2%	0.0%	0.0%	0.0%
	4	19.2%		10.0%	4.0%	0.0%	0.0%
	5	25.4%		16.5%	10.9%	6.8%	0.0%
	6	30.3%		21.7%	16.3%	12.3%	3.8%
	7	34.1%		26.0%	20.6%	17.0%	8.6%
	8	40.0%		32.7%	27.7%	24.1%	16.2%
25 Unit Housing Scheme	1	0.0%		0.0%	0.0%	0.0%	0.0%
	2	1.7%		0.0%	0.0%	0.0%	0.0%
	3	14.6%		5.8%	0.6%	0.0%	0.0%
	4	23.3%		14.7%	9.8%	6.0%	0.0%
	5	29.5%		21.4%	16.6%	12.8%	5.9%
	6	34.2%		26.7%	22.1%	18.4%	11.4%
	7	37.9%		30.8%	26.5%	23.0%	16.2%
	8	42.9%		36.6%	32.7%	29.4%	23.1%
50 Unit Mixed Scheme	1	0.0%		0.0%	0.0%	0.0%	0.0%
	2	0.0%		0.0%	0.0%	0.0%	0.0%
	3	12.5%		3.1%	0.0%	0.0%	0.0%
	4	20.9%		11.9%	8.1%	3.7%	0.0%
	5	27.0%		18.5%	14.9%	10.5%	5.4%
	6	31.6%		23.7%	20.2%	16.0%	10.9%
	7	35.3%		27.8%	24.5%	20.5%	15.5%
	8	40.2%		33.6%	30.6%	26.9%	22.2%
100 Unit Mixed Scheme	1	0.0%		0.0%	0.0%	0.0%	0.0%
	2	0.0%		0.0%	0.0%	0.0%	0.0%
	3	11.1%		2.0%	0.0%	0.0%	0.0%
	4	19.4%		10.6%	6.9%	2.6%	0.0%
	5	25.3%		17.0%	13.4%	9.2%	4.1%
	6	29.8%		22.0%	18.6%	14.6%	9.6%
	7	33.3%		26.0%	22.8%	18.9%	14.1%
	8	38.2%		31.7%	28.7%	25.1%	20.6%

**Graph 3a: Summary of Residual Land Values (as % of GDV) at 0%, 20%, 30%, 40%, 50% & 60% Affordable Housing
Across all Value Points
Planning Infrastructure Level £5,000**



**Graph 3ai: Summary of Residual Land Values (as % of GDV) at 0%, 30%, 40%, 50% & 60% Affordable Housing
Across all Value Points
Planning Infrastructure Level £5,000**



**Table 3b: Summary of Residual Land Value (£ per Ha) Appraisals for
All Value Points
Planning Infrastructure Level £5,000
(Higher Density)**

Development Scenario / Threshold	Value Point	Site Size	Residual Land Value - 0% Affordable	Residual Land Value - 20% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	
2 Unit Housing Scheme	1	0.05							
	2	0.05	£193,536						
	3	0.05	£1,315,619						
	4	0.05	£2,437,702				£339,348	£339,348	
	5	0.05	£3,524,187				£900,389	£900,389	
	6	0.05	£4,635,049				£1,461,431	£1,461,431	
	7	0.05	£5,629,832				£2,022,472	£2,022,472	
	8	0.05	£7,613,176				£3,044,814	£3,044,814	
3 Unit Housing Scheme	1	0.08							
	2	0.08	£181,440						
	3	0.08	£1,233,393				£272,572	£272,572	
	4	0.08	£2,262,492				£973,874	£973,874	
	5	0.08	£3,237,180				£1,675,176	£1,675,176	
	6	0.08	£4,257,574				£2,352,713	£2,352,713	
	7	0.08	£5,277,968				£3,047,002	£3,047,002	
	8	0.08	£7,063,772				£4,225,036	£4,225,036	
4 Unit Housing Scheme	1	0.10							
	2	0.10	£193,536						
	3	0.10	£1,315,619		£546,963	£546,963			
	4	0.10	£2,413,325		£1,388,525	£1,388,525	£339,348	£339,348	
	5	0.10	£3,452,992		£2,207,786	£2,207,786	£900,389	£900,389	
	6	0.10	£4,541,412		£2,979,500	£2,979,500	£1,461,431	£1,461,431	
	7	0.10	£5,571,793		£3,795,815	£3,795,815	£2,002,247	£2,002,247	
	8	0.10	£7,534,690		£5,228,856	£5,228,856	£2,953,470	£2,953,470	
5 Unit Housing Scheme	1	0.13							
	2	0.13	£113,389						
	3	0.13	£1,122,037	£541,980	£541,980				
	4	0.13	£2,066,765	£1,338,937	£1,338,937	£614,755	£614,755		
	5	0.13	£3,045,155	£2,071,817	£2,071,817	£1,224,925	£1,224,925	£221,484	
	6	0.13	£3,982,064	£2,844,865	£2,844,865	£1,816,744	£1,816,744	£619,962	
	7	0.13	£4,950,367	£3,617,913	£3,617,913	£2,371,907	£2,371,907	£1,018,441	
	8	0.13	£6,714,829	£4,974,758	£4,974,758	£3,450,417	£3,450,417	£1,727,111	
5 Unit Flatted Scheme	1	0.05							
	2	0.05							
	3	0.05	£1,941,424	£712,554	£712,554				
	4	0.05	£3,830,921	£2,255,108	£2,255,108	£640,600	£640,600		
	5	0.05	£5,623,876	£3,759,686	£3,759,686	£1,797,515	£1,797,515		
	6	0.05	£7,494,223	£5,180,011	£5,180,011	£2,954,431	£2,954,431	£568,645	
	7	0.05	£9,364,571	£6,676,289	£6,676,289	£4,070,233	£4,070,233	£1,339,922	
	8	0.05	£12,970,159	£9,668,844	£9,668,844	£6,232,423	£6,232,423	£2,882,477	
10 Unit Housing Scheme	1	0.25							
	2	0.25	£150,543						
	3	0.25	£1,213,800	£670,265	£368,635	£89,189			
	4	0.25	£2,258,051	£1,516,937	£1,117,579	£767,813	£363,859		
	5	0.25	£3,314,816	£2,359,143	£1,877,582	£1,418,089	£930,757	£418,369	
	6	0.25	£4,371,581	£3,216,987	£2,610,393	£2,062,394	£1,470,964	£875,743	
	7	0.25	£5,428,346	£4,074,832	£3,362,561	£2,721,318	£2,009,047	£1,310,284	
	8	0.25	£7,354,806	£5,638,015	£4,733,178	£3,922,023	£3,017,187	£2,112,350	
10 Unit Flatted Scheme	1	0.10							
	2	0.10							
	3	0.10	£1,890,386	£649,565	£35,130				
	4	0.10	£3,367,652	£2,073,328	£1,287,016	£479,762			
	5	0.10	£5,043,097	£3,432,807	£2,462,736	£1,538,829	£824,653		
	6	0.10	£6,753,261	£4,834,172	£3,677,066	£2,519,959	£1,739,825	£546,932	
	7	0.10	£8,463,424	£6,171,253	£4,840,969	£3,547,255	£2,575,347	£1,269,265	
	8	0.10	£11,883,751	£8,945,088	£7,244,591	£5,544,094	£4,350,781	£2,632,571	
15 Unit Housing Scheme	1	0.38							
	2	0.38	£145,880						
	3	0.38	£1,191,095			£450,726	£66,478		
	4	0.38	£2,217,586			£1,234,586	£709,114	£478,466	
	5	0.38	£3,256,356			£1,998,891	£1,339,789	£1,051,447	£429,037
	6	0.38	£4,295,127			£2,775,924	£1,977,774	£1,617,248	£866,580
	7	0.38	£5,333,897			£3,552,957	£2,615,759	£2,193,888	£1,303,418
	8	0.38	£7,226,768			£4,968,884	£3,778,309	£3,244,655	£2,115,713
15 Unit Flatted Scheme	1	0.15							
	2	0.15							
	3	0.15	£1,645,868			£149,365			
	4	0.15	£3,290,501			£1,418,580	£514,552		
	5	0.15	£4,985,008			£2,634,959	£1,557,883	£906,903	
	6	0.15	£6,679,516			£3,839,996	£2,553,706	£1,782,301	£470,115
	7	0.15	£8,374,024			£5,072,197	£3,544,083	£2,684,907	£1,164,398
	8	0.15	£11,763,039			£7,536,601	£5,577,492	£4,443,828	£2,510,602
25 Unit Housing Scheme	1	0.63							
	2	0.63	£106,671						
	3	0.63	£1,128,091			£375,541	£35,828		
	4	0.63	£2,153,777			£1,116,492	£675,152	£385,378	
	5	0.63	£3,179,463			£1,868,824	£1,301,988	£930,086	£374,602
	6	0.63	£4,205,149			£2,621,155	£1,935,785	£1,486,472	£801,103
	7	0.63	£5,230,836			£3,373,486	£2,569,582	£2,042,859	£1,238,955
	8	0.63	£7,099,864			£4,744,401	£3,724,500	£3,056,719	£2,036,818
50 Unit Mixed Scheme	1	0.91							
	2	0.91							
	3	0.91	£1,279,043			£267,174			
	4	0.91	£2,556,347			£1,183,628	£748,613	£316,865	
	5	0.91	£3,833,651			£2,102,836	£1,555,535	£1,008,233	£465,733
	6	0.91	£5,110,956			£3,022,045	£2,362,457	£1,702,868	£1,043,280
	7	0.91	£6,388,260			£3,941,254	£3,169,378	£2,397,503	£1,625,627
	8	0.91	£8,745,535			£5,634,102	£4,651,666	£3,669,230	£2,686,795
100 Unit Mixed Scheme	1	1.82							
	2	1.82							
	3	1.82	£1,141,846			£170,638			
	4	1.82	£2,366,710			£1,050,349	£633,194	£218,289	
	5	1.82	£3,591,573			£1,931,818	£1,406,987	£882,155	£357,323
	6	1.82	£4,816,437			£2,813,288	£2,180,780	£1,548,271	£915,762
	7	1.82	£6,041,301			£3,694,758	£2,954,573	£2,214,387	£1,474,202
	8	1.82	£8,301,796			£5,318,105	£4,376,004	£3,433,903	£2,491,882

Source: Adams Integra, November 2009
 (a) Wide Range of Indicative VCA Appraisals and Lower Infrastructure Land Values
 (b) Wide Range of Indicative VCA Appraisals and Lower Land Values
 (c) Wide Range of Indicative VCA Appraisals and Lower Land Values

Table 3c: Summary of Residual Land Value (£ per Ha) Appraisals for All Value Points Planning Infrastructure Level £5,000 (Lower Density)

Development Scenario / Threshold	Value Point	Site Size	Residual Land Value - 0% Affordable	Residual Land Value - 20% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable
2 Unit Housing Scheme	1	0.08						
	2	0.08	£120,960					
	3	0.08	£822,262					
	4	0.08	£1,523,564				£212,092	£212,092
	5	0.08	£2,202,617				£562,743	£562,743
	6	0.08	£2,896,906				£913,394	£913,394
	7	0.08	£3,518,645				£1,264,045	£1,264,045
	8	0.08	£4,758,235				£1,903,009	£1,903,009
3 Unit Housing Scheme	1	0.12						
	2	0.12	£120,960					
	3	0.12	£822,262			£181,715	£181,715	£181,715
	4	0.12	£1,508,328			£649,250	£649,250	£649,250
	5	0.12	£2,158,120			£1,116,784	£1,116,784	£1,116,784
	6	0.12	£2,838,382			£1,568,475	£1,568,475	£1,568,475
	7	0.12	£3,518,645			£2,031,335	£2,031,335	£2,031,335
	8	0.12	£4,709,181			£2,816,691	£2,816,691	£2,816,691
4 Unit Housing Scheme	1	0.16						
	2	0.16	£120,960					
	3	0.16	£822,262		£341,852	£341,852		
	4	0.16	£1,508,328		£867,828	£867,828	£212,092	£212,092
	5	0.16	£2,158,120		£1,379,866	£1,379,866	£562,743	£562,743
	6	0.16	£2,838,382		£1,862,187	£1,862,187	£913,394	£913,394
	7	0.16	£3,482,370		£2,372,384	£2,372,384	£1,251,405	£1,251,405
	8	0.16	£4,709,181		£3,268,035	£3,268,035	£1,845,919	£1,845,919
5 Unit Housing Scheme	1	0.20						
	2	0.20	£73,703					
	3	0.20	£729,324	£352,287	£352,287			
	4	0.20	£1,343,398	£870,309	£870,309	£399,591	£399,591	
	5	0.20	£1,979,350	£1,346,681	£1,346,681	£796,201	£796,201	£143,964
	6	0.20	£2,588,342	£1,849,162	£1,849,162	£1,180,884	£1,180,884	£402,975
	7	0.20	£3,217,738	£2,351,644	£2,351,644	£1,541,740	£1,541,740	£661,986
	8	0.20	£4,364,639	£3,233,593	£3,233,593	£2,242,771	£2,242,771	£1,122,622
5 Unit Flatted Scheme	1	0.07						
	2	0.07						
	3	0.07	£1,386,732	£508,967	£508,967			
	4	0.07	£2,736,372	£1,610,792	£1,610,792	£457,571	£457,571	
	5	0.07	£4,017,054	£2,685,490	£2,685,490	£1,283,940	£1,283,940	
	6	0.07	£5,353,017	£3,700,008	£3,700,008	£2,110,308	£2,110,308	£406,175
	7	0.07	£6,688,979	£4,768,778	£4,768,778	£2,907,310	£2,907,310	£957,087
	8	0.07	£9,264,399	£6,906,317	£6,906,317	£4,451,731	£4,451,731	£2,058,912
10 Unit Housing Scheme	1	0.40						
	2	0.40	£94,090					
	3	0.40	£758,625	£418,915	£230,397	£55,743		
	4	0.40	£1,411,282	£948,086	£698,487	£479,883	£227,412	
	5	0.40	£2,071,760	£1,474,464	£1,173,489	£886,306	£581,723	£261,480
	6	0.40	£2,732,238	£2,010,617	£1,631,496	£1,288,996	£919,352	£547,339
	7	0.40	£3,392,716	£2,546,770	£2,101,601	£1,700,823	£1,255,654	£818,928
	8	0.40	£4,596,254	£3,523,759	£2,998,236	£2,451,265	£1,885,742	£1,320,219
10 Unit Flatted Scheme	1	0.13						
	2	0.13						
	3	0.13	£1,300,297	£499,665	£27,023			
	4	0.13	£2,590,502	£1,594,868	£990,013	£369,048		
	5	0.13	£3,879,306	£2,640,621	£1,894,412	£1,183,715	£634,348	
	6	0.13	£5,194,816	£3,718,594	£2,828,512	£1,938,430	£1,338,327	£420,717
	7	0.13	£6,510,326	£4,747,117	£3,723,822	£2,728,657	£1,981,036	£976,373
	8	0.13	£9,141,347	£6,880,837	£5,572,762	£4,264,688	£3,346,755	£2,025,055
15 Unit Housing Scheme	1	0.60						
	2	0.60	£92,391					
	3	0.60	£754,360		£290,526	£42,103		
	4	0.60	£1,404,471		£781,994	£449,106	£303,029	
	5	0.60	£2,062,359		£1,265,964	£848,533	£665,917	£271,723
	6	0.60	£2,720,247		£1,758,085	£1,252,590	£1,024,257	£548,834
	7	0.60	£3,378,135		£2,250,206	£1,656,647	£1,389,462	£825,498
	8	0.60	£4,576,953		£3,146,960	£2,392,929	£2,054,948	£1,339,952
15 Unit Flatted Scheme	1	0.20						
	2	0.20						
	3	0.20	£1,234,401		£112,024			
	4	0.20	£2,467,876		£1,063,935	£385,914		
	5	0.20	£3,738,756		£1,976,219	£1,168,412	£680,177	
	6	0.20	£5,009,637		£2,879,997	£1,915,279	£1,336,726	£352,586
	7	0.20	£6,280,518		£3,804,148	£2,658,062	£2,013,680	£873,298
	8	0.20	£8,822,279		£5,652,451	£4,183,119	£3,332,871	£1,882,951
25 Unit Housing Scheme	1	1.00						
	2	1.00	£67,203					
	3	1.00	£710,697		£236,591	£22,572		
	4	1.00	£1,356,879		£703,390	£425,346	£242,788	
	5	1.00	£2,003,062		£1,177,359	£820,253	£585,954	£235,999
	6	1.00	£2,649,244		£1,651,327	£1,219,545	£936,478	£504,695
	7	1.00	£3,295,427		£2,125,296	£1,618,836	£1,287,001	£780,541
	8	1.00	£4,472,944		£2,988,972	£2,346,435	£1,925,733	£1,283,195
50 Unit Mixed Scheme	1	1.43						
	2	1.43						
	3	1.43	£813,936		£170,020			
	4	1.43	£1,626,766		£753,218	£476,390	£201,642	
	5	1.43	£2,439,596		£1,338,169	£989,886	£641,603	£296,376
	6	1.43	£3,252,426		£1,923,120	£1,503,382	£1,083,643	£663,905
	7	1.43	£4,065,256		£2,508,071	£2,016,877	£1,525,684	£1,034,490
	8	1.43	£5,565,341		£3,585,338	£2,960,151	£2,334,965	£1,709,778
100 Unit Mixed Scheme	1	2.86						
	2	2.86						
	3	2.86	£726,629		£108,588			
	4	2.86	£1,506,888		£668,404	£402,941	£138,911	
	5	2.86	£2,285,547		£1,229,339	£895,355	£561,371	£227,388
	6	2.86	£3,065,005		£1,790,274	£1,387,769	£985,263	£582,758
	7	2.86	£3,844,464		£2,351,210	£1,880,183	£1,409,155	£938,128
	8	2.86	£5,282,961		£3,384,249	£2,784,730	£2,185,211	£1,585,692

Source: Adams Integra, November 2009

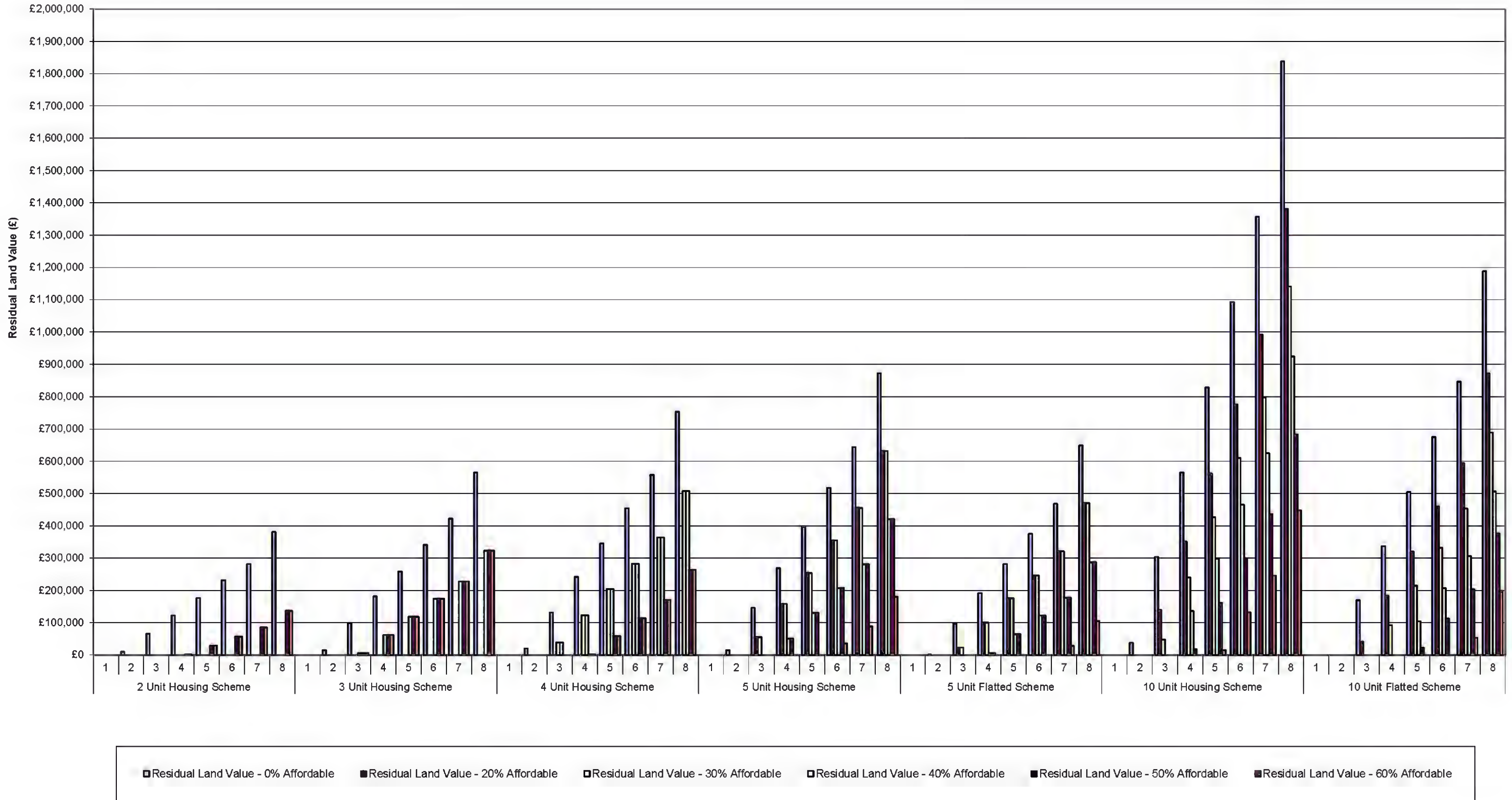
-Wider Range of Indicators VCA Appraisals and Lower Infrastructure Land Values
 -Wider Range of Indicators VCA Appraisals and Lower Infrastructure Land Values
 -Wider Range of Indicators VCA Appraisals and Lower Infrastructure Land Values

Appendix IIc

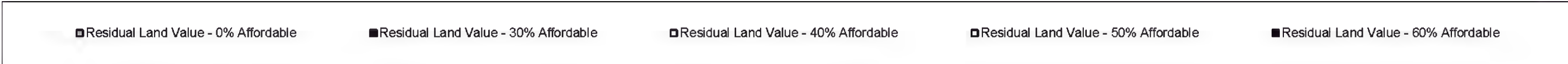
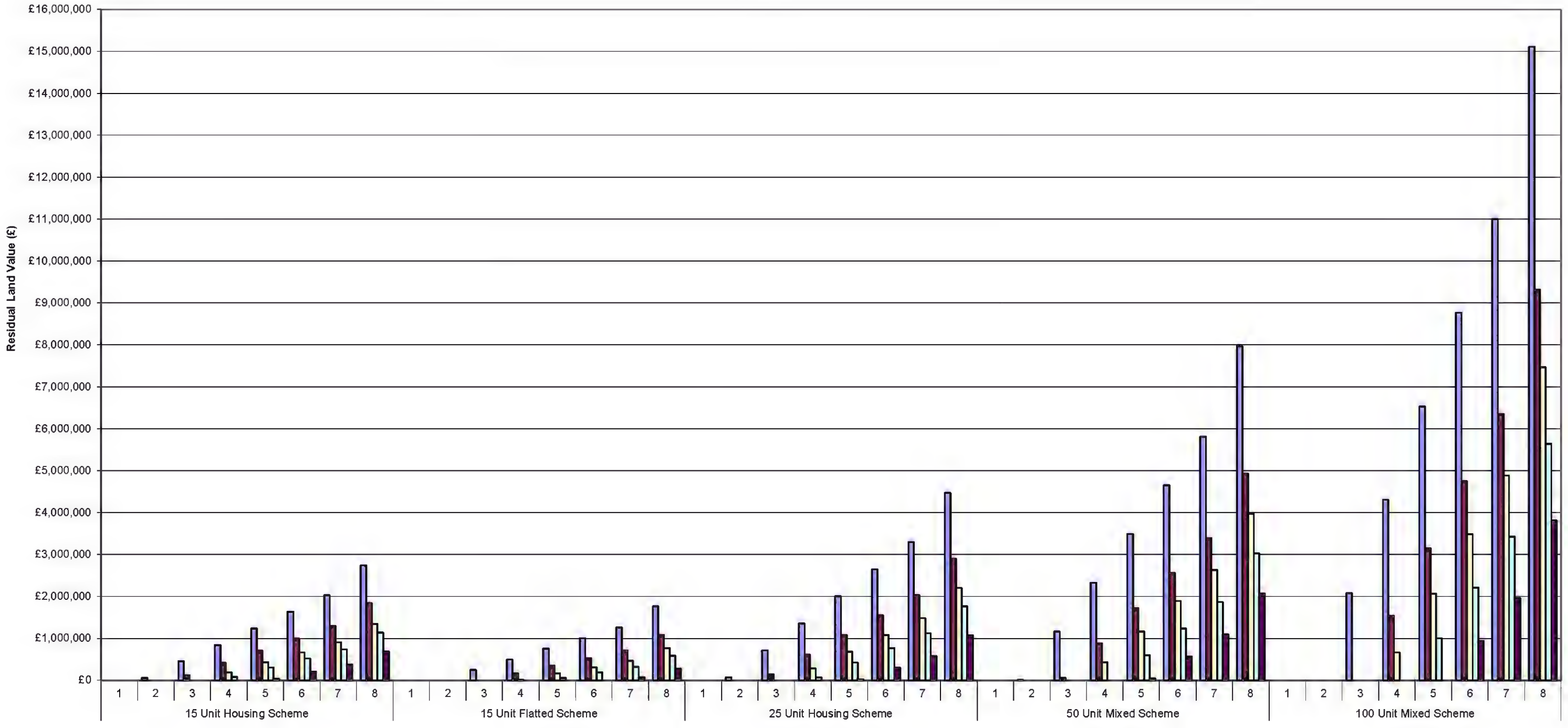
Table 4: Summary of Residual Land Value (£) Appraisals for All Value Points - Planning Infrastructure Level £5,000 Without Grant

Development Scenario / Threshold	Value Point	Residual Land Value - 0% Affordable	Residual Land Value - 20% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable
2 Unit Housing Scheme	1	£0				£0	£0
	2	£9,677				£0	£0
	3	£65,781				£0	£0
	4	£121,885				£824	£824
	5	£176,209				£28,876	£28,876
	6	£231,752				£56,928	£56,928
	7	£281,492				£84,980	£84,980
	8	£380,659				£136,098	£136,098
3 Unit Housing Scheme	1	£0			£0	£0	£0
	2	£14,515			£0	£0	£0
	3	£98,671			£5,663	£5,663	£5,663
	4	£180,999			£61,767	£61,767	£61,767
	5	£258,974			£117,871	£117,871	£117,871
	6	£340,606			£173,975	£173,975	£173,975
	7	£422,237			£227,778	£227,778	£227,778
	8	£565,102			£322,344	£322,344	£322,344
4 Unit Housing Scheme	1	£0		£0	£0	£0	£0
	2	£19,354		£0	£0	£0	£0
	3	£131,562		£38,553	£38,553	£0	£0
	4	£241,333		£122,709	£122,709	£1,649	£1,649
	5	£345,299		£204,797	£204,797	£57,753	£57,753
	6	£454,141		£282,291	£282,291	£113,857	£113,857
	7	£557,179		£363,923	£363,923	£169,961	£169,961
	8	£753,469		£507,388	£507,388	£264,029	£264,029
5 Unit Housing Scheme	1	£0	£0	£0	£0	£0	£0
	2	£14,741	£0	£0	£0	£0	£0
	3	£145,865	£54,620	£54,620	£0	£0	£0
	4	£268,680	£158,225	£158,225	£51,011	£51,011	£0
	5	£395,870	£253,974	£253,974	£130,333	£130,333	£0
	6	£517,668	£354,471	£354,471	£207,558	£207,558	£35,851
	7	£643,548	£454,967	£454,967	£280,308	£280,308	£87,653
	8	£872,928	£631,515	£631,515	£420,514	£420,514	£160,228
5 Unit Flatted Scheme	1	£0	£0	£0	£0	£0	£0
	2	£662	£0	£0	£0	£0	£0
	3	£97,071	£22,557	£22,557	£0	£0	£0
	4	£191,546	£99,605	£99,605	£5,889	£5,889	£0
	5	£201,194	£175,044	£175,044	£63,735	£63,735	£0
	6	£374,711	£246,322	£246,322	£121,580	£121,580	£0
	7	£468,229	£321,136	£321,136	£177,632	£177,632	£27,784
	8	£648,508	£470,764	£470,764	£286,264	£286,264	£104,912
10 Unit Housing Scheme	1	£0	£0	£0	£0	£0	£0
	2	£37,636	£0	£0	£0	£0	£0
	3	£303,450	£138,659	£47,414	£0	£0	£0
	4	£564,513	£351,194	£240,859	£136,077	£17,313	£0
	5	£828,704	£562,035	£425,993	£298,442	£161,388	£15,104
	6	£1,092,895	£776,496	£609,644	£464,889	£296,299	£131,659
	7	£1,357,087	£990,957	£797,686	£624,827	£436,051	£245,731
	8	£1,838,502	£1,381,753	£1,140,340	£925,004	£683,591	£446,784
10 Unit Flatted Scheme	1	£0	£0	£0	£0	£0	£0
	2	£0	£0	£0	£0	£0	£0
	3	£169,039	£41,130	£0	£0	£0	£0
	4	£336,765	£183,744	£91,804	£0	£0	£0
	5	£504,310	£320,169	£214,823	£103,915	£21,741	£0
	6	£675,326	£460,305	£331,916	£207,723	£113,258	£0
	7	£846,342	£594,251	£453,349	£306,256	£202,728	£53,133
	8	£1,188,375	£871,635	£689,037	£506,440	£376,175	£195,628
15 Unit Housing Scheme	1	£0			£0	£0	£0
	2	£95,434			£0	£0	£0
	3	£452,616			£118,262	£0	£0
	4	£842,683			£413,062	£186,426	£81,095
	5	£1,237,415			£704,076	£427,619	£300,068
	6	£1,632,148			£999,349	£665,645	£516,097
	7	£2,026,881			£1,294,621	£908,079	£735,221
	8	£2,746,172			£1,832,674	£1,349,848	£1,134,512
15 Unit Flatted Scheme	1	£0			£0	£0	£0
	2	£0			£0	£0	£0
	3	£246,880			£0	£0	£0
	4	£493,575			£164,968	£3,388	£0
	5	£747,751			£346,775	£162,248	£49,170
	6	£1,001,927			£528,030	£311,475	£186,861
	7	£1,256,104			£712,860	£465,569	£318,476
	8	£1,764,456			£1,082,521	£765,781	£583,183
25 Unit Housing Scheme	1	£0			£0	£0	£0
	2	£67,203			£0	£0	£0
	3	£710,697			£138,405	£0	£0
	4	£1,356,879			£806,837	£285,224	£72,437
	5	£2,003,062			£1,080,806	£681,576	£424,439
	6	£2,649,244			£1,554,775	£1,080,868	£770,586
	7	£3,295,427			£2,028,743	£1,480,160	£1,121,110
	8	£4,472,914			£2,892,419	£2,207,758	£1,759,841
50 Unit Mixed Scheme	1	£0			£0	£0	£0
	2	£1,648			£0	£0	£0
	3	£1,163,829			£49,476	£0	£0
	4	£2,326,276			£883,977	£430,542	£0
	5	£3,488,623			£1,720,456	£1,160,402	£800,348
	6	£4,650,970			£2,556,936	£1,894,701	£1,232,466
	7	£5,813,317			£3,393,416	£2,629,000	£1,864,584
	8	£7,958,437			£4,933,908	£3,977,882	£3,021,856
100 Unit Mixed Scheme	1	£0			£0	£0	£0
	2	£0			£0	£0	£0
	3	£2,078,160			£0	£0	£0
	4	£4,307,412			£1,541,243	£663,893	£0
	5	£6,536,664			£3,145,518	£2,071,397	£997,275
	6	£8,765,916			£4,749,793	£3,479,700	£2,209,606
	7	£10,995,167			£6,354,068	£4,888,003	£3,421,938
	8	£15,109,270			£9,308,560	£7,475,008	£5,641,456

**Graph 4: Summary of Residual Land Values at 0%, 20%, 30%, 40%, 50% & 60% Affordable Housing Across All Value Points
Planning Infrastructure Level £5,000
Without Grant**



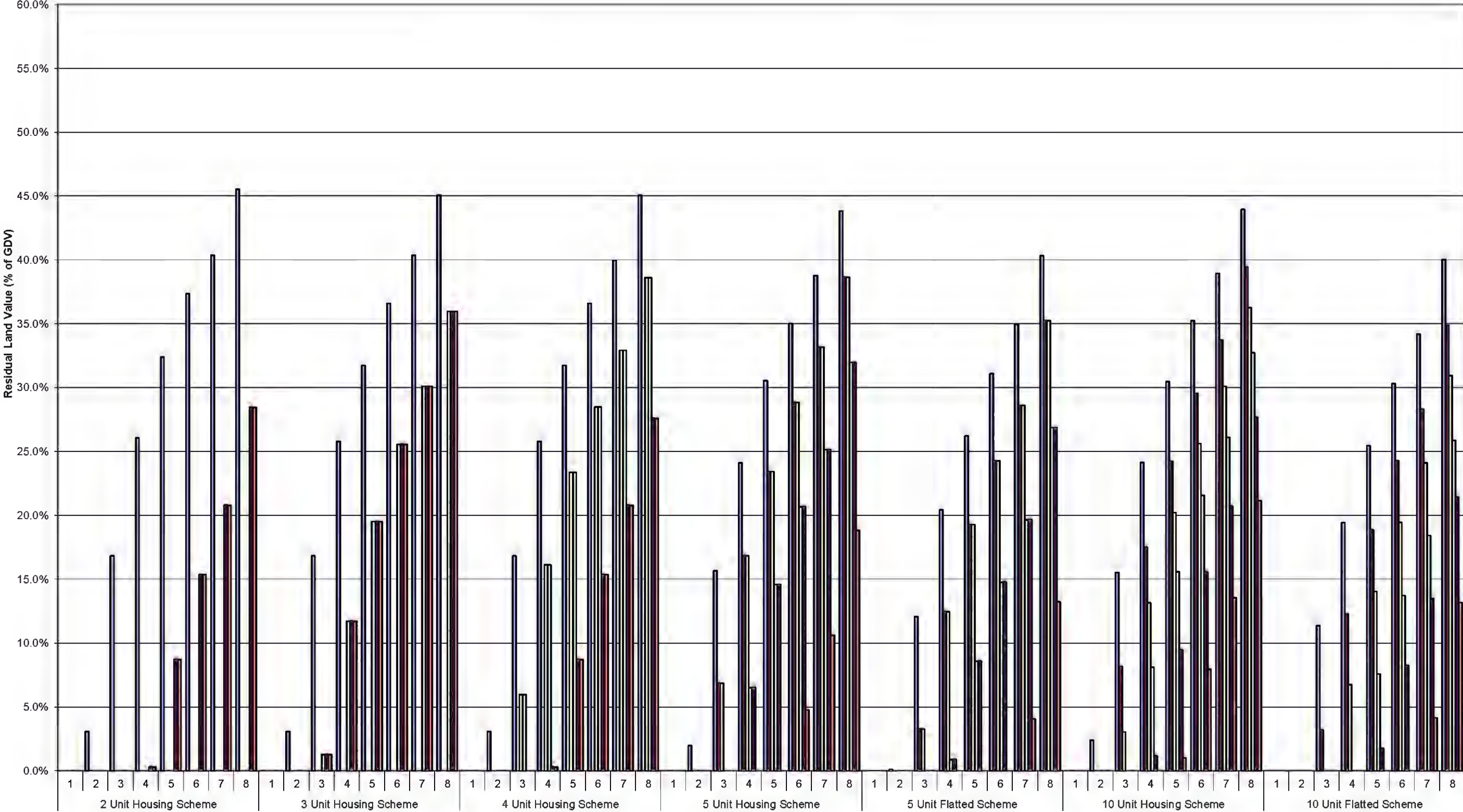
Graph 4i: Summary of Residual Land Values at 0%, 30%, 40%, 50% & 60% Affordable Housing Across All Value Points
Planning Infrastructure Level £5,000
Without Grant



**Table 4a: Summary of Residual Land Value (as % of GDV) Appraisals for
All Value Points
Planning Infrastructure Level £5,000
Without Grant**

Development Scenario / Threshold	Value Point	Residual Land Value - 0% Affordable	Residual Land Value - 20% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable
2 Unit Housing Scheme	1	0.0%				0.0%	0.0%
	2	3.1%				0.0%	0.0%
	3	16.8%				0.0%	0.0%
	4	26.1%				0.3%	0.3%
	5	32.4%				8.7%	8.7%
	6	37.3%				15.4%	15.4%
	7	40.4%				20.8%	20.8%
	8	45.5%				28.5%	28.5%
3 Unit Housing Scheme	1	0.0%			0.0%	0.0%	0.0%
	2	3.1%			0.0%	0.0%	0.0%
	3	16.8%			1.3%	1.3%	1.3%
	4	25.8%			11.7%	11.7%	11.7%
	5	31.7%			19.5%	19.5%	19.5%
	6	36.6%			25.6%	25.6%	25.6%
	7	40.4%			30.1%	30.1%	30.1%
	8	45.0%			36.0%	36.0%	36.0%
4 Unit Housing Scheme	1	0.0%		0.0%	0.0%	0.0%	0.0%
	2	3.1%		0.0%	0.0%	0.0%	0.0%
	3	16.8%		6.0%	6.0%	0.0%	0.0%
	4	25.0%		16.1%	16.1%	0.3%	0.3%
	5	31.7%		23.4%	23.4%	8.7%	8.7%
	6	36.6%		28.5%	28.5%	15.4%	15.4%
	7	40.0%		32.9%	32.9%	20.8%	20.8%
	8	45.0%		30.6%	30.6%	27.6%	27.6%
5 Unit Housing Scheme	1	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	2	2.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	3	15.7%	6.9%	6.9%	0.0%	0.0%	0.0%
	4	24.1%	16.8%	16.8%	6.5%	6.5%	0.0%
	5	30.5%	23.4%	23.4%	14.6%	14.6%	0.0%
	6	35.0%	28.9%	28.9%	20.7%	20.7%	4.8%
	7	38.8%	33.2%	33.2%	25.2%	25.2%	10.6%
	8	43.8%	38.6%	38.6%	32.0%	32.0%	18.8%
5 Unit Flatted Scheme	1	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	2	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%
	3	12.1%	3.3%	3.3%	0.0%	0.0%	0.0%
	4	20.4%	12.5%	12.5%	0.9%	0.9%	0.0%
	5	26.2%	19.3%	19.3%	8.6%	8.6%	0.0%
	6	31.1%	24.3%	24.3%	14.8%	14.8%	0.0%
	7	34.9%	28.6%	28.6%	19.6%	19.6%	4.1%
	8	40.3%	35.2%	35.2%	26.9%	26.9%	13.2%
10 Unit Housing Scheme	1	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	2	2.4%	0.0%	0.0%	0.0%	0.0%	0.0%
	3	15.5%	8.2%	3.0%	0.0%	0.0%	0.0%
	4	24.2%	17.5%	13.1%	8.1%	1.2%	0.0%
	5	30.5%	24.2%	20.2%	15.6%	9.5%	1.0%
	6	35.2%	29.5%	25.6%	21.6%	15.6%	8.0%
	7	38.9%	33.7%	30.1%	26.1%	20.7%	13.5%
	8	44.0%	39.4%	36.2%	32.7%	27.7%	21.2%
10 Unit Flatted Scheme	1	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	2	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	3	11.4%	3.2%	0.0%	0.0%	0.0%	0.0%
	4	19.4%	12.3%	6.8%	0.0%	0.0%	0.0%
	5	25.5%	18.9%	14.0%	7.6%	1.7%	0.0%
	6	30.3%	24.3%	19.5%	13.7%	8.2%	0.0%
	7	34.2%	28.3%	24.1%	18.4%	13.5%	4.1%
	8	40.0%	34.9%	30.9%	25.9%	21.4%	13.2%
15 Unit Housing Scheme	1	0.0%		0.0%	0.0%	0.0%	0.0%
	2	2.4%		0.0%	0.0%	0.0%	0.0%
	3	15.5%		4.9%	0.0%	0.0%	0.0%
	4	24.1%		14.6%	7.5%	3.5%	0.0%
	5	30.4%		21.6%	15.1%	11.3%	1.4%
	6	35.2%		27.1%	20.9%	17.4%	8.3%
	7	38.9%		31.5%	25.7%	22.4%	13.6%
	8	43.9%		37.4%	32.3%	29.4%	21.3%
15 Unit Flatted Scheme	1	0.0%		0.0%	0.0%	0.0%	0.0%
	2	0.0%		0.0%	0.0%	0.0%	0.0%
	3	11.2%		0.0%	0.0%	0.0%	0.0%
	4	19.2%		8.0%	0.2%	0.0%	0.0%
	5	25.4%		14.9%	7.9%	2.6%	0.0%
	6	30.3%		20.3%	13.7%	9.0%	0.0%
	7	34.1%		24.9%	18.7%	14.0%	3.5%
	8	40.0%		31.8%	26.1%	21.9%	12.3%
25 Unit Housing Scheme	1	0.0%		0.0%	0.0%	0.0%	0.0%
	2	1.7%		0.0%	0.0%	0.0%	0.0%
	3	14.6%		3.5%	0.0%	0.0%	0.0%
	4	23.3%		13.0%	6.9%	1.9%	0.0%
	5	29.5%		20.1%	14.3%	9.8%	0.6%
	6	34.2%		25.6%	20.2%	15.8%	7.2%
	7	37.9%		30.0%	25.0%	20.8%	12.6%
	8	42.9%		36.0%	31.5%	27.8%	20.3%
50 Unit Mixed Scheme	1	0.0%		0.0%	0.0%	0.0%	0.0%
	2	0.0%		0.0%	0.0%	0.0%	0.0%
	3	12.5%		0.7%	0.0%	0.0%	0.0%
	4	20.9%		10.1%	5.3%	0.0%	0.0%
	5	27.0%		17.1%	12.6%	7.3%	0.6%
	6	31.6%		22.5%	18.4%	13.3%	7.0%
	7	35.3%		26.8%	23.0%	18.2%	12.2%
	8	40.2%		32.9%	29.4%	25.2%	19.7%
100 Unit Mixed Scheme	1	0.0%		0.0%	0.0%	0.0%	0.0%
	2	0.0%		0.0%	0.0%	0.0%	0.0%
	3	11.1%		0.0%	0.0%	0.0%	0.0%
	4	19.4%		8.8%	4.1%	0.0%	0.0%
	5	25.3%		15.6%	11.3%	6.0%	0.0%
	6	29.8%		20.9%	16.9%	11.9%	5.7%
	7	33.3%		25.1%	21.4%	16.7%	10.9%
	8	38.2%		31.0%	27.7%	23.5%	18.1%

**Graph 4a: Summary of Residual Land Values (as % of GDV) at 0%, 20%, 30%, 40%, 50% & 60% Affordable Housing
Across all Value Points
Planning Infrastructure Level £5,000
Without Grant**



**Graph 4ai: Summary of Residual Land Values (as % of GDV) at 0%, 30%, 40%, 50% & 60% Affordable Housing
Across all Value Points
Planning Infrastructure Level £5,000
Without Grant**

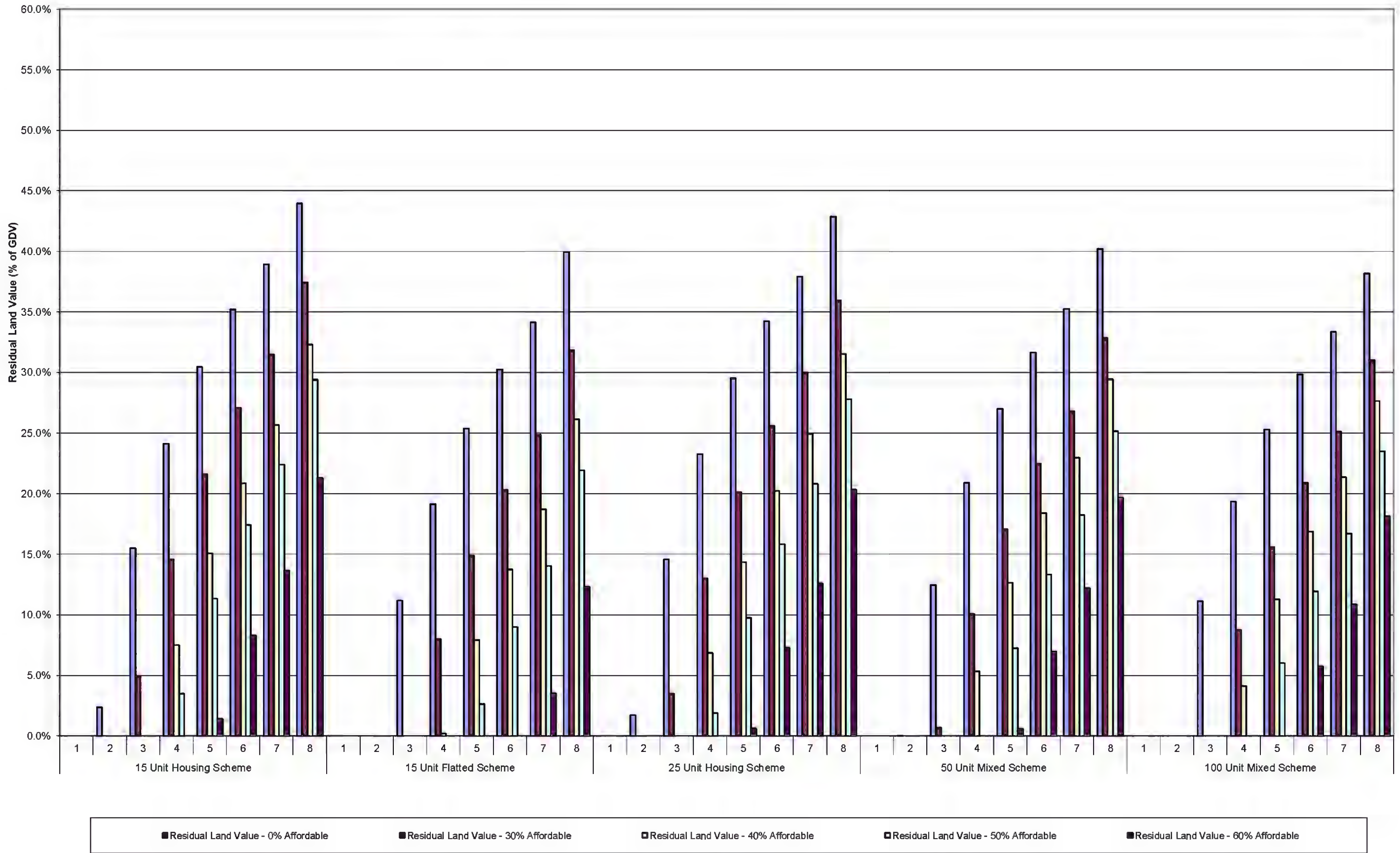


Table 4b: Summary of Residual Land Value (£ per Ha) Appraisals for All Value Points Planning Infrastructure Level £5,000 Without Grant (Higher Density)

Development Scenario / Threshold	Value Point	Site Size	Residual Land Value - 0% Affordable	Residual Land Value - 20% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable
2 Unit Housing Scheme	1	0.08						
	2	0.08	£120,960					
	3	0.08	£822,262					
	4	0.08	£1,573,564					
	5	0.08	£2,202,617				£360,954	£360,954
	6	0.08	£2,896,906				£711,605	£711,605
	7	0.08	£3,518,645				£1,062,256	£1,062,256
	8	0.08	£4,758,235				£1,701,220	£1,701,220
3 Unit Housing Scheme	1	0.12						
	2	0.12	£120,960					
	3	0.12	£822,262			£47,189	£47,189	£47,189
	4	0.12	£1,508,328			£514,724	£514,724	£514,724
	5	0.12	£2,158,120			£982,258	£982,258	£982,258
	6	0.12	£2,838,382			£1,449,793	£1,449,793	£1,449,793
	7	0.12	£3,518,645			£1,898,154	£1,898,154	£1,898,154
	8	0.12	£4,709,181			£2,686,201	£2,686,201	£2,686,201
4 Unit Housing Scheme	1	0.16						
	2	0.16	£120,960					
	3	0.16	£822,262			£240,957	£240,957	
	4	0.16	£1,508,328			£766,934	£766,934	
	5	0.16	£2,158,120			£1,279,981	£1,279,981	£360,954
	6	0.16	£2,838,382			£1,764,320	£1,764,320	£711,605
	7	0.16	£3,482,370			£2,274,517	£2,274,517	£1,062,256
	8	0.16	£4,709,181			£3,171,176	£3,171,176	£1,650,183
5 Unit Housing Scheme	1	0.20						
	2	0.20	£73,703					
	3	0.20	£729,324	£273,102	£273,102			
	4	0.20	£1,343,398	£791,124	£791,124	£255,053	£255,053	
	5	0.20	£1,979,350	£1,269,872	£1,269,872	£651,664	£651,664	
	6	0.20	£2,588,342	£1,772,353	£1,772,353	£1,037,792	£1,037,792	£179,254
	7	0.20	£3,217,738	£2,274,835	£2,274,835	£1,401,539	£1,401,539	£438,265
	8	0.20	£4,364,639	£3,157,576	£3,157,576	£2,102,570	£2,102,570	£901,138
5 Unit Flatted Scheme	1	0.07						
	2	0.07						
	3	0.07	£1,386,732	£322,245	£322,245			
	4	0.07	£2,736,372	£1,424,069	£1,424,069	£84,126	£84,126	
	5	0.07	£4,017,054	£2,500,635	£2,500,635	£910,495	£910,495	
	6	0.07	£5,353,017	£3,518,887	£3,518,887	£1,736,863	£1,736,863	
	7	0.07	£6,688,979	£4,587,657	£4,587,657	£2,537,599	£2,537,599	£396,920
	8	0.07	£9,264,399	£6,725,197	£6,725,197	£4,089,490	£4,089,490	£1,498,745
10 Unit Housing Scheme	1	0.40						
	2	0.40	£94,090					
	3	0.40	£758,625	£346,647	£346,647			
	4	0.40	£1,411,282	£877,985	£877,985	£340,193	£340,193	
	5	0.40	£2,071,780	£1,405,086	£1,405,086	£746,105	£746,105	£37,759
	6	0.40	£2,732,238	£1,941,239	£1,941,239	£1,162,222	£1,162,222	£329,146
	7	0.40	£3,392,716	£2,477,392	£2,477,392	£1,994,214	£1,994,214	£614,328
	8	0.40	£4,596,254	£3,454,382	£3,454,382	£2,850,850	£2,850,850	£1,116,961
10 Unit Flatted Scheme	1	0.13						
	2	0.13						
	3	0.13	£1,300,297	£316,381				
	4	0.13	£2,590,502	£1,413,416	£706,186			
	5	0.13	£3,879,306	£2,462,835	£1,652,483	£799,345	£167,237	
	6	0.13	£5,194,816	£3,540,808	£2,553,200	£1,597,872	£971,216	
	7	0.13	£6,510,326	£4,571,165	£3,487,300	£2,355,819	£1,558,442	£408,719
	8	0.13	£9,141,347	£6,704,884	£5,300,288	£3,895,693	£2,893,657	£1,504,831
15 Unit Housing Scheme	1	0.60						
	2	0.60	£92,391					
	3	0.60	£754,360		£197,103			
	4	0.60	£1,404,471		£688,437	£310,709	£135,158	
	5	0.60	£2,062,359		£1,173,461	£712,699	£500,113	£52,612
	6	0.60	£2,720,247		£1,665,982	£1,109,408	£860,162	£343,231
	7	0.60	£3,378,135		£2,157,702	£1,513,466	£1,225,368	£621,560
	8	0.60	£4,576,953		£3,054,456	£2,249,747	£1,890,853	£1,129,605
15 Unit Flatted Scheme	1	0.20						
	2	0.20						
	3	0.20	£1,234,401					
	4	0.20	£2,467,876		£824,841			
	5	0.20	£3,738,756		£1,733,874	£911,239	£245,849	
	6	0.20	£5,009,637		£2,640,150	£1,557,373	£934,303	
	7	0.20	£6,280,518		£3,564,301	£2,327,845	£1,592,382	£328,657
	8	0.20	£8,822,279		£5,412,604	£3,828,903	£2,915,916	£1,346,092
25 Unit Housing Scheme	1	1.00						
	2	1.00	£67,203					
	3	1.00	£710,697		£138,405			
	4	1.00	£1,356,879		£606,837	£285,224	£72,437	
	5	1.00	£2,003,062		£1,080,806	£681,576	£424,439	£21,701
	6	1.00	£2,649,244		£1,554,775	£1,080,868	£770,586	£299,770
	7	1.00	£3,295,427		£2,028,743	£1,480,160	£1,121,110	£572,526
	8	1.00	£4,472,914		£2,892,419	£2,207,758	£1,759,841	£1,075,180
50 Unit Mixed Scheme	1	1.43						
	2	1.43						
	3	1.43	£813,936		£34,598			
	4	1.43	£1,626,766		£618,165	£301,078		
	5	1.43	£2,439,596		£1,203,116	£811,470	£419,824	£29,352
	6	1.43	£3,252,426		£1,788,067	£1,324,966	£861,864	£398,763
	7	1.43	£4,065,256		£2,373,018	£1,838,461	£1,303,905	£769,348
	8	1.43	£5,565,341		£3,450,285	£2,781,736	£2,113,186	£1,444,636
100 Unit Mixed Scheme	1	2.86						
	2	2.86						
	3	2.86	£726,629					
	4	2.86	£1,506,888		£538,896	£231,851		
	5	2.86	£2,285,547		£1,099,831	£724,265	£340,698	
	6	2.86	£3,065,005		£1,660,767	£1,216,678	£772,590	£320,501
	7	2.86	£3,844,464		£2,221,702	£1,709,092	£1,196,482	£683,871
	8	2.86	£5,282,961		£3,254,741	£2,613,639	£1,972,537	£1,331,435

Source: Adams Integra, November 2009
Key:

■ Within Range of Indicative VOA Agricultural and Lower Industrial Land Values
■ Within Range of Indicative VOA Industrial Land Values
■ Outside Range of Indicative VOA Agricultural and Lower Industrial Land Values

**Table 4c: Summary of Residual Land Value (£ per Ha) Appraisals for
All Value Points
Planning Infrastructure Level £5,000
Without Grant
(Lower Density)**

Development Scenario / Threshold	Value Point	Site Size	Residual Land Value - 0% Affordable	Residual Land Value - 20% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable
2 Unit Housing Scheme	1	0.05						
	2	0.05	£193,536					
	3	0.05	£1,315,619					
	4	0.05	£2,437,702					
	5	0.05	£3,524,187				£577,527	£577,527
	6	0.05	£4,635,049				£1,138,569	£1,138,569
	7	0.05	£5,829,832				£1,699,610	£1,699,610
	8	0.05	£7,113,176				£2,221,952	£2,221,952
3 Unit Housing Scheme	1	0.08						
	2	0.08	£181,440					
	3	0.08	£1,233,393			£70,784	£70,784	£70,784
	4	0.08	£2,262,492			£772,085	£772,085	£772,085
	5	0.08	£3,237,180			£1,473,387	£1,473,387	£1,473,387
	6	0.08	£4,257,574			£2,174,689	£2,174,689	£2,174,689
	7	0.08	£5,277,968			£2,847,231	£2,847,231	£2,847,231
	8	0.08	£7,063,772			£4,029,301	£4,029,301	£4,029,301
4 Unit Housing Scheme	1	0.10						
	2	0.10	£193,536					
	3	0.10	£1,315,619			£385,532	£385,532	
	4	0.10	£2,413,325			£1,227,094	£1,227,094	
	5	0.10	£3,452,992			£2,047,970	£2,047,970	£577,527
	6	0.10	£4,541,412			£2,822,912	£2,822,912	£1,138,569
	7	0.10	£5,571,793			£3,639,227	£3,639,227	£1,699,610
	8	0.10	£7,534,690			£5,073,882	£5,073,882	£2,640,294
5 Unit Housing Scheme	1	0.13						
	2	0.13	£113,389					
	3	0.13	£1,122,037	£420,150	£420,150			
	4	0.13	£2,066,765	£1,217,115	£1,217,115	£392,390	£392,390	
	5	0.13	£3,045,155	£1,953,649	£1,953,649	£1,002,560	£1,002,560	
	6	0.13	£3,982,064	£2,726,698	£2,726,698	£1,596,603	£1,596,603	£275,775
	7	0.13	£4,950,367	£3,499,746	£3,499,746	£2,156,213	£2,156,213	£674,254
	8	0.13	£6,714,829	£4,857,809	£4,857,809	£3,234,723	£3,234,723	£1,386,366
5 Unit Flatted Scheme	1	0.05						
	2	0.05						
	3	0.05	£1,941,424	£451,143	£451,143			
	4	0.05	£3,830,921	£1,993,697	£1,993,697	£117,777	£117,777	
	5	0.05	£5,823,876	£3,500,889	£3,500,889	£1,274,693	£1,274,693	
	6	0.05	£7,494,223	£4,926,442	£4,926,442	£2,431,609	£2,431,609	
	7	0.05	£9,364,571	£6,422,720	£6,422,720	£3,552,639	£3,552,639	£555,688
	8	0.05	£12,970,159	£9,415,275	£9,415,275	£5,725,285	£5,725,285	£2,098,243
10 Unit Housing Scheme	1	0.25						
	2	0.25	£150,543					
	3	0.25	£1,213,800	£554,635	£554,635			
	4	0.25	£2,258,051	£1,404,776	£963,434	£544,309	£69,252	
	5	0.25	£3,314,816	£2,248,138	£1,703,974	£1,193,767	£645,551	£60,414
	6	0.25	£4,371,581	£3,105,903	£2,438,575	£1,859,555	£1,185,195	£526,634
	7	0.25	£5,428,346	£3,963,827	£3,190,743	£2,499,308	£1,744,206	£982,925
	8	0.25	£7,354,806	£5,527,010	£4,561,360	£3,700,014	£2,734,364	£1,787,138
10 Unit Flatted Scheme	1	0.10						
	2	0.10						
	3	0.10	£1,690,386	£411,295				
	4	0.10	£3,367,852	£1,837,441	£918,041			
	5	0.10	£5,043,097	£3,201,686	£2,148,228	£1,039,148	£217,408	
	6	0.10	£6,753,261	£4,603,051	£3,319,160	£2,077,233	£1,132,580	
	7	0.10	£8,463,424	£5,942,514	£4,533,490	£3,062,564	£2,027,275	£531,335
	8	0.10	£11,883,751	£8,716,349	£6,890,375	£5,064,400	£3,761,754	£1,956,280
15 Unit Housing Scheme	1	0.38						
	2	0.38	£145,880					
	3	0.38	£1,191,095			£311,215		
	4	0.38	£2,217,586			£1,087,006	£490,594	£213,407
	5	0.38	£3,256,356			£1,852,833	£1,125,314	£789,651
	6	0.38	£4,295,127			£2,629,866	£1,751,697	£1,358,151
	7	0.38	£5,333,897			£3,406,899	£2,389,682	£1,934,791
	8	0.38	£7,226,768			£4,822,825	£3,552,233	£2,985,558
15 Unit Flatted Scheme	1	0.15						
	2	0.15						
	3	0.15	£1,645,868					
	4	0.15	£3,290,501			£1,099,788	£22,585	
	5	0.15	£4,985,008			£2,311,832	£1,091,652	£327,799
	6	0.15	£6,679,516			£3,520,200	£2,076,498	£1,245,737
	7	0.15	£8,374,024			£4,752,402	£3,103,793	£2,123,176
	8	0.15	£11,763,039			£7,216,805	£5,105,204	£3,887,888
25 Unit Housing Scheme	1	0.63						
	2	0.63	£106,671					
	3	0.63	£1,128,091			£219,690		
	4	0.63	£2,153,777			£963,234	£452,737	£114,979
	5	0.63	£3,179,463			£1,715,565	£1,081,866	£673,712
	6	0.63	£4,205,149			£2,467,896	£1,715,663	£1,223,153
	7	0.63	£5,230,836			£3,220,227	£2,349,460	£1,779,539
	8	0.63	£7,099,864			£4,591,142	£3,504,378	£2,793,399
50 Unit Mixed Scheme	1	0.91						
	2	0.91						
	3	0.91	£1,279,043			£54,369		
	4	0.91	£2,556,347			£971,403	£473,123	
	5	0.91	£3,833,651			£1,890,611	£1,275,167	£659,723
	6	0.91	£5,110,956			£2,809,820	£2,082,089	£1,354,358
	7	0.91	£6,388,260			£3,729,029	£2,889,011	£2,048,993
	8	0.91	£8,745,535			£5,421,877	£4,371,299	£3,320,720
100 Unit Mixed Scheme	1	1.82						
	2	1.82						
	3	1.82	£1,141,846					
	4	1.82	£2,366,710			£84,637	£364,337	
	5	1.82	£3,591,573			£1,728,306	£1,138,130	£547,953
	6	1.82	£4,816,437			£2,609,776	£1,911,923	£1,214,069
	7	1.82	£6,041,301			£3,491,246	£2,685,716	£1,880,186
	8	1.82	£8,301,796			£5,114,593	£4,107,147	£3,099,701

Source: Adams Integra, November 2009

Key:

Within Range of Indicative VOA Agricultural and Lower Industrial Land Values

Within Range of Indicative VOA Industrial Land Values

Outside Range of Indicative VOA Land Values

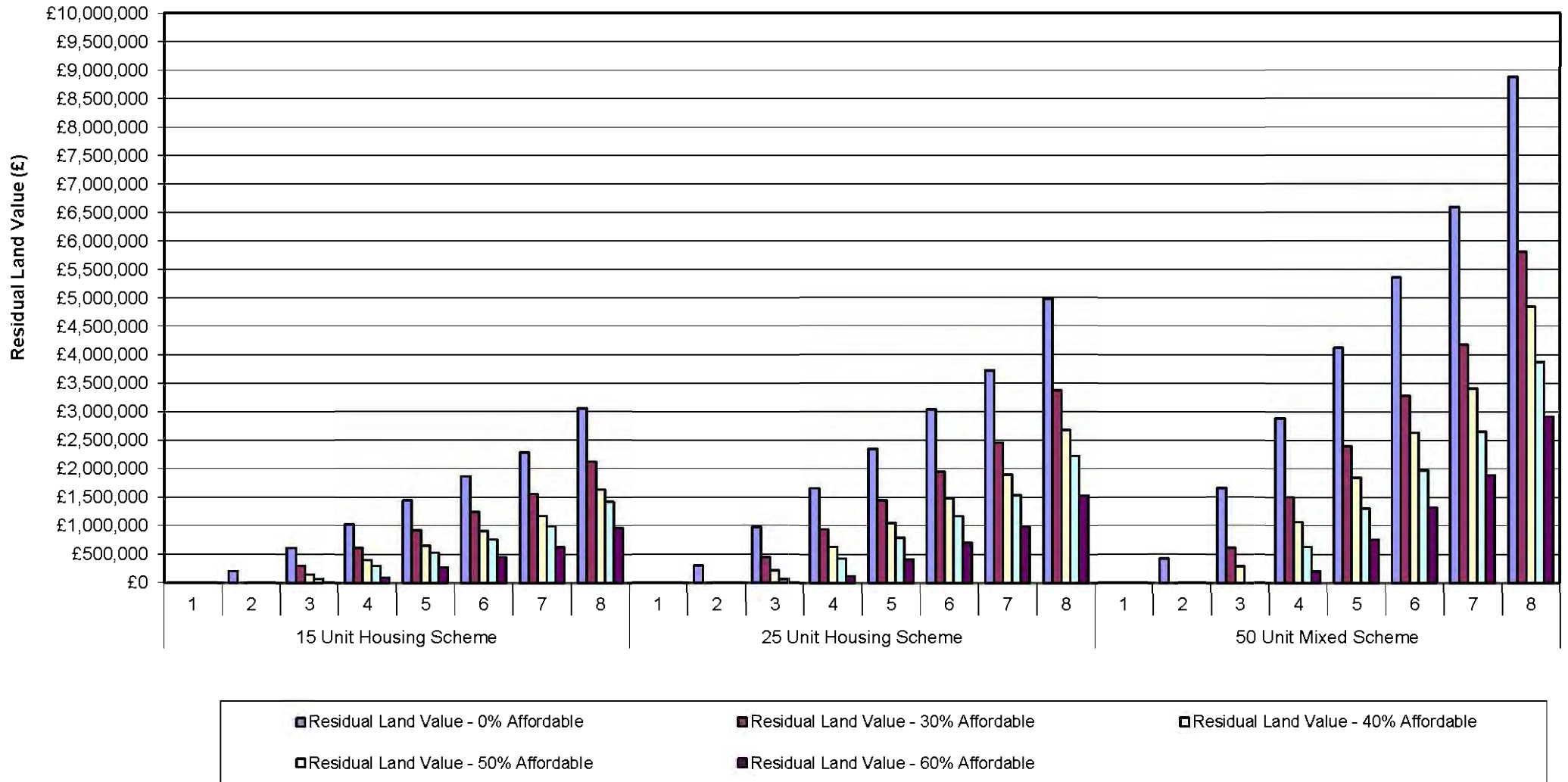
Appendix II d

**Table 5: Summary of Residual Land Value (£) Appraisals for All Value Points -
Planning Infrastructure Level £2,500
12.5%, 15%, 17.5%, 20% & 25% Developer's Profit**

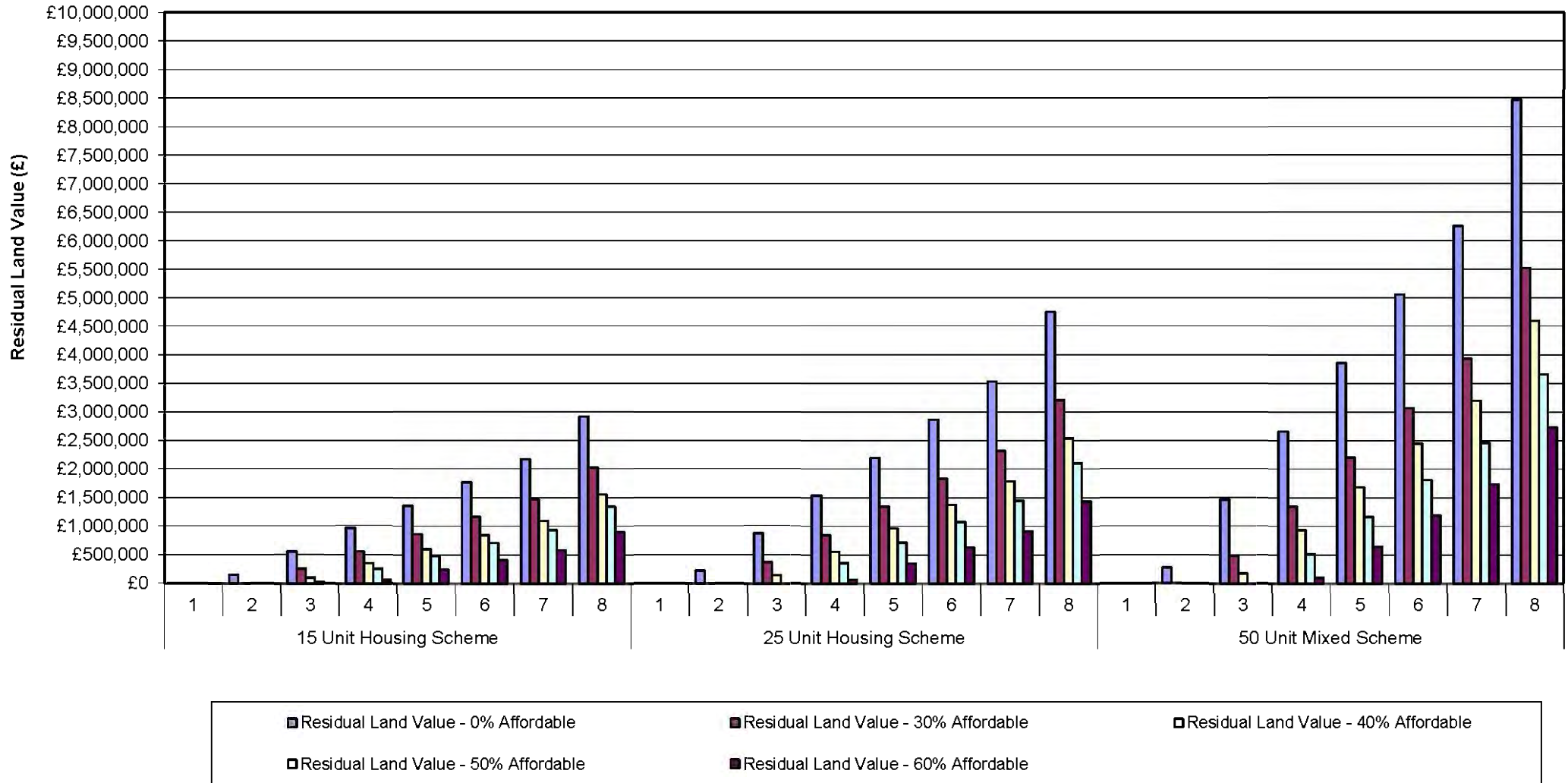
Development Scenario / Threshold	Value Point	12.5% Developer's Profit					15% Developer's Profit					17.5% Developer's Profit					20% Developer's Profit					25% Developer's Profit				
		Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable
15 Unit Housing Scheme	1	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
	2	£193,730	£0	£0	£0	£0	£142,529	£0	£0	£0	£0	£89,372	£0	£0	£0	£0	£36,214	£0	£0	£0	£0	£0	£0	£0	£0	£0
	3	£607,418	£299,619	£140,378	£62,711	£0	£543,974	£251,666	£99,788	£26,024	£0	£480,530	£207,914	£59,199	£0	£0	£421,430	£160,579	£18,610	£0	£0	£293,220	£61,707	£0	£0	£0
	4	£1,026,977	£610,373	£396,532	£296,160	£88,339	£951,120	£553,630	£349,458	£253,612	£54,429	£875,263	£496,886	£302,383	£215,415	£20,520	£799,405	£444,727	£255,308	£173,727	£0	£647,691	£330,058	£166,143	£85,999	£0
	5	£1,446,535	£924,216	£650,126	£526,012	£267,611	£1,358,265	£858,187	£595,913	£481,980	£234,065	£1,269,995	£792,159	£541,700	£432,469	£195,002	£1,181,725	£726,130	£487,487	£382,959	£157,513	£1,085,185	£594,072	£383,009	£283,937	£78,597
	6	£1,866,094	£1,238,059	£907,808	£758,916	£449,533	£1,765,411	£1,162,745	£845,971	£703,025	£405,877	£1,664,728	£1,087,431	£784,134	£647,134	£362,220	£1,564,045	£1,012,117	£722,297	£591,243	£318,563	£1,362,679	£861,489	£598,624	£484,456	£236,018
	7	£2,285,653	£1,551,903	£1,165,489	£991,021	£624,946	£2,172,557	£1,467,303	£1,096,029	£929,039	£576,412	£2,059,461	£1,382,704	£1,026,588	£886,257	£527,879	£1,946,365	£1,298,104	£957,108	£803,476	£484,339	£1,720,173	£1,128,906	£818,187	£677,913	£386,261
	8	£3,050,182	£2,123,794	£1,635,043	£1,416,225	£953,031	£2,914,467	£2,022,275	£1,551,690	£1,340,887	£894,791	£2,778,752	£1,920,756	£1,468,338	£1,265,549	£896,551	£2,643,036	£1,819,237	£1,384,985	£1,190,211	£778,311	£2,371,606	£1,616,198	£1,218,280	£1,039,535	£661,831
25 Unit Housing Scheme	1	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
	2	£287,809	£0	£0	£0	£0	£207,594	£0	£0	£0	£0	£122,672	£0	£0	£0	£0	£35,652	£0	£0	£0	£0	£0	£0	£0	£0	£0
	3	£971,865	£439,562	£209,625	£52,952	£0	£867,806	£362,589	£144,891	£0	£0	£763,947	£295,616	£78,040	£0	£0	£660,888	£212,945	£11,189	£0	£0	£457,083	£56,389	£0	£0	£0
	4	£1,658,487	£938,808	£627,677	£427,814	£116,950	£1,534,308	£847,724	£550,944	£359,751	£61,731	£1,410,129	£756,640	£478,150	£291,688	£6,512	£1,285,950	£665,556	£401,618	£228,236	£0	£1,037,592	£483,388	£246,553	£98,205	£0
	5	£2,345,310	£1,442,586	£1,052,082	£795,572	£409,691	£2,208,811	£1,336,598	£962,792	£717,588	£347,364	£2,056,312	£1,230,609	£873,503	£639,204	£285,036	£1,911,813	£1,124,620	£784,213	£560,820	£227,301	£1,622,814	£912,642	£605,634	£408,261	£101,087
	6	£3,032,133	£1,946,364	£1,476,486	£1,168,541	£699,663	£2,867,314	£1,825,471	£1,374,640	£1,079,134	£628,304	£2,702,494	£1,704,577	£1,272,795	£989,728	£557,945	£2,537,675	£1,583,684	£1,170,949	£800,321	£487,585	£2,208,036	£1,341,897	£967,257	£721,507	£350,480
	7	£3,718,956	£2,450,142	£1,900,891	£1,541,110	£991,859	£3,533,816	£2,314,344	£1,786,489	£1,440,681	£912,825	£3,348,677	£2,178,546	£1,672,086	£1,340,251	£833,791	£3,163,537	£2,042,748	£1,557,684	£1,239,822	£754,758	£2,793,258	£1,771,152	£1,328,880	£1,038,963	£596,690
	8	£4,970,499	£3,368,138	£2,674,251	£2,220,014	£1,526,126	£4,748,332	£3,205,180	£2,536,968	£2,089,498	£1,431,266	£4,526,164	£3,042,222	£2,399,685	£1,978,883	£1,336,445	£4,303,997	£2,879,265	£2,262,402	£1,858,467	£1,241,605	£3,859,662	£2,553,349	£1,967,837	£1,617,437	£1,051,924
50 Unit Mixed Scheme	1	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
	2	£417,232	£0	£0	£0	£0	£261,098	£0	£0	£0	£0	£108,210	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
	3	£1,648,381	£616,918	£291,694	£0	£0	£1,457,305	£484,919	£174,243	£0	£0	£1,266,229	£346,494	£51,291	£0	£0	£1,075,153	£212,358	£0	£0	£0	£693,001	£0	£0	£0	£0
	4	£2,883,831	£1,506,006	£1,069,168	£832,329	£201,600	£2,656,204	£1,342,704	£926,353	£510,002	£97,553	£2,428,576	£1,179,401	£783,538	£391,713	£0	£2,200,948	£1,016,099	£640,723	£268,112	£0	£1,745,893	£689,494	£358,792	£21,555	£0
	5	£4,119,282	£2,395,095	£1,849,649	£1,304,203	£758,757	£3,855,102	£2,205,488	£1,683,743	£1,161,998	£640,252	£3,590,923	£2,015,881	£1,517,837	£1,019,792	£521,748	£3,326,743	£1,826,274	£1,351,931	£877,587	£407,444	£2,798,384	£1,447,060	£1,020,119	£593,177	£173,161
	6	£5,354,732	£3,284,184	£2,638,130	£1,976,076	£1,322,022	£5,054,001	£3,068,272	£2,441,133	£1,813,993	£1,186,853	£4,753,270	£2,852,361	£2,252,136	£1,661,810	£1,051,884	£4,452,538	£2,636,450	£2,063,138	£1,489,827	£916,515	£3,851,076	£2,204,627	£1,685,144	£1,165,661	£646,178
	7	£6,590,183	£4,173,272	£3,410,611	£2,647,950	£1,885,288	£6,252,900	£3,931,057	£3,198,523	£2,465,989	£1,733,455	£5,915,617	£3,688,841	£2,986,434	£2,284,028	£1,581,821	£5,578,333	£3,446,625	£2,774,346	£2,102,067	£1,429,787	£4,903,767	£2,962,194	£2,350,169	£1,738,145	£1,126,120
	8	£8,870,217	£5,810,651	£4,844,328	£3,878,006	£2,911,684	£8,465,477	£5,519,992	£4,589,822	£3,659,653	£2,729,483	£8,060,737	£5,229,333	£4,335,116	£3,441,300	£2,547,283	£7,655,997	£4,938,674	£4,080,810	£3,222,946	£2,365,083	£6,846,518	£4,357,356	£3,571,798	£2,786,240	£2,000,682

Source: Adams Integra, November 2009

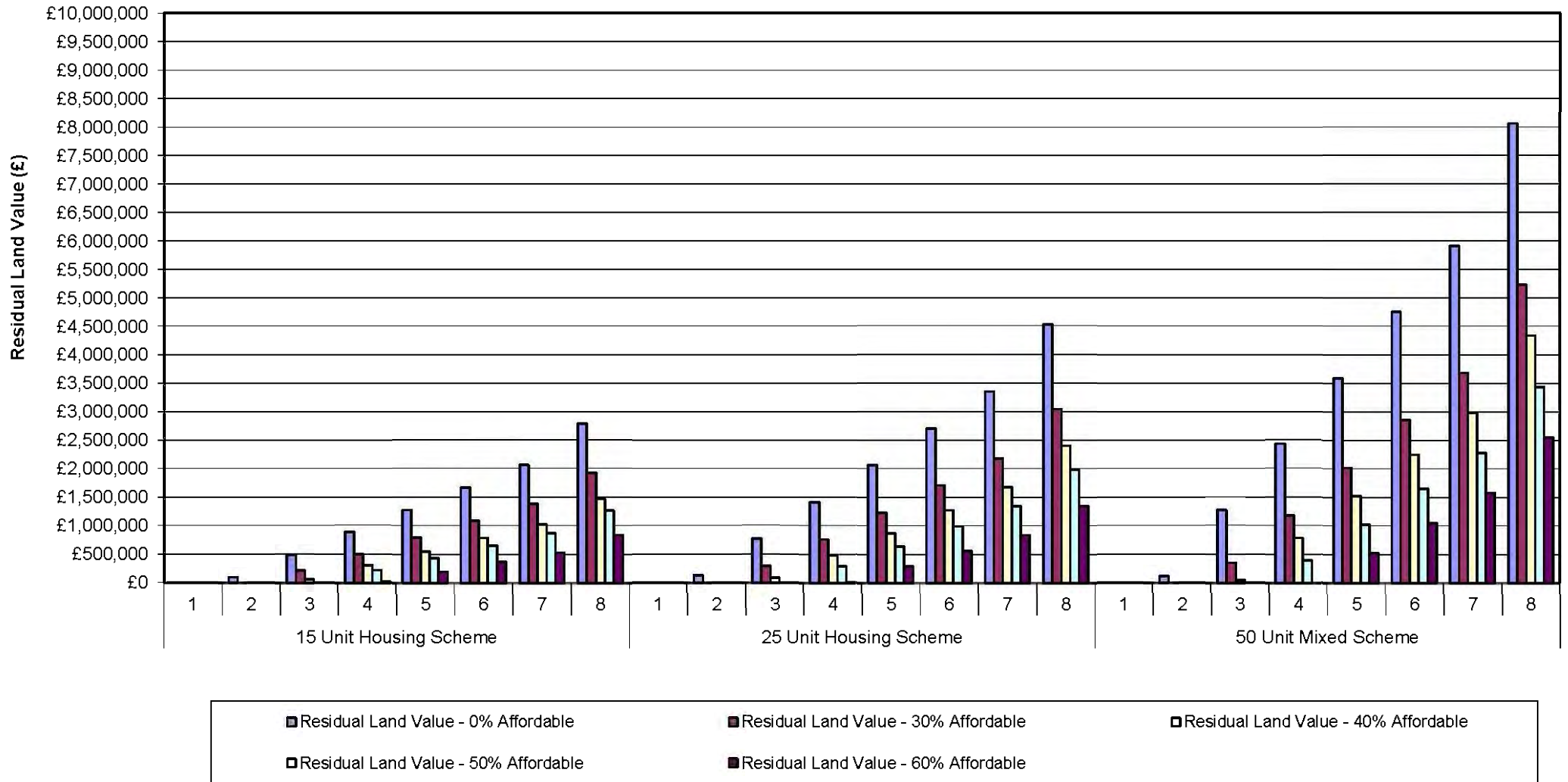
**Graph 5: Summary of Residual Land Values at 0%, 30%, 40%, 50% & 60% Affordable Housing Across All Value Points
 Planning Infrastructure Level £2,500
 12.5% Developer's Profit**



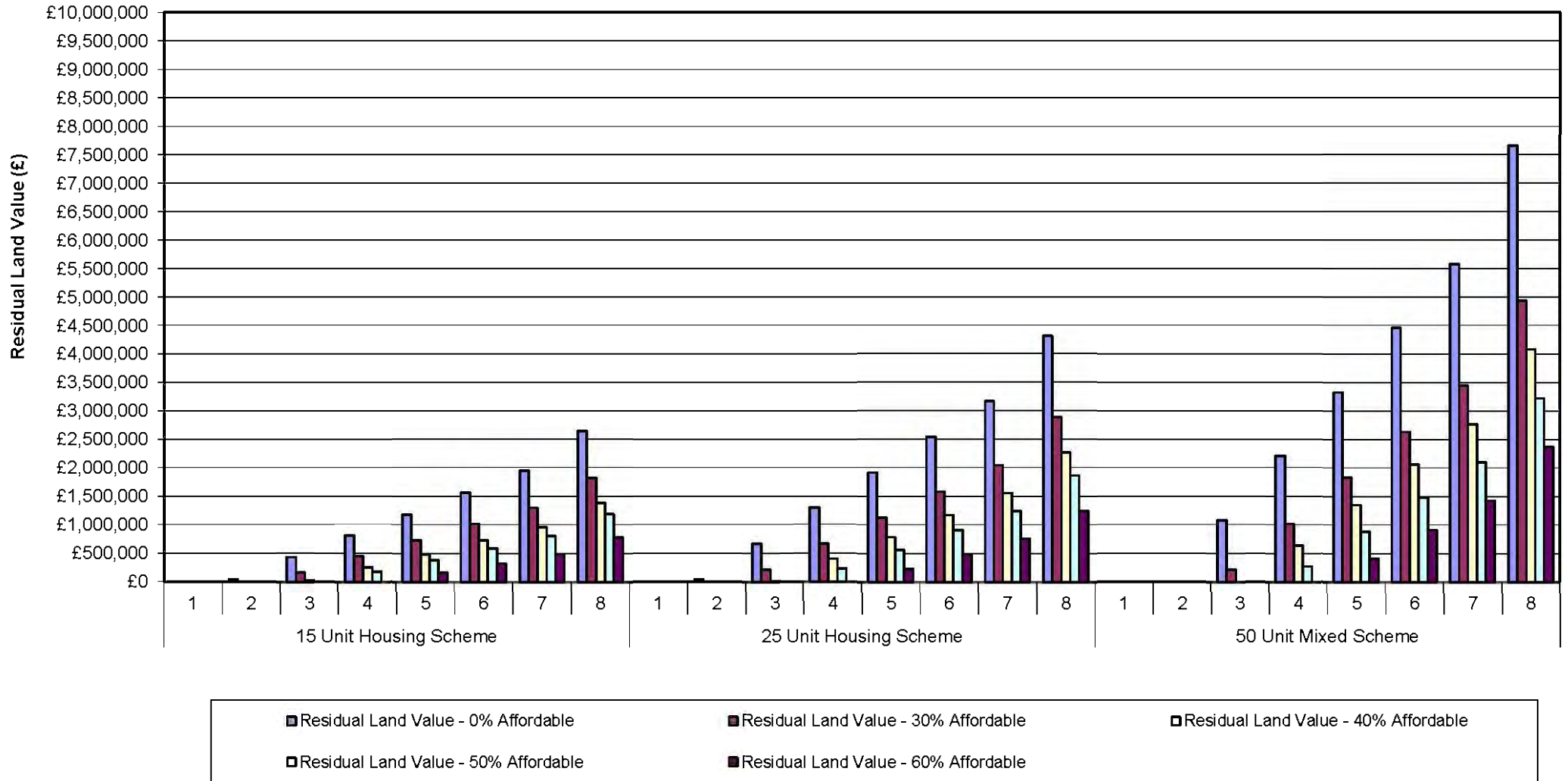
**Graph 6: Summary of Residual Land Values at 0%, 30%, 40%, 50% & 60% Affordable Housing Across All Value Points
 Planning Infrastructure Level £2,500
 15% Developer's Profit**



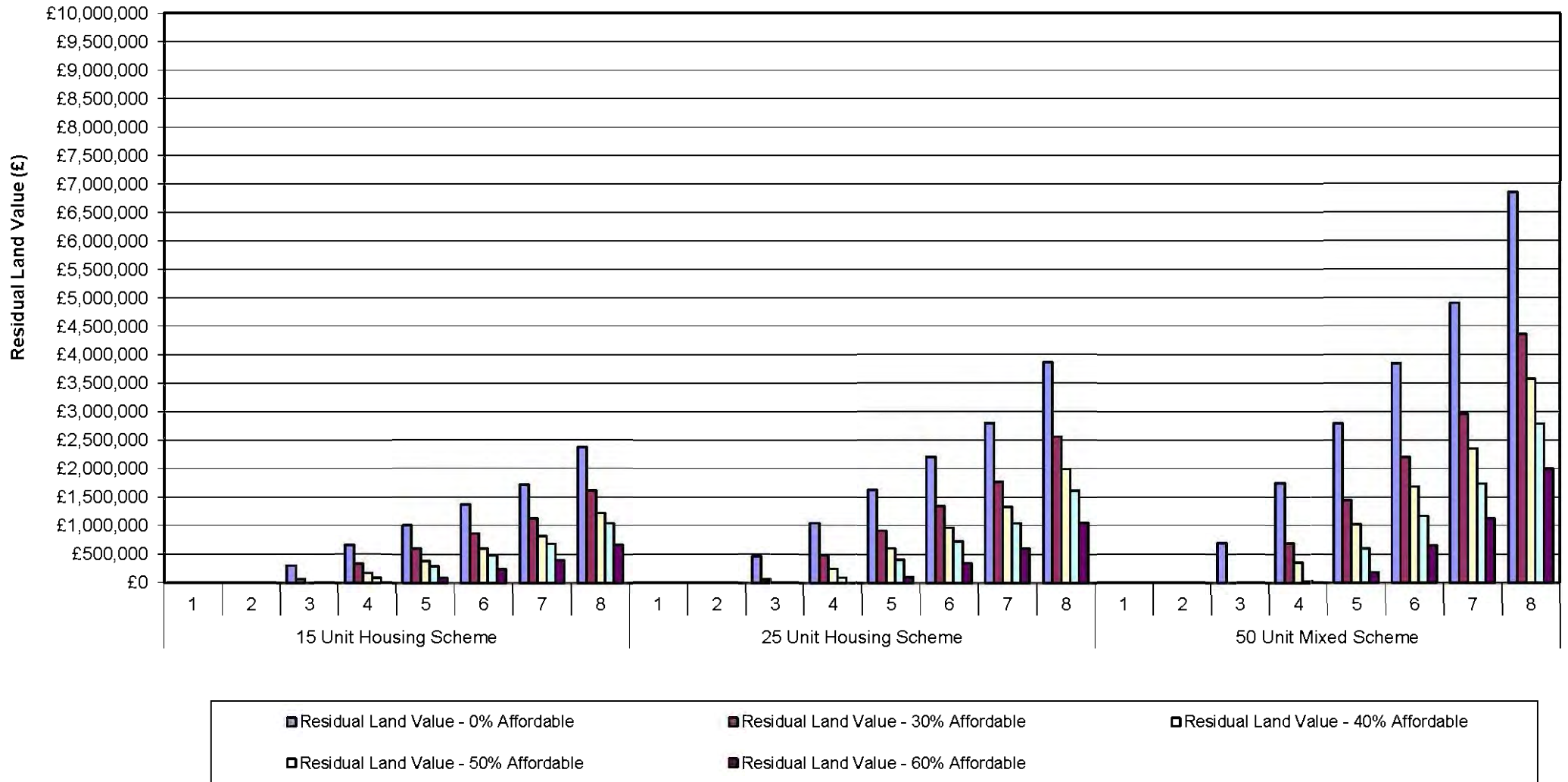
**Graph 7: Summary of Residual Land Values at 0%, 30%, 40%, 50% & 60% Affordable Housing Across All Value Points
 Planning Infrastructure Level £2,500
 17.5% Developer's Profit**



**Graph 8: Summary of Residual Land Values at 0%, 30%, 40%, 50% & 60% Affordable Housing Across All Value Points
 Planning Infrastructure Level £2,500
 20% Developer's Profit**



**Graph 9: Summary of Residual Land Values at 0%, 30%, 40%, 50% & 60% Affordable Housing Across All Value Points
 Planning Infrastructure Level £2,500
 25% Developer's Profit**

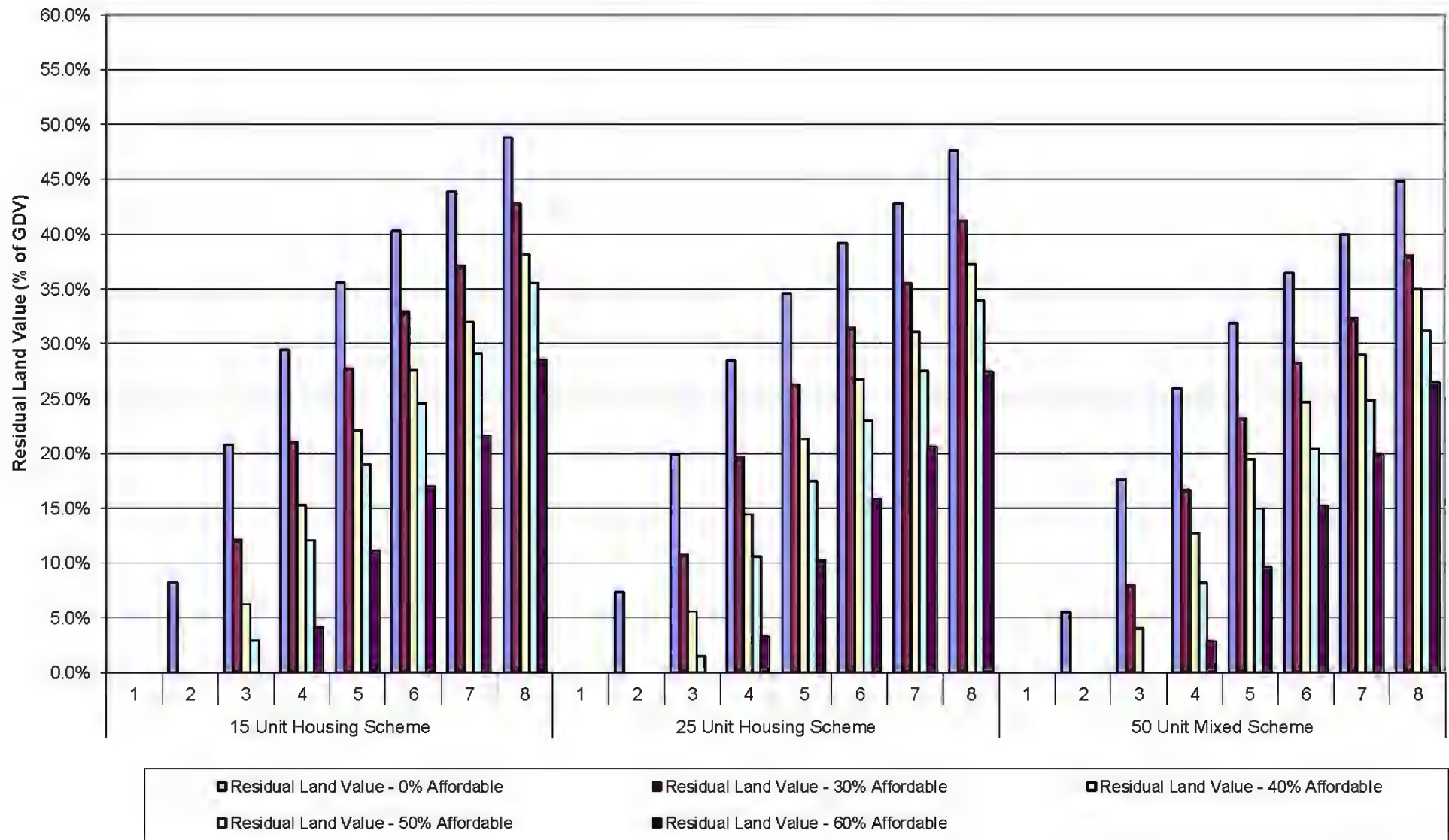


**Table 5a: Summary of Residual Land Value (as % of GDV) Appraisals for
All Value Points
Planning Infrastructure Level \$2,500
12.5%, 15%, 17.5%, 20% & 25% Developer's Profit**

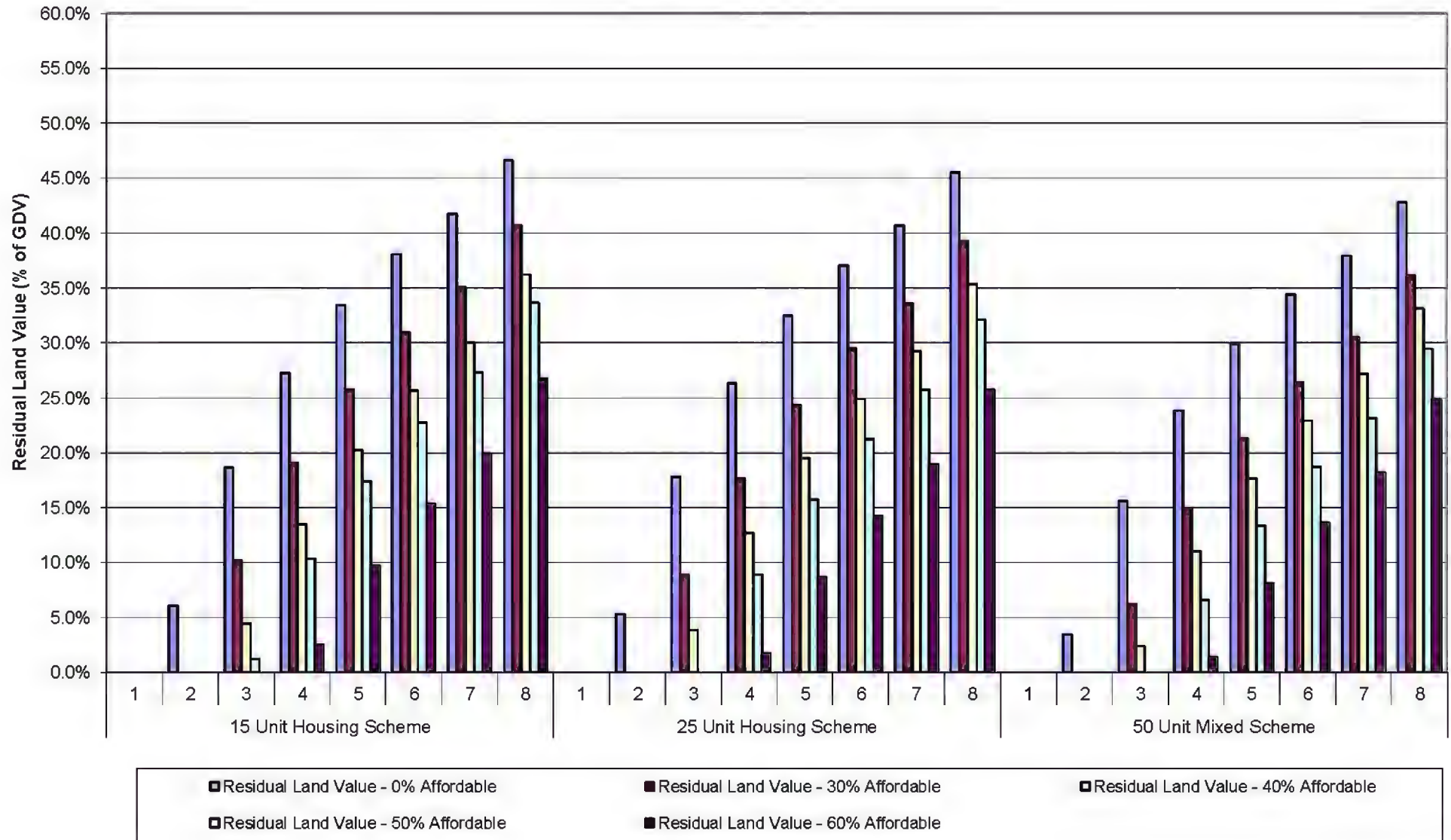
Development Scenario / Threshold	Value Point	12.5% Developer's Profit					15% Developer's Profit					17.5% Developer's Profit					20% Developer's Profit					25% Developer's Profit					
		Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	
15 Unit Housing Scheme	1	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	2	8.2%	0.0%	0.0%	0.0%	0.0%	6.1%	0.0%	0.0%	0.0%	0.0%	3.8%	0.0%	0.0%	0.0%	1.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
	3	20.8%	12.1%	6.3%	2.9%	0.0%	18.6%	10.2%	4.4%	1.2%	0.0%	16.5%	8.4%	2.6%	0.0%	14.4%	6.5%	0.8%	0.0%	0.0%	10.0%	2.5%	0.0%	0.0%	0.0%	0.0%	
	4	29.4%	21.0%	15.3%	12.1%	4.1%	27.2%	19.1%	13.5%	10.3%	2.5%	25.1%	17.1%	11.7%	8.8%	1.0%	22.9%	15.3%	9.8%	7.1%	0.0%	18.5%	11.4%	6.4%	3.5%	0.0%	
	5	35.6%	27.8%	22.1%	19.0%	11.1%	33.4%	25.8%	20.2%	17.4%	9.7%	31.2%	23.8%	18.4%	15.6%	8.1%	29.1%	21.8%	16.6%	13.8%	6.6%	24.7%	17.8%	13.0%	10.2%	3.3%	
	6	40.3%	32.9%	27.5%	24.6%	17.0%	38.1%	30.9%	25.7%	22.8%	15.3%	35.9%	28.9%	23.8%	21.0%	13.7%	33.7%	26.9%	21.9%	19.1%	12.0%	29.4%	22.9%	18.2%	15.7%	8.9%	
	7	43.9%	37.1%	32.0%	29.1%	21.6%	41.7%	35.1%	30.1%	27.3%	19.9%	39.6%	33.0%	28.2%	25.4%	18.2%	37.4%	31.0%	26.2%	23.6%	16.7%	33.0%	27.0%	22.4%	19.9%	13.3%	
	8	48.8%	42.8%	38.1%	35.6%	28.5%	46.6%	40.7%	36.2%	33.7%	26.8%	44.5%	38.7%	34.3%	31.8%	25.0%	42.3%	36.6%	32.3%	29.9%	23.3%	38.0%	32.6%	28.4%	26.1%	19.8%	
25 Unit Housing Scheme	1	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
	2	7.3%	0.0%	0.0%	0.0%	0.0%	5.3%	0.0%	0.0%	0.0%	0.0%	3.1%	0.0%	0.0%	0.0%	0.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
	3	19.9%	10.7%	5.6%	1.5%	0.0%	17.8%	8.9%	3.9%	0.0%	0.0%	15.7%	7.0%	2.1%	0.0%	13.5%	5.2%	0.3%	0.0%	0.0%	9.4%	1.4%	0.0%	0.0%	0.0%	0.0%	
	4	28.4%	19.6%	14.5%	10.6%	3.3%	26.3%	17.7%	12.7%	8.9%	1.7%	24.2%	15.8%	11.0%	7.2%	0.2%	22.1%	13.9%	9.3%	5.6%	0.0%	17.8%	10.1%	5.7%	2.2%	0.0%	
	5	34.6%	26.3%	21.3%	17.4%	10.2%	32.4%	24.3%	19.5%	15.7%	8.7%	30.3%	22.4%	17.7%	14.0%	7.1%	28.2%	20.5%	15.9%	12.3%	5.7%	23.9%	16.6%	12.3%	8.9%	2.5%	
	6	39.2%	31.4%	26.7%	23.0%	15.8%	37.1%	29.5%	24.9%	21.2%	14.2%	34.9%	27.5%	23.1%	19.5%	12.8%	32.8%	25.8%	21.2%	17.7%	11.1%	28.5%	21.7%	17.5%	14.2%	7.9%	
	7	42.8%	35.6%	31.1%	27.5%	20.6%	40.7%	33.6%	29.2%	25.7%	18.9%	38.5%	31.6%	27.4%	23.9%	17.3%	36.4%	29.6%	25.5%	22.1%	15.7%	32.1%	25.7%	21.7%	18.6%	12.4%	
	8	47.7%	41.3%	37.2%	33.9%	27.4%	45.5%	39.3%	35.3%	32.1%	25.7%	43.4%	37.3%	33.1%	30.3%	24.0%	41.3%	35.3%	31.5%	28.4%	22.3%	37.0%	31.3%	27.7%	24.7%	18.9%	
50 Unit Mixed Scheme	1	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
	2	5.5%	0.0%	0.0%	0.0%	0.0%	3.5%	0.0%	0.0%	0.0%	0.0%	1.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
	3	17.7%	7.9%	4.0%	0.0%	0.0%	15.6%	6.2%	2.4%	0.0%	0.0%	13.6%	4.5%	0.7%	0.0%	11.5%	2.7%	0.0%	0.0%	0.0%	7.4%	0.0%	0.0%	0.0%	0.0%	0.0%	
	4	25.9%	16.6%	12.7%	8.2%	2.8%	23.9%	14.8%	11.0%	6.6%	1.4%	21.8%	13.0%	9.3%	5.1%	0.0%	19.8%	11.2%	7.6%	3.5%	0.0%	15.7%	7.6%	4.3%	0.3%	0.0%	
	5	31.9%	23.2%	19.4%	15.0%	9.6%	29.9%	21.3%	17.7%	13.3%	8.1%	27.8%	19.5%	15.9%	11.7%	6.6%	25.8%	17.7%	14.2%	10.1%	5.2%	21.7%	14.0%	10.7%	6.8%	2.2%	
	6	36.4%	28.3%	24.7%	20.4%	15.2%	34.4%	26.4%	22.9%	18.7%	13.6%	32.3%	24.5%	21.1%	17.1%	12.1%	30.3%	22.7%	19.4%	15.4%	10.5%	26.2%	19.0%	15.8%	12.0%	7.4%	
	7	40.0%	32.3%	29.0%	24.9%	19.8%	37.9%	30.5%	27.2%	23.2%	18.2%	35.9%	28.6%	25.4%	21.4%	16.6%	33.8%	26.7%	23.6%	19.7%	15.0%	29.7%	22.9%	20.0%	16.3%	11.8%	
	8	44.8%	38.0%	35.0%	31.2%	26.5%	42.8%	36.1%	33.1%	29.4%	24.8%	40.7%	34.2%	31.3%	27.7%	23.1%	38.7%	32.3%	29.5%	25.9%	21.5%	34.6%	28.5%	25.8%	22.4%	18.2%	

Source: Adams Integra, November 2009

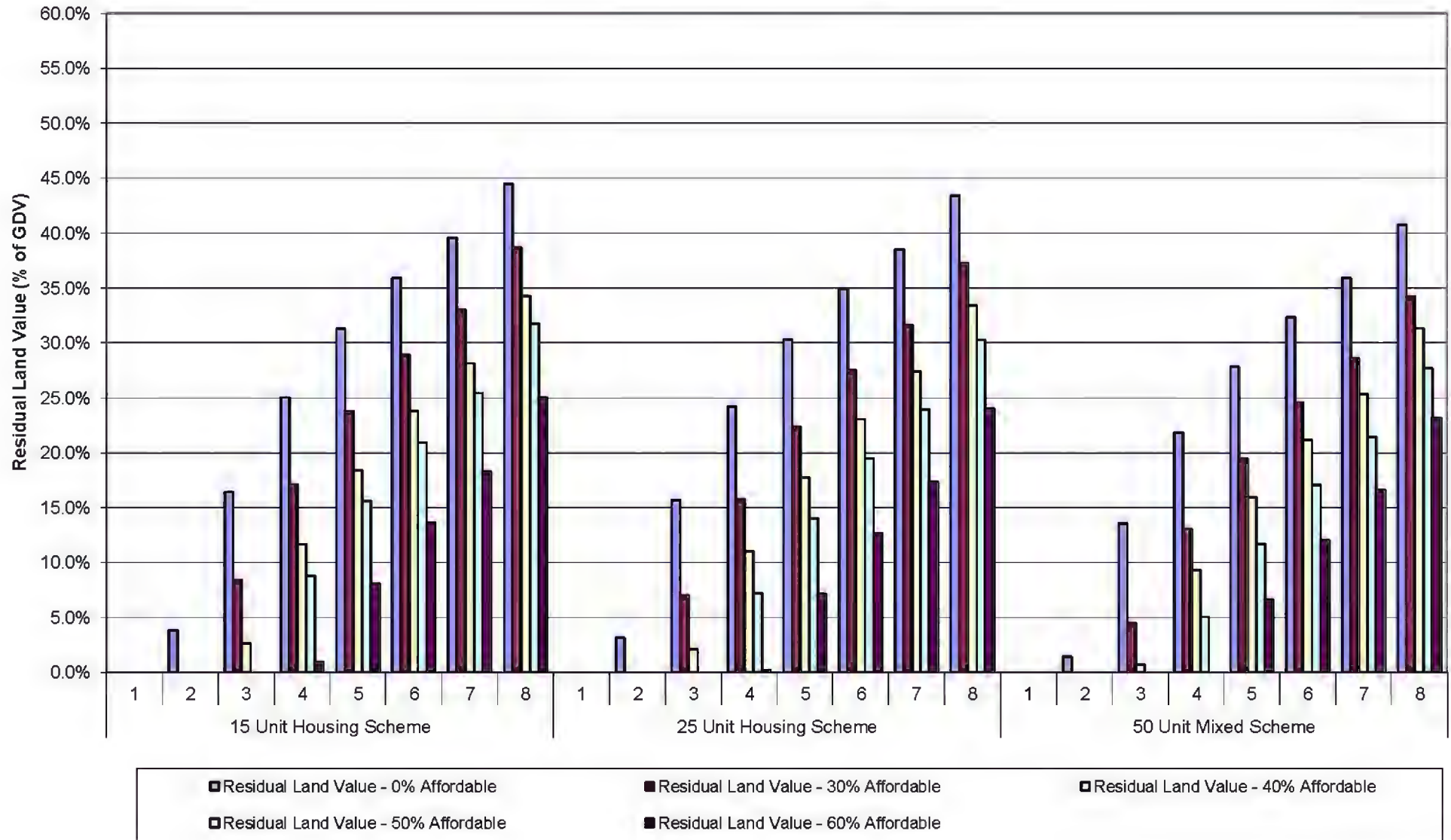
**Graph 5a: Summary of Residual Land Values (as % of GDV) at 0%, 30%, 40%, 50% & 60% Affordable Housing
 Across all Value Points
 Planning Infrastructure Level £2,500
 12.5% Developer's Profit**



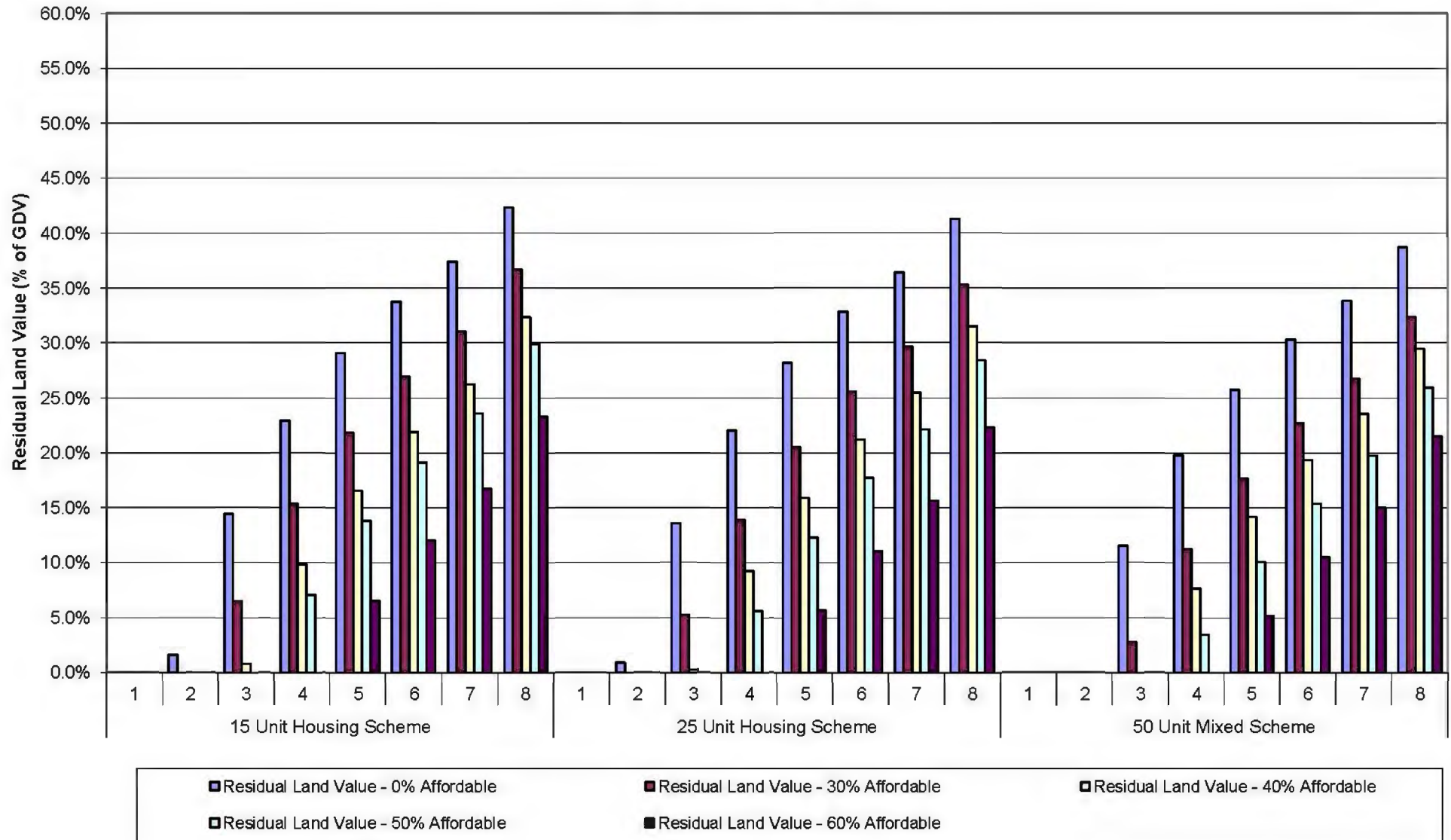
**Graph 6a: Summary of Residual Land Values (as % of GDV) at 0%, 30%, 40%, 50% & 60% Affordable Housing
Across all Value Points
Planning Infrastructure Level £2,500
15% Developer's Profit**



**Graph 7a: Summary of Residual Land Values (as % of GDV) at 0%, 30%, 40%, 50% & 60% Affordable Housing
Across all Value Points
Planning Infrastructure Level £2,500
17.5% Developer's Profit**



**Graph 8a: Summary of Residual Land Values (as % of GDV) at 0%, 30%, 40%, 50% & 60% Affordable Housing
Across all Value Points
Planning Infrastructure Level £2,500
20% Developer's Profit**



**Graph 9a: Summary of Residual Land Values (as % of GDV) at 0%, 30%, 40%, 50% & 60% Affordable Housing
Across all Value Points
Planning Infrastructure Level £2,500
25% Developer's Profit**

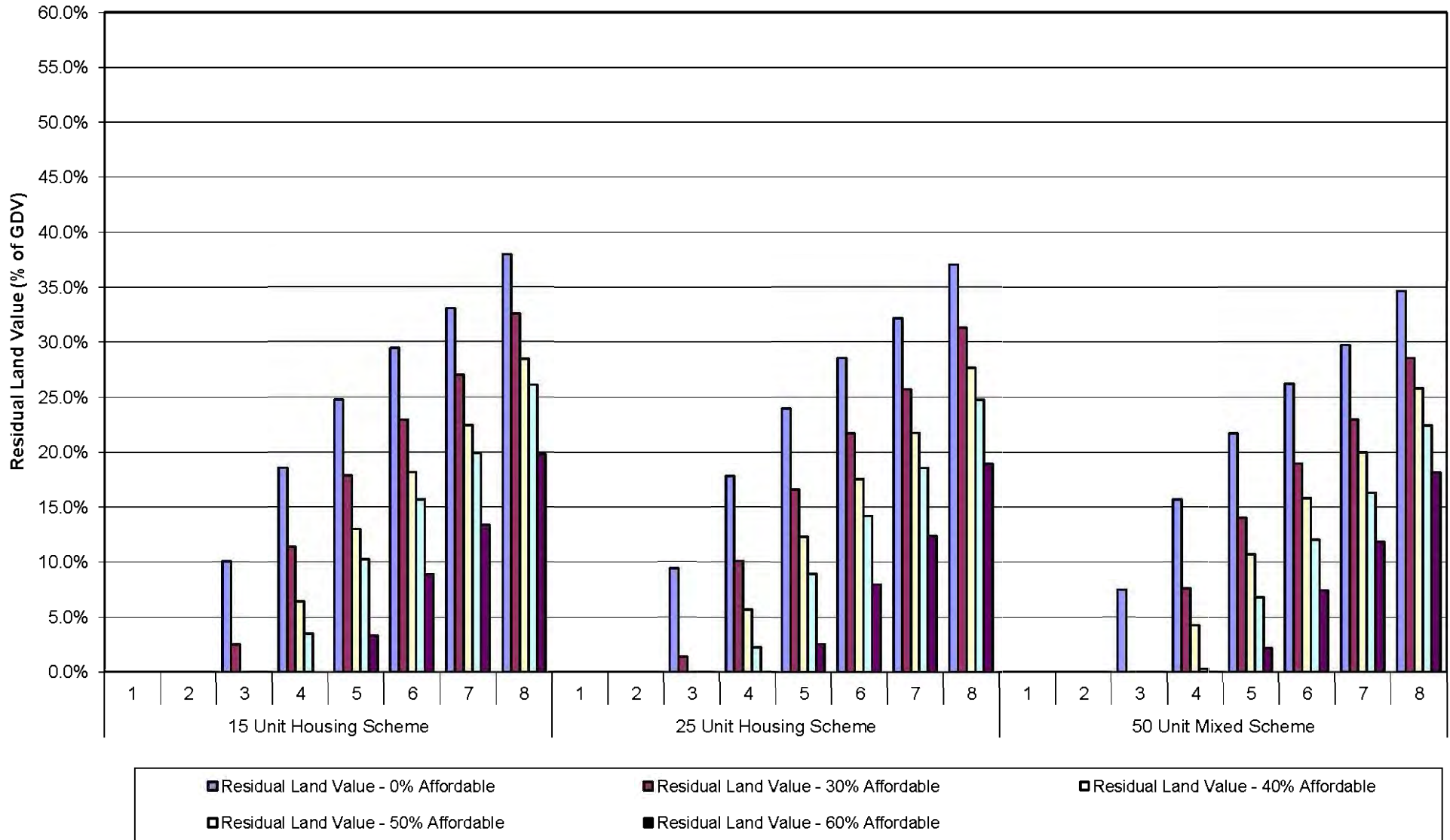


Table 5b: Summary of Residual Land Value (£ per Ha) Appraisals for All Value Points Planning Infrastructure Level £2,500 12.5%, 15%, 17.5%, 20% & 25% Developer's Profit (Higher Density)

Development Scenario / Threshold	Value Point	Site Size	12.5% Developer's Profit					15% Developer's Profit					17.5% Developer's Profit					20% Developer's Profit					25% Developer's Profit						
			Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable		
15 Unit Housing Scheme	1	0.30																											
	2	0.30	£509,816																										
	3	0.30	£1,598,469	£788,471	£369,115	£165,028		£1,431,510	£662,260	£262,601	£88,405		£1,264,552	£547,142	£155,767		£1,100,027	£422,575	£48,973						£771,632	£162,388			
	4	0.30	£2,702,570	£1,606,245	£1,043,506	£779,369	£232,470	£2,502,947	£1,456,920	£919,625	£667,399	£143,235	£2,303,323	£1,307,595	£795,744	£566,882	£54,000	£2,103,699	£1,170,335	£671,863	£457,176				£1,704,451	£668,574	£437,218	£226,312	
	5	0.30	£3,806,672	£2,432,148	£1,740,858	£1,384,241	£704,239	£3,574,383	£2,258,368	£1,568,192	£1,268,369	£615,961	£3,342,003	£2,084,628	£1,425,526	£1,138,077	£513,162	£3,109,803	£1,910,888	£1,282,860	£1,007,786	£114,509			£2,645,224	£1,563,348	£1,007,918	£747,203	£206,835
	6	0.30	£4,910,774	£3,258,051	£2,388,968	£1,997,148	£1,182,982	£4,645,819	£3,059,856	£2,226,239	£1,890,668	£1,068,006	£4,380,863	£2,861,661	£2,063,511	£1,702,995	£953,240	£4,115,908	£2,663,466	£1,908,782	£1,555,903	£838,325			£3,585,997	£2,267,076	£1,575,325	£1,274,883	£821,401
	7	0.30	£6,014,876	£4,083,954	£3,067,078	£2,610,055	£1,644,594	£5,717,255	£3,861,324	£2,884,287	£2,444,840	£1,516,874	£5,419,634	£3,636,694	£2,701,496	£2,279,625	£1,389,155	£5,122,013	£3,416,064	£2,518,705	£2,114,410	£1,274,576			£4,526,770	£2,970,804	£2,153,123	£1,783,960	£1,016,476
	8	0.30	£8,026,795	£5,588,933	£4,302,744	£3,728,907	£2,507,976	£7,669,650	£5,321,777	£4,083,395	£3,528,650	£2,354,713	£7,312,504	£5,054,621	£3,864,046	£3,330,392	£2,201,450	£8,955,359	£4,787,465	£3,644,607	£3,132,134	£2,048,187			£6,241,068	£4,253,153	£3,205,999	£2,735,618	£1,741,660
25 Unit Housing Scheme	1	0.63																											
	2	0.63	£456,840																										
	3	0.63	£1,542,325	£897,717	£432,736	£84,051		£1,377,470	£575,538	£229,986		£1,212,614	£453,359	£123,874		£1,047,759	£330,008								£725,528	£89,506			
	4	0.63	£2,632,520	£1,490,172	£996,313	£679,069	£185,635	£2,435,410	£1,345,594	£974,514	£571,033	£97,995	£2,238,301	£1,201,018	£780,556	£462,997	£2,041,191	£1,056,438	£637,489	£362,279				£1,646,972	£767,282	£391,353	£143,183		
	5	0.63	£3,722,715	£2,289,820	£1,689,971	£1,263,448	£650,303	£3,493,351	£2,121,584	£1,528,242	£1,139,029	£551,371	£3,263,987	£1,953,347	£1,386,512	£1,014,610	£452,439	£3,034,823	£1,786,111	£1,244,783	£899,191	£369,795			£2,575,896	£1,448,839	£961,323	£648,033	£160,456
	6	0.63	£4,812,909	£3,099,467	£2,343,829	£1,854,827	£1,108,989	£4,551,291	£2,897,573	£2,181,989	£1,742,912	£897,308	£4,289,673	£2,705,879	£2,020,309	£1,570,996	£885,626	£4,028,055	£2,513,784	£1,858,649	£1,429,081	£773,945			£3,504,819	£2,129,995	£1,535,328	£1,145,250	£558,318
	7	0.63	£5,903,104	£3,889,115	£3,017,287	£2,446,207	£1,574,379	£5,809,232	£3,673,562	£2,835,696	£2,298,795	£1,448,929	£5,315,360	£3,456,010	£2,654,105	£2,127,383	£1,323,478	£5,021,487	£3,242,457	£2,472,515	£1,967,971	£1,198,028			£4,433,742	£2,811,352	£2,109,333	£1,649,147	£947,128
	8	0.63	£7,889,682	£5,346,251	£4,244,842	£3,523,631	£2,422,422	£7,537,035	£5,087,588	£4,028,933	£3,332,537	£2,271,882	£7,194,388	£4,828,924	£3,809,024	£3,141,242	£2,121,342	£8,831,741	£4,576,261	£3,591,115	£2,949,948	£1,970,802			£6,126,447	£4,052,935	£3,155,296	£2,567,360	£1,689,721
50 Unit Mixed Scheme	1	0.91																											
	2	0.91	£458,496																										
	3	0.91	£1,814,407	£977,932	£320,543			£1,601,434	£532,878	£191,476		£1,391,460	£380,762	£56,364		£1,181,487	£233,361								£761,540				
	4	0.91	£3,169,045	£1,654,952	£1,174,910	£694,867	£211,538	£2,918,995	£1,475,499	£1,017,070	£588,442	£107,201	£2,688,765	£1,296,045	£881,031	£430,454	£2,418,824	£1,118,592	£704,091	£294,628				£1,918,344	£757,695	£394,277	£23,687		
	5	0.91	£4,526,883	£2,631,973	£2,032,581	£1,433,490	£833,798	£4,236,376	£2,423,613	£1,850,287	£1,276,920	£703,574	£3,946,089	£2,215,254	£1,667,953	£1,120,651	£573,349	£3,655,762	£2,006,895	£1,485,638	£964,362	£447,741			£3,075,117	£1,590,176	£1,121,010	£651,843	£190,287
	6	0.91	£5,894,321	£3,688,993	£2,890,253	£2,171,512	£1,452,772	£5,553,847	£3,371,728	£2,682,563	£1,993,399	£1,394,235	£5,223,373	£3,134,163	£2,474,874	£1,815,296	£1,155,897	£4,892,899	£2,897,198	£2,267,185	£1,637,172	£1,007,160			£4,231,951	£2,422,867	£1,851,807	£1,280,946	£710,065
	7	0.91	£7,241,959	£4,596,014	£3,747,924	£2,988,835	£2,071,745	£6,871,318	£4,319,843	£3,514,880	£2,709,878	£1,984,895	£6,500,678	£4,053,671	£3,281,796	£2,509,920	£1,738,045	£8,130,037	£3,787,500	£3,048,732	£2,309,963	£1,571,195			£5,386,755	£3,255,158	£2,582,604	£1,910,049	£1,237,495
	8	0.91	£9,747,491	£6,395,330	£5,323,438	£4,261,545	£3,109,653	£9,302,722	£6,065,925	£5,043,761	£4,021,597	£2,989,432	£8,957,953	£5,746,520	£4,784,084	£3,781,648	£2,799,212	£9,413,194	£5,427,114	£4,484,407	£3,541,899	£2,598,992			£7,523,646	£4,788,304	£3,925,053	£3,081,802	£2,198,552

Source: Adams Integra, November 2009

=Within Range of Indicative VOA Agricultural and Lower Industrial Land Values
 =Within Range of Indicative VOA Industrial Land Values
 =Outside Range of Indicative VOA Agricultural and Lower Industrial Land Values
 =Outside Range of Indicative VOA Industrial Land Values

Table 5c: Summary of Residual Land Value (£ per Ha) Appraisals for All Value Points Planning Infrastructure Level £2,500 12.5%, 15%, 17.5%, 20% & 25% Developer's Profit (Lower Density)

Development Scenario / Threshold	Value Point	Site Size	12.5% Developer's Profit					15% Developer's Profit					17.5% Developer's Profit					20% Developer's Profit					25% Developer's Profit				
			Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable
15 Unit Housing Scheme	1	0.60																									
	2	0.60	£322,883					£237,540							£148,953						£80,357						
	3	0.60	£1,012,363	£899,365	£233,063	£104,518		£906,623	£419,444	£166,314	£43,374			£800,883	£346,523	£98,665				£702,384	£267,631	£31,016			£488,701	£102,845	
	4	0.60	£1,711,628	£1,017,289	£660,887	£493,800	£147,231	£1,585,199	£922,716	£582,429	£422,696	£90,716	£1,458,771	£828,144	£503,971	£359,026	£34,200	£1,332,342	£744,212	£425,514	£289,545		£1,079,485	£550,097	£276,905	£143,331	
	5	0.60	£2,410,692	£1,540,360	£1,063,543	£876,886	£416,018	£2,263,776	£1,430,312	£993,486	£603,300	£390,108	£2,116,659	£1,320,264	£802,833	£720,782	£325,003	£1,969,542	£1,240,216	£812,478	£638,264	£262,522	£1,675,308	£990,120	£638,348	£473,228	£130,996
	6	0.60	£3,110,157	£2,083,432	£1,513,013	£1,264,860	£749,222	£2,942,352	£1,937,009	£1,409,952	£1,171,709	£678,461	£2,774,547	£1,812,385	£1,308,890	£1,078,557	£603,700	£2,606,742	£1,686,862	£1,203,829	£985,405	£530,939	£2,274,132	£1,435,815	£997,706	£687,426	£393,364
	7	0.60	£3,809,422	£2,596,504	£1,942,482	£1,653,035	£1,041,576	£3,620,928	£2,445,505	£1,826,715	£1,548,399	£960,687	£3,432,435	£2,304,508	£1,710,947	£1,443,782	£879,798	£3,243,941	£2,163,507	£1,595,180	£1,339,126	£807,231	£2,866,955	£1,881,509	£1,363,644	£1,129,054	£643,768
	8	0.60	£5,083,637	£3,539,657	£2,725,071	£2,360,375	£1,588,395	£4,857,445	£3,370,459	£2,596,150	£2,234,811	£1,491,318	£4,631,253	£3,201,260	£2,447,229	£2,109,248	£1,394,252	£4,405,061	£3,032,061	£2,308,308	£1,963,695	£1,297,185	£3,952,677	£2,693,663	£2,030,466	£1,732,568	£1,103,052
25 Unit Housing Scheme	1	1.00																									
	2	1.00	£287,809					£207,594								£122,672					£35,652						
	3	1.00	£971,665	£439,562	£209,625	£52,952		£867,806	£362,589	£144,891			£763,947	£285,616	£78,040		£690,088	£212,945						£457,063	£56,389		
	4	1.00	£1,658,487	£938,808	£627,677	£427,814	£116,950	£1,534,308	£847,724	£550,944	£369,751	£61,731	£1,410,129	£756,640	£478,150	£291,688		£1,285,950	£685,556	£401,618	£226,236		£1,037,592	£483,388	£246,553	£90,205	
	5	1.00	£2,345,310	£1,442,586	£1,052,082	£795,972	£409,691	£2,200,811	£1,336,598	£962,792	£717,588	£347,364	£2,056,312	£1,230,809	£873,503	£639,204	£285,036	£1,911,813	£1,124,620	£784,213	£560,820	£227,301	£1,622,814	£912,642	£685,634	£408,261	£101,087
	6	1.00	£3,032,133	£1,946,364	£1,476,486	£1,168,541	£698,663	£2,867,314	£1,825,471	£1,374,640	£1,079,134	£628,304	£2,702,494	£1,704,577	£1,272,795	£989,728	£557,945	£2,537,675	£1,583,684	£1,170,949	£900,321	£487,585	£2,208,036	£1,341,897	£967,257	£721,507	£390,480
	7	1.00	£3,718,956	£2,450,142	£1,900,891	£1,541,110	£991,859	£3,533,816	£2,314,344	£1,786,489	£1,440,681	£912,825	£3,348,677	£2,178,546	£1,672,086	£1,340,251	£833,791	£3,163,537	£2,042,748	£1,557,684	£1,239,822	£754,758	£2,793,258	£1,771,152	£1,328,880	£1,038,963	£596,680
	8	1.00	£4,970,499	£3,368,196	£2,674,251	£2,220,014	£1,526,126	£4,748,332	£3,205,480	£2,536,968	£2,099,498	£1,431,286	£4,526,164	£3,042,222	£2,399,685	£1,978,983	£1,336,445	£4,303,997	£2,878,265	£2,262,402	£1,858,467	£1,241,605	£3,859,662	£2,553,349	£1,987,837	£1,617,437	£1,051,924
50 Unit Mixed Scheme	1	1.43																									
	2	1.43	£291,770					£182,596								£75,672											
	3	1.43	£1,152,744	£431,411	£203,982			£1,019,094	£339,104	£121,848			£885,475	£242,303	£35,868		£751,855	£148,502						£484,616			
	4	1.43	£2,016,685	£1,053,151	£747,670	£442,188	£140,979	£1,857,485	£996,954	£647,799	£356,645	£88,219	£1,698,305	£824,756	£547,929	£273,925		£1,530,125	£740,559	£448,058	£187,491		£1,220,764	£482,163	£250,904		
	5	1.43	£2,880,617	£1,674,892	£1,293,461	£912,030	£530,599	£2,695,876	£1,542,299	£1,177,443	£812,598	£447,729	£2,511,135	£1,409,707	£1,061,424	£713,142	£364,858	£2,326,394	£1,277,115	£945,406	£613,697	£284,926	£1,956,912	£1,011,930	£713,370	£414,809	£121,092
	6	1.43	£3,744,588	£2,296,632	£1,839,252	£1,381,871	£924,491	£3,534,266	£2,145,645	£1,707,086	£1,288,527	£829,967	£3,323,965	£1,994,858	£1,574,920	£1,155,182	£735,444	£3,113,863	£1,843,671	£1,442,754	£1,041,837	£640,920	£2,693,060	£1,541,897	£1,176,422	£815,147	£451,872
	7	1.43	£4,608,519	£2,918,372	£2,385,043	£1,854,713	£1,318,383	£4,372,657	£2,748,991	£2,236,729	£1,734,468	£1,212,206	£4,136,795	£2,579,809	£2,088,416	£1,597,222	£1,106,029	£3,900,932	£2,410,227	£1,948,102	£1,469,977	£999,851	£3,428,208	£2,074,464	£1,643,475	£1,215,486	£787,487
	8	1.43	£5,202,949	£4,063,382	£3,387,642	£2,711,892	£2,036,143	£5,019,914	£3,860,134	£3,209,666	£2,559,198	£1,908,730	£5,836,879	£3,656,876	£3,031,880	£2,406,503	£1,781,317	£5,353,844	£3,453,618	£2,853,713	£2,253,809	£1,653,904	£4,787,775	£3,047,102	£2,497,761	£1,948,420	£1,399,878

Source: Adams Integra, November 2009

Within Range of Indicative VOA Agricultural and Lower Industrial Land Values

Within Range of Indicative VOA Industrial Land Values

Outside Range of Indicative VOA Agricultural and Lower Industrial Land Values

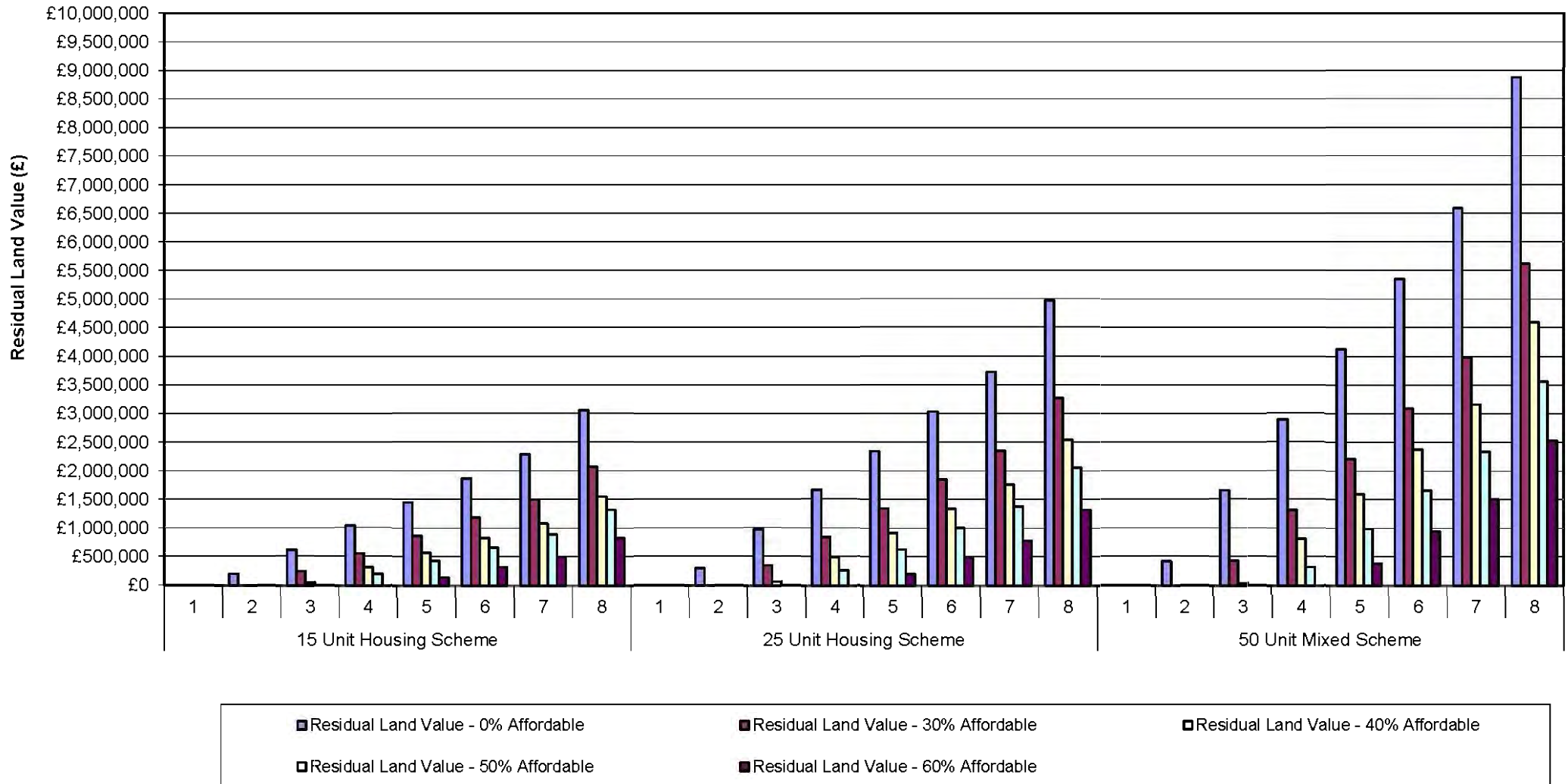
Outside Range of Indicative VOA Industrial Land Values

**Table 6: Summary of Residual Land Value (£) Appraisals for All Value Points -
Planning Infrastructure Level £2,500
12.5%, 15%, 17.5%, 20% & 25% Developer's Profit
Without Grant**

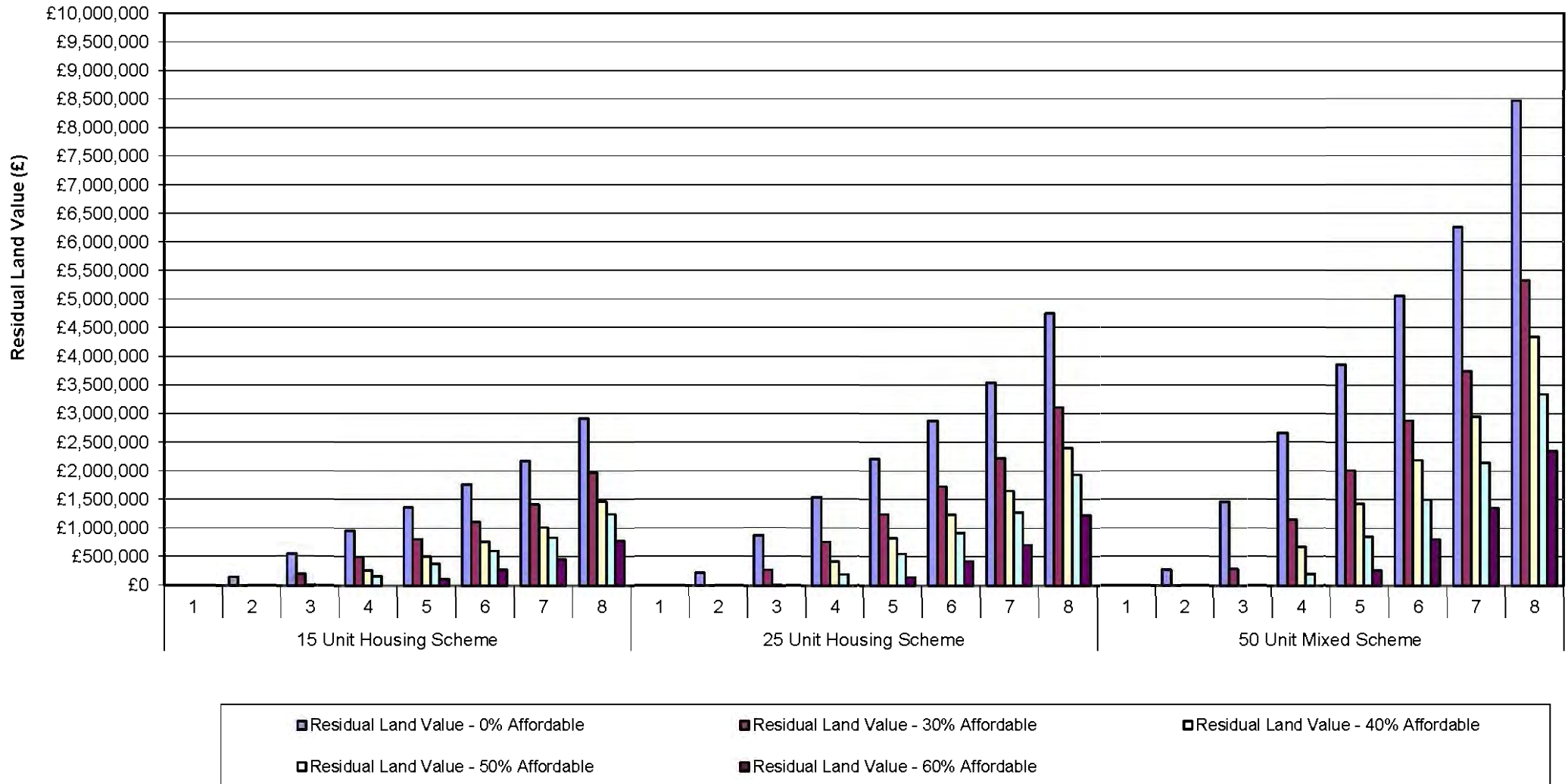
Development Scenario / Threshold	Value Point	12.5% Developer's Profit					15% Developer's Profit					17.5% Developer's Profit					20% Developer's Profit					25% Developer's Profit				
		Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable
15 Unit Housing Scheme	1	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
	2	£193,730	£0	£0	£0	£0	£142,529	£0	£0	£0	£0	£89,372	£0	£0	£0	£0	£36,214	£0	£0	£0	£0	£0	£0	£0	£0	£0
	3	£607,418	£243,538	£50,889	£0	£0	£543,974	£199,619	£10,300	£0	£0	£480,530	£152,199	£0	£0	£0	£421,430	£102,764	£0	£0	£0	£293,220	£3,892	£0	£0	£0
	4	£1,026,977	£554,871	£309,728	£200,733	£0	£951,120	£498,127	£262,654	£158,896	£0	£875,263	£445,982	£220,024	£115,032	£0	£799,405	£388,647	£173,716	£71,168	£0	£647,691	£273,978	£76,854	£0	£0
	5	£1,446,535	£868,714	£564,217	£432,008	£144,421	£1,358,265	£802,685	£510,004	£382,498	£104,963	£1,269,995	£736,856	£460,539	£332,987	£65,505	£1,181,725	£870,628	£405,761	£283,476	£26,047	£1,085,185	£538,570	£296,205	£188,258	£0
	6	£1,866,094	£1,182,557	£821,899	£660,459	£322,011	£1,765,411	£1,107,243	£760,062	£604,568	£278,354	£1,664,728	£1,031,929	£690,225	£548,677	£239,536	£1,564,045	£956,615	£636,388	£492,786	£194,980	£1,362,679	£805,987	£512,715	£384,973	£106,936
	7	£2,285,653	£1,496,400	£1,079,580	£893,364	£498,738	£2,172,557	£1,411,801	£1,010,120	£830,582	£454,894	£2,059,461	£1,327,201	£940,659	£767,801	£405,855	£1,946,365	£1,242,602	£871,199	£705,019	£356,816	£1,720,473	£1,073,403	£732,278	£579,456	£258,738
	8	£3,050,182	£2,068,292	£1,549,134	£1,317,768	£826,823	£2,914,467	£1,966,773	£1,465,781	£1,242,430	£768,583	£2,778,752	£1,865,254	£1,382,428	£1,167,092	£710,343	£2,643,036	£1,763,734	£1,299,076	£1,091,754	£652,103	£2,371,606	£1,560,696	£1,132,370	£941,078	£535,623
25 Unit Housing Scheme	1	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
	2	£287,809	£0	£0	£0	£0	£207,594	£0	£0	£0	£0	£122,672	£0	£0	£0	£0	£35,852	£0	£0	£0	£0	£0	£0	£0	£0	£0
	3	£971,865	£342,003	£67,287	£0	£0	£867,806	£265,030	£436	£0	£0	£763,947	£191,935	£0	£0	£0	£660,888	£114,520	£0	£0	£0	£457,083	£0	£0	£0	£0
	4	£1,658,487	£842,255	£489,000	£260,194	£0	£1,534,308	£751,171	£416,562	£196,093	£0	£1,410,129	£660,087	£339,029	£127,906	£0	£1,285,950	£569,003	£261,496	£57,738	£0	£1,037,592	£390,864	£109,723	£0	£0
	5	£2,345,310	£1,346,034	£913,405	£630,081	£203,623	£2,200,811	£1,240,045	£824,115	£551,687	£141,424	£2,056,312	£1,134,056	£734,826	£478,243	£77,169	£1,911,813	£1,028,067	£645,536	£399,043	£12,914	£1,622,814	£816,090	£471,821	£245,603	£0
	6	£3,032,133	£1,849,812	£1,337,810	£1,002,850	£490,648	£2,867,314	£1,728,918	£1,235,964	£913,243	£424,667	£2,702,494	£1,608,025	£1,134,118	£823,836	£353,575	£2,537,675	£1,487,131	£1,032,772	£734,430	£282,482	£2,208,036	£1,245,344	£828,580	£555,616	£144,637
	7	£3,718,956	£2,353,590	£1,762,214	£1,375,219	£783,843	£3,533,816	£2,217,791	£1,647,812	£1,274,789	£704,810	£3,348,677	£2,081,993	£1,533,410	£1,174,360	£625,776	£3,163,537	£1,946,195	£1,419,007	£1,073,930	£546,742	£2,793,258	£1,674,599	£1,190,203	£873,071	£392,724
	8	£4,970,499	£3,271,585	£2,535,574	£2,054,122	£1,318,111	£4,748,332	£3,108,827	£2,398,291	£1,933,607	£1,223,271	£4,526,164	£2,945,689	£2,261,008	£1,813,891	£1,128,430	£4,303,997	£2,782,712	£2,123,725	£1,682,576	£1,033,590	£3,859,662	£2,456,796	£1,849,160	£1,451,545	£843,909
50 Unit Mixed Scheme	1	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
	2	£417,232	£0	£0	£0	£0	£261,098	£0	£0	£0	£0	£188,210	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
	3	£1,648,381	£428,207	£34,950	£0	£0	£1,457,305	£289,782	£0	£0	£0	£1,266,229	£156,038	£0	£0	£0	£1,075,153	£13,332	£0	£0	£0	£893,001	£0	£0	£0	£0
	4	£2,883,831	£1,312,882	£814,033	£318,468	£0	£2,656,204	£1,149,579	£671,219	£198,885	£0	£2,428,576	£986,277	£528,404	£73,470	£0	£2,200,948	£822,974	£389,605	£0	£0	£1,745,893	£496,369	£104,124	£0	£0
	5	£4,119,282	£2,011,970	£1,594,514	£987,859	£383,557	£3,855,102	£2,012,363	£1,428,608	£844,854	£263,818	£3,590,923	£1,822,756	£1,262,702	£702,648	£148,536	£3,326,743	£1,633,150	£1,096,796	£560,443	£25,094	£2,798,384	£1,253,936	£764,984	£278,908	£0
	6	£5,354,732	£3,091,059	£2,374,896	£1,658,932	£942,869	£5,054,001	£2,875,148	£2,185,998	£1,496,849	£807,700	£4,753,270	£2,859,236	£1,997,001	£1,334,766	£672,531	£4,452,538	£2,443,325	£1,808,004	£1,172,683	£537,362	£3,851,076	£2,011,502	£1,430,010	£848,517	£269,805
	7	£6,590,183	£3,980,148	£3,155,477	£2,330,806	£1,506,135	£6,252,900	£3,737,932	£2,943,388	£2,148,845	£1,354,301	£5,915,617	£3,495,716	£2,731,300	£1,966,884	£1,202,467	£5,578,333	£3,253,501	£2,519,212	£1,784,823	£1,090,634	£4,903,767	£2,769,069	£2,095,035	£1,421,001	£746,966
	8	£8,870,217	£5,617,526	£4,589,194	£3,560,862	£2,532,530	£8,465,477	£5,326,867	£4,334,888	£3,342,509	£2,350,330	£8,060,737	£5,036,208	£4,080,182	£3,124,156	£2,168,129	£7,655,997	£4,745,549	£3,825,676	£2,905,802	£1,985,929	£6,846,518	£4,164,232	£3,316,664	£2,469,896	£1,621,520

Source: Adams Integra, November 2009

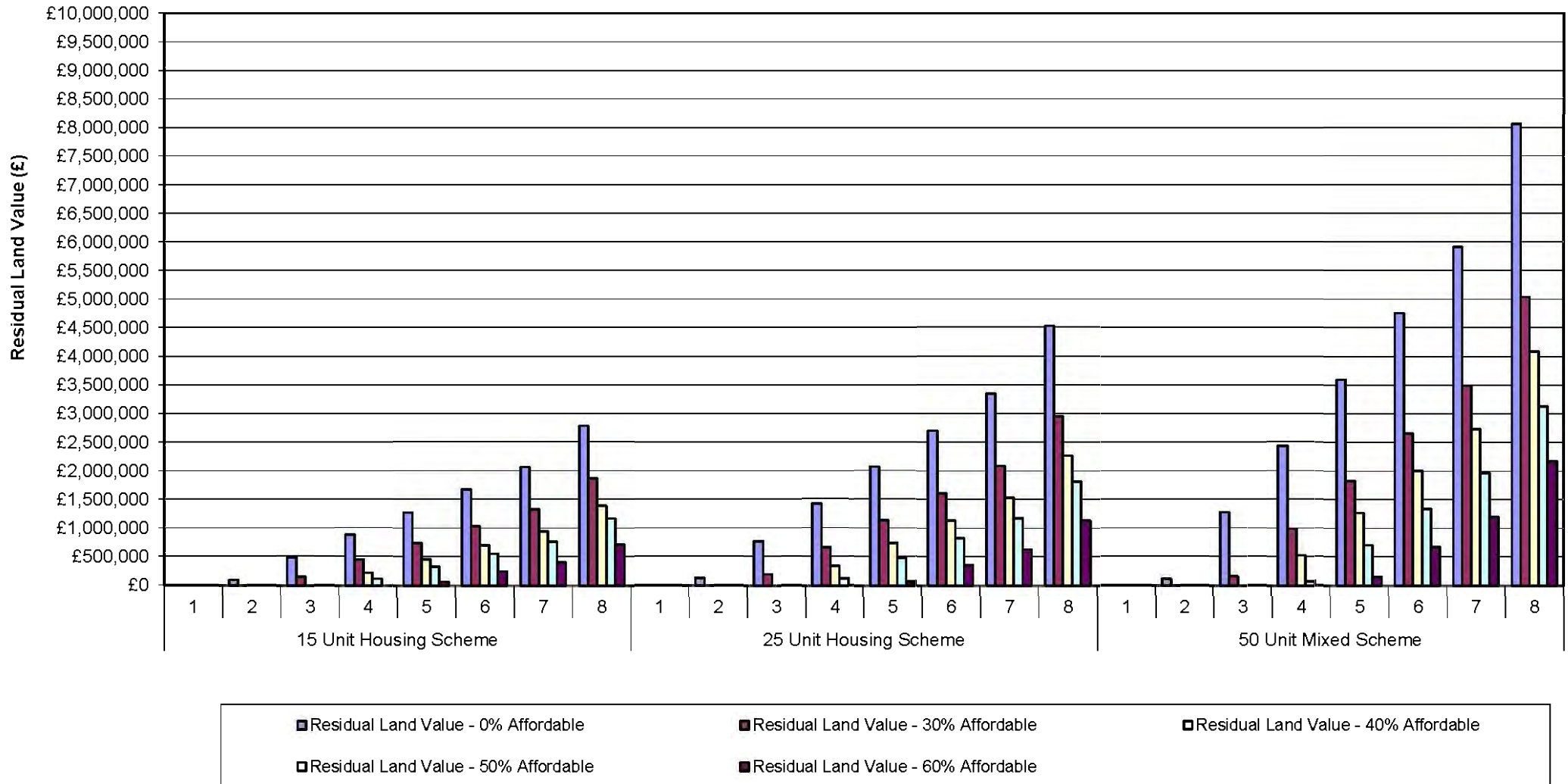
**Graph 10: Summary of Residual Land Values at 0%, 30%, 40%, 50% & 60% Affordable Housing Across All Value Points
 Planning Infrastructure Level £2,500
 12.5% Developer's Profit
 Without Grant**



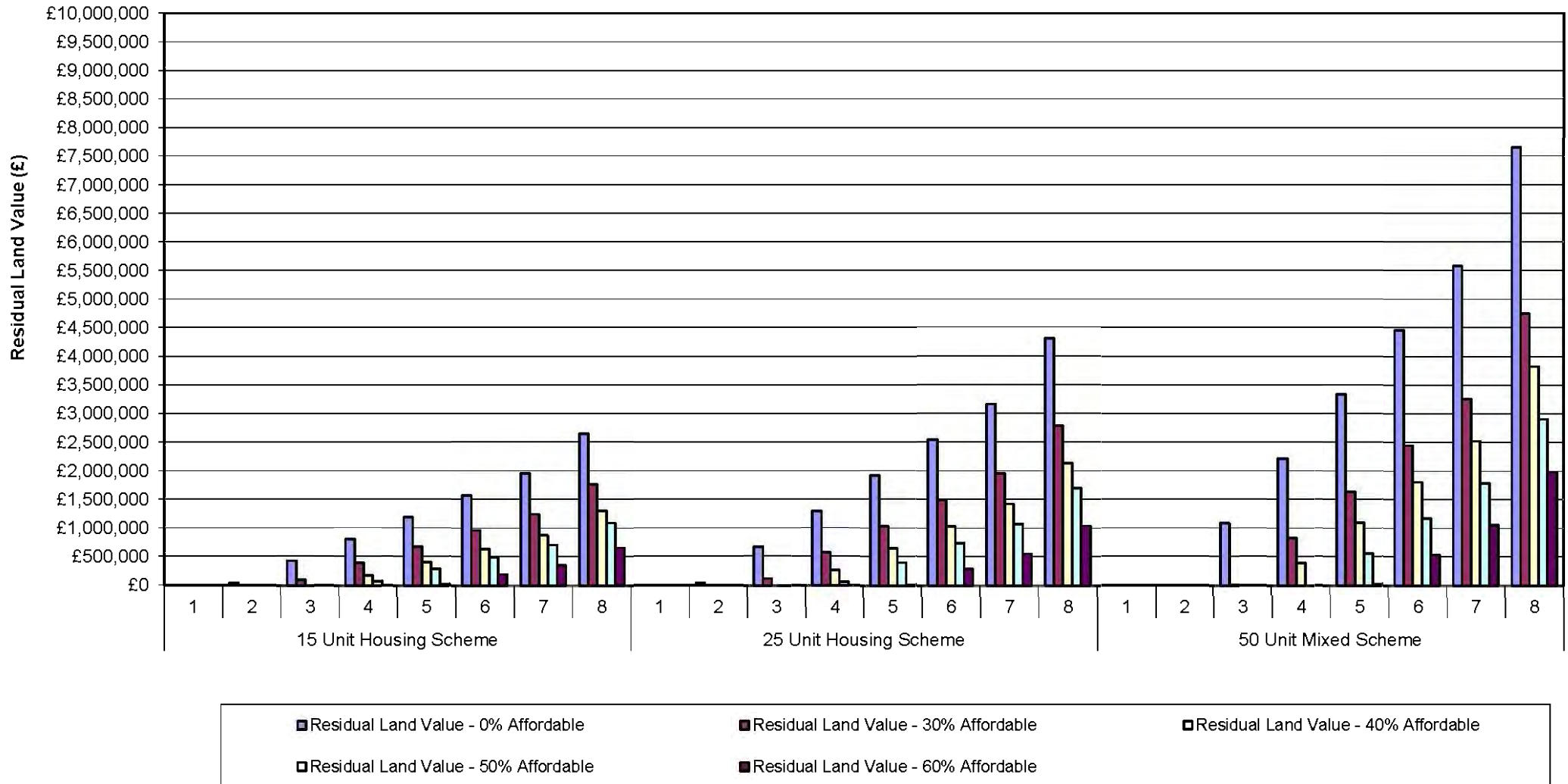
**Graph 11: Summary of Residual Land Values at 0%, 30%, 40%, 50% & 60% Affordable Housing Across All Value Points
 Planning Infrastructure Level £2,500
 15% Developer's Profit
 Without Grant**



**Graph 12: Summary of Residual Land Values at 0%, 30%, 40%, 50% & 60% Affordable Housing Across All Value Points
 Planning Infrastructure Level £2,500
 17.5% Developer's Profit
 Without Grant**



**Graph 13: Summary of Residual Land Values at 0%, 30%, 40%, 50% & 60% Affordable Housing Across All Value Points
 Planning Infrastructure Level £2,500
 20% Developer's Profit
 Without Grant**



**Graph 14: Summary of Residual Land Values at 0%, 30%, 40%, 50% & 60% Affordable Housing Across All Value Points
 Planning Infrastructure Level £2,500
 25% Developer's Profit
 Without Grant**

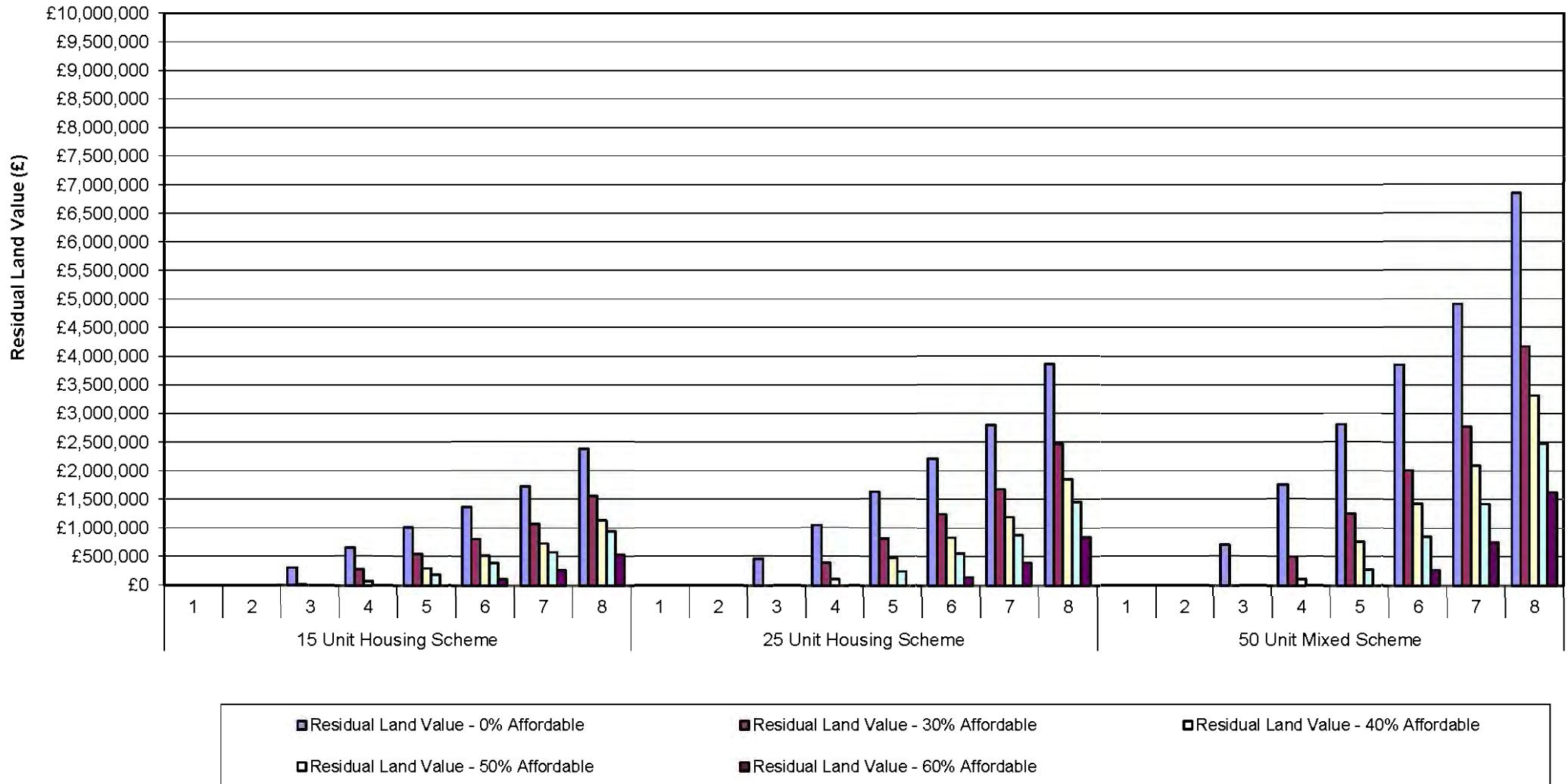
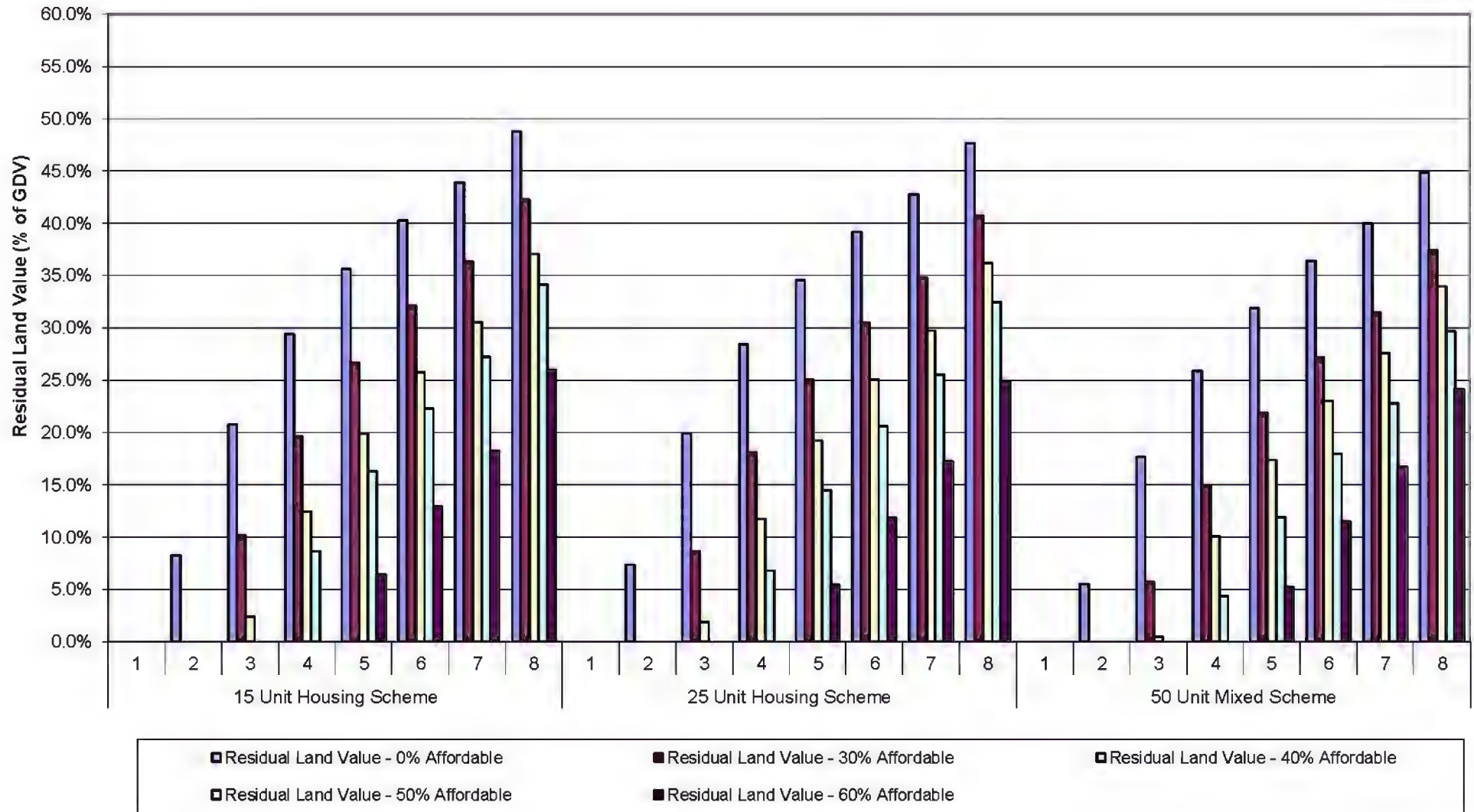


Table 6a: Summary of Residual Land Value (as % of GDV) Appraisals for All Value Points Planning Infrastructure Level £2,500 Without Grant 12.5%, 15%, 17.5%, 20% & 25% Developer's Profit

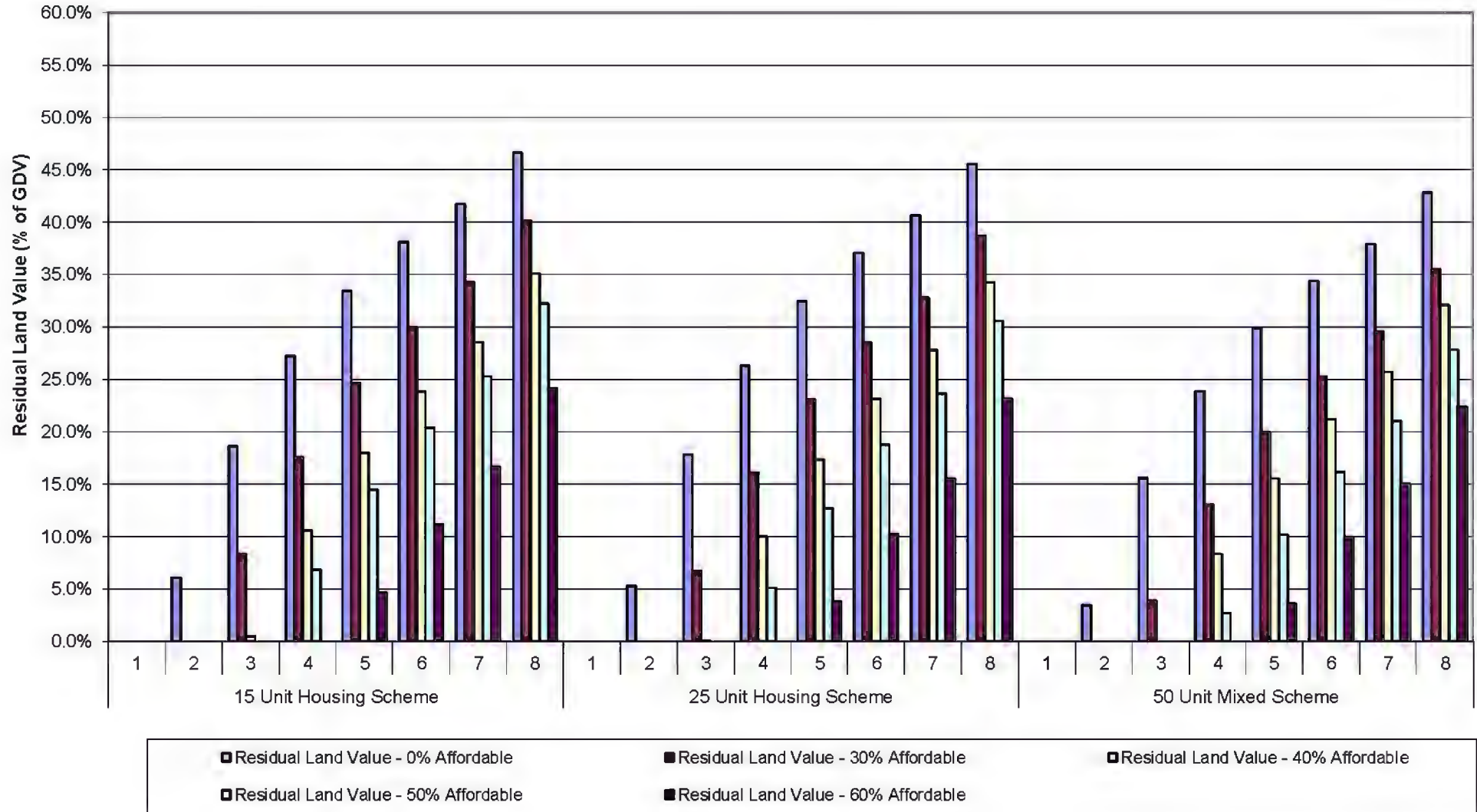
Development Scenario / Threshold	Value Point	12.5% Developer's Profit					15% Developer's Profit					17.5% Developer's Profit					20% Developer's Profit					25% Developer's Profit									
		Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable					
15 Unit Housing Scheme	1	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	2	8.2%	0.0%	0.0%	0.0%	0.0%	6.1%	0.0%	0.0%	0.0%	0.0%	3.8%	0.0%	0.0%	0.0%	0.0%	1.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	3	20.8%	10.1%	2.4%	0.0%	0.0%	18.6%	8.3%	0.5%	0.0%	0.0%	16.5%	6.3%	0.0%	0.0%	0.0%	14.4%	4.3%	0.0%	0.0%	0.0%	10.0%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	4	29.4%	19.6%	12.5%	8.6%	0.0%	27.2%	17.6%	10.6%	6.8%	0.0%	25.1%	15.7%	8.9%	4.9%	0.0%	22.9%	13.7%	7.0%	3.1%	0.0%	18.5%	9.7%	3.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	5	35.6%	26.6%	19.9%	16.3%	6.4%	33.4%	24.6%	18.0%	14.5%	4.7%	31.2%	22.6%	16.2%	12.6%	2.9%	29.1%	20.6%	14.3%	10.7%	1.2%	24.7%	16.5%	10.4%	7.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	6	40.3%	32.1%	25.8%	22.3%	12.9%	38.1%	30.0%	23.8%	20.4%	11.2%	35.9%	28.0%	21.9%	18.5%	9.6%	33.7%	25.9%	20.0%	16.6%	7.8%	29.4%	21.9%	16.1%	13.0%	4.3%	0.0%	0.0%	0.0%	0.0%	0.0%
	7	43.9%	36.4%	30.5%	27.2%	18.2%	41.7%	34.3%	28.6%	25.3%	16.6%	39.6%	32.3%	26.6%	23.4%	14.8%	37.4%	30.2%	24.6%	21.5%	13.0%	33.0%	26.1%	20.7%	17.7%	9.5%	0.0%	0.0%	0.0%	0.0%	0.0%
	8	48.0%	42.3%	37.1%	34.2%	26.0%	46.6%	40.2%	35.1%	32.2%	24.2%	44.5%	38.1%	33.1%	30.2%	22.3%	42.3%	36.0%	31.1%	28.3%	20.5%	38.0%	31.9%	27.1%	24.4%	16.8%	0.0%	0.0%	0.0%	0.0%	0.0%
25 Unit Housing Scheme	1	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	2	7.3%	0.0%	0.0%	0.0%	0.0%	5.3%	0.0%	0.0%	0.0%	0.0%	3.1%	0.0%	0.0%	0.0%	0.0%	0.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	3	19.9%	8.6%	1.9%	0.0%	0.0%	17.8%	6.7%	0.0%	0.0%	0.0%	15.7%	4.8%	0.0%	0.0%	0.0%	13.5%	2.9%	0.0%	0.0%	0.0%	9.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	4	28.4%	18.0%	11.7%	6.8%	0.0%	26.3%	16.1%	10.0%	5.1%	0.0%	24.2%	14.1%	8.1%	3.3%	0.0%	22.1%	12.2%	6.3%	1.5%	0.0%	17.8%	8.4%	2.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	5	34.6%	25.1%	19.2%	14.5%	5.5%	32.4%	23.1%	17.3%	12.7%	3.8%	30.3%	21.1%	15.5%	11.0%	2.1%	28.2%	19.2%	13.6%	9.2%	0.3%	23.9%	15.2%	9.9%	5.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	6	39.2%	30.5%	25.0%	20.6%	11.8%	37.1%	28.5%	23.1%	18.8%	10.2%	34.9%	26.5%	21.2%	16.9%	8.5%	32.8%	24.5%	19.3%	15.1%	6.8%	28.5%	20.5%	15.5%	11.4%	3.5%	0.0%	0.0%	0.0%	0.0%	0.0%
	7	42.8%	34.8%	29.7%	25.5%	17.2%	40.7%	32.8%	27.8%	23.7%	15.5%	38.5%	30.8%	25.9%	21.8%	13.8%	36.4%	28.8%	23.9%	19.9%	12.0%	32.1%	24.8%	20.1%	16.2%	8.6%	0.0%	0.0%	0.0%	0.0%	0.0%
	8	47.7%	40.7%	36.2%	32.5%	24.9%	45.5%	38.7%	34.2%	30.6%	23.1%	43.4%	36.6%	32.3%	28.7%	21.3%	41.3%	34.6%	30.3%	26.7%	19.5%	37.0%	30.6%	26.4%	22.9%	15.9%	0.0%	0.0%	0.0%	0.0%	0.0%
50 Unit Mixed Scheme	1	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	2	5.5%	0.0%	0.0%	0.0%	0.0%	3.5%	0.0%	0.0%	0.0%	0.0%	1.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	3	17.7%	5.7%	0.5%	0.0%	0.0%	15.6%	3.9%	0.0%	0.0%	0.0%	13.6%	2.1%	0.0%	0.0%	0.0%	11.5%	0.2%	0.0%	0.0%	0.0%	7.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	4	25.9%	14.9%	10.1%	4.4%	0.0%	23.9%	13.1%	8.3%	2.7%	0.0%	21.8%	11.2%	6.6%	1.0%	0.0%	19.8%	9.4%	4.8%	0.0%	0.0%	15.7%	5.6%	1.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	5	31.9%	21.9%	17.4%	11.9%	5.2%	29.9%	20.0%	15.6%	10.2%	3.6%	27.8%	18.1%	13.8%	8.5%	2.0%	25.8%	16.2%	11.9%	6.8%	0.3%	21.7%	12.4%	8.3%	3.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	6	36.4%	27.2%	23.0%	17.9%	11.5%	34.4%	25.3%	21.2%	16.2%	9.9%	32.3%	23.4%	19.4%	14.4%	8.2%	30.3%	21.5%	17.5%	12.7%	6.6%	26.2%	17.7%	13.8%	9.2%	3.3%	0.0%	0.0%	0.0%	0.0%	0.0%
	7	40.0%	31.5%	27.6%	22.8%	16.7%	37.9%	29.6%	25.7%	21.0%	15.0%	35.9%	27.6%	23.9%	19.2%	13.3%	33.8%	25.7%	22.0%	17.5%	11.7%	29.7%	21.9%	18.3%	13.9%	8.3%	0.0%	0.0%	0.0%	0.0%	0.0%
	8	44.0%	37.4%	34.0%	29.7%	24.1%	42.8%	35.5%	32.1%	27.8%	22.4%	40.7%	33.5%	30.2%	26.0%	20.7%	38.7%	31.6%	28.3%	24.2%	18.9%	34.6%	27.7%	24.6%	20.6%	15.5%	0.0%	0.0%	0.0%	0.0%	0.0%

Source: Adams Integra, November 2009

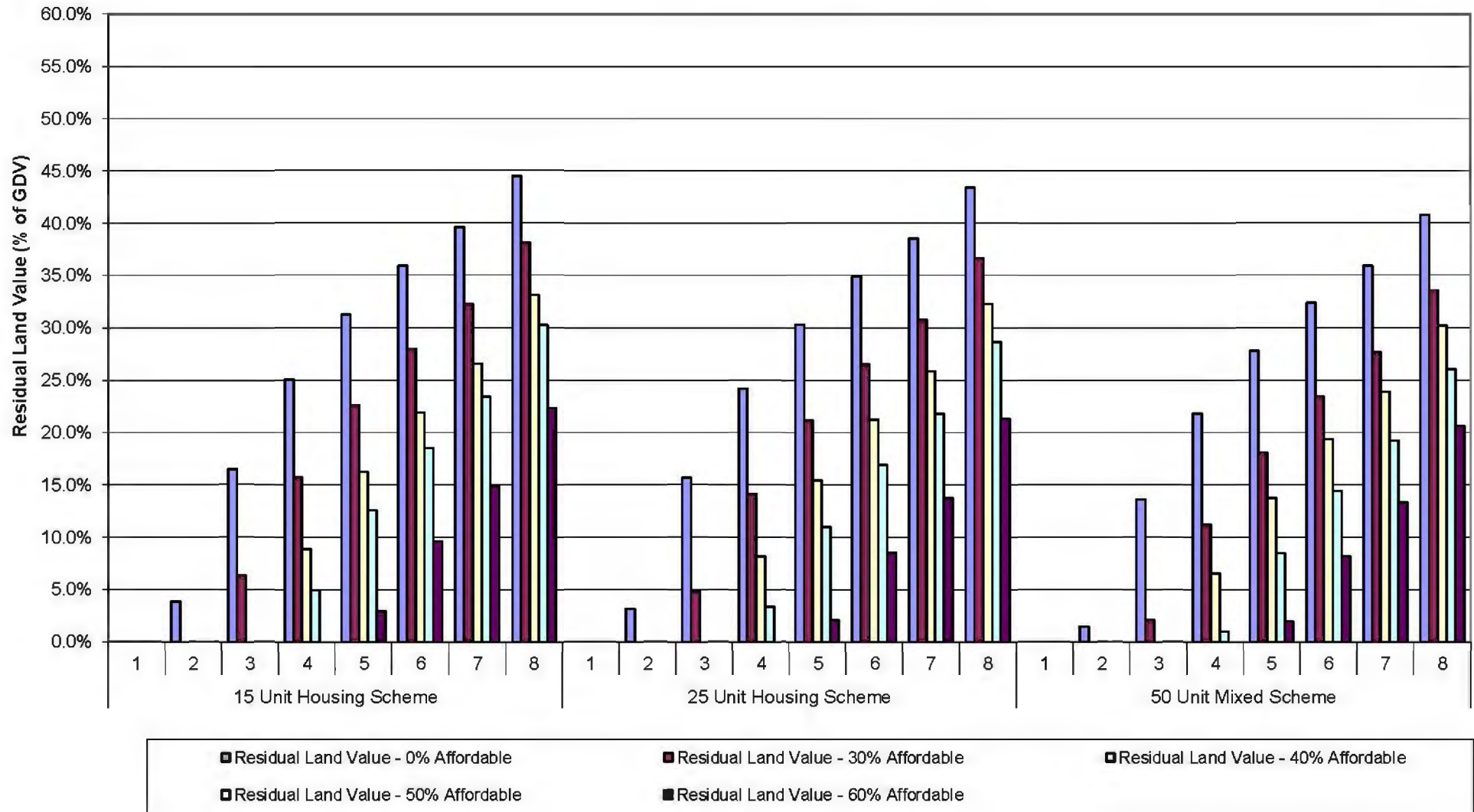
**Graph 10a: Summary of Residual Land Values (as % of GDV) at 0%, 30%, 40%, 50% & 60% Affordable Housing
Across all Value Points
Planning Infrastructure Level £2,500
12.5% Developer's Profit
Without Grant**



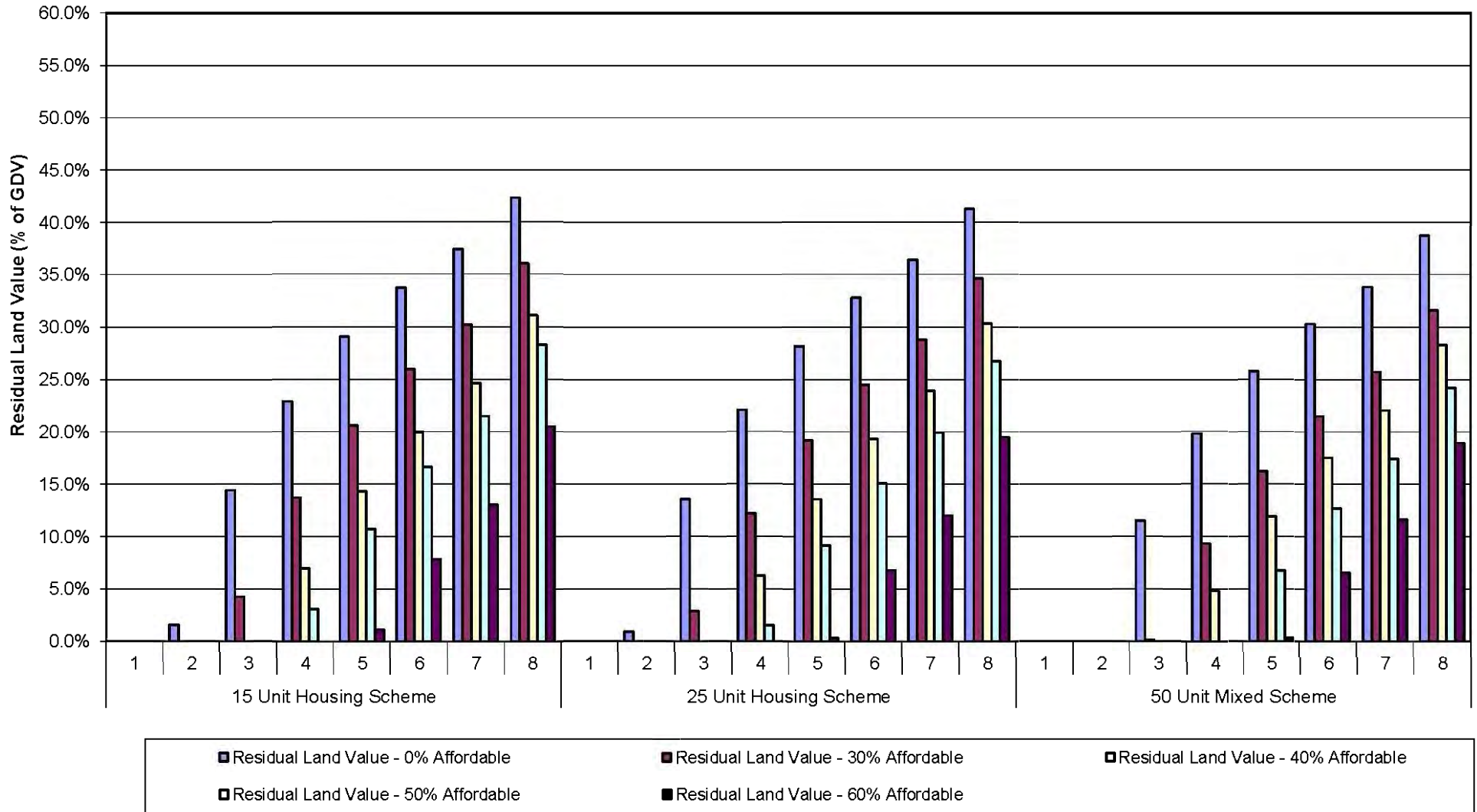
**Graph 11a: Summary of Residual Land Values (as % of GDV) at 0%, 30%, 40%, 50% & 60% Affordable Housing
 Across all Value Points
 Planning Infrastructure Level £2,500
 15% Developer's Profit
 Without Grant**



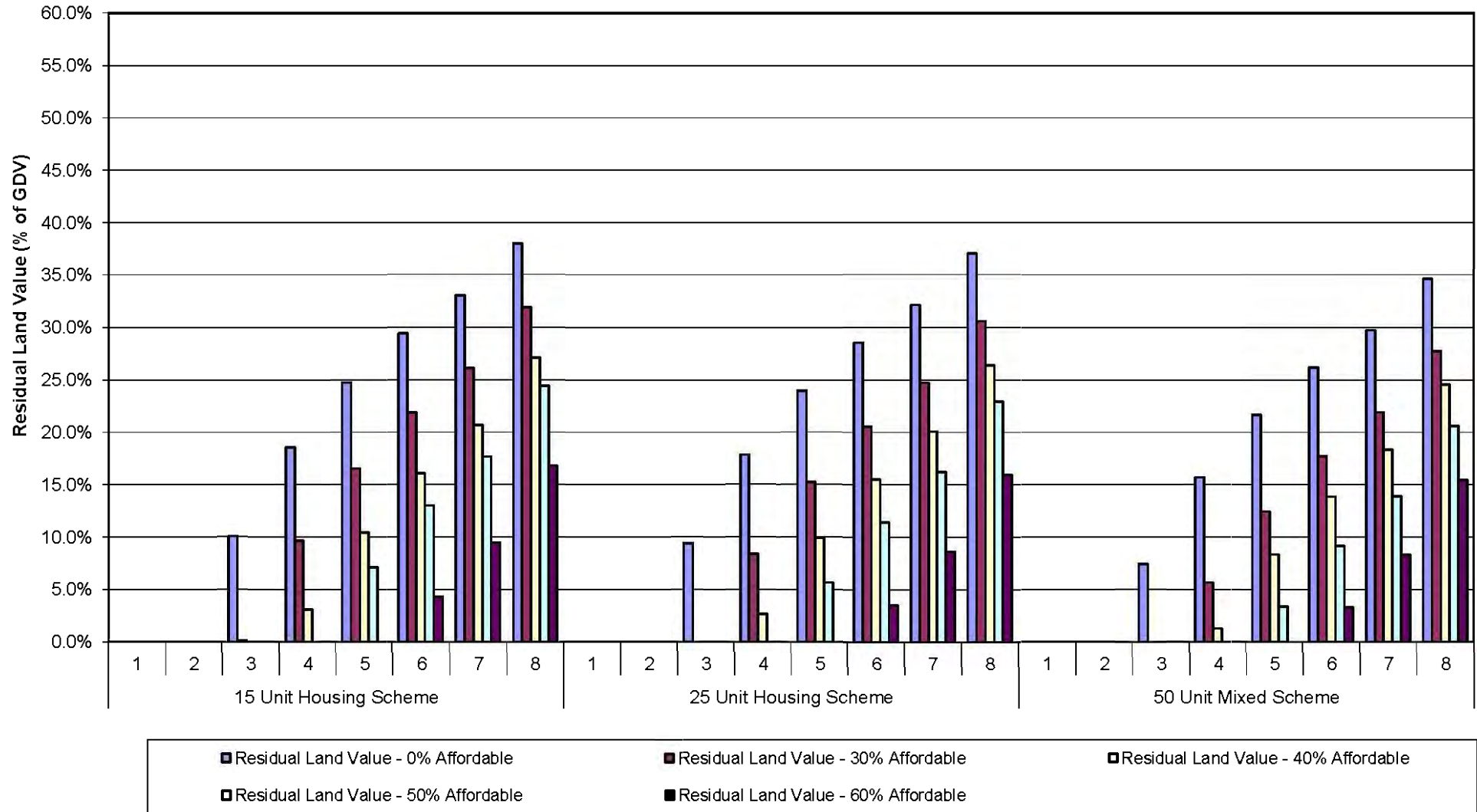
**Graph 12a: Summary of Residual Land Values (as % of GDV) at 0%, 30%, 40%, 50% & 60% Affordable Housing
Across all Value Points
Planning Infrastructure Level £2,500
17.5% Developer's Profit
Without Grant**



**Graph 13a: Summary of Residual Land Values (as % of GDV) at 0%, 30%, 40%, 50% & 60% Affordable Housing
Across all Value Points
Planning Infrastructure Level £2,500
20% Developer's Profit
Without Grant**



**Graph 14a: Summary of Residual Land Values (as % of GDV) at 0%, 30%, 40%, 50% & 60% Affordable Housing
 Across all Value Points
 Planning Infrastructure Level £2,500
 25% Developer's Profit
 Without Grant**



**Table 6b: Summary of Residual Land Value (£ per Ha) Appraisals for
All Value Points
Planning Infrastructure Level £2,500
Without Grant
12.5%, 15%, 17.5% & 25% Developer's Profit
(Higher Density)**

Development Scenario / Threshold	Value Point	Site Size	12.5% Developer's Profit					15% Developer's Profit					17.5% Developer's Profit					20% Developer's Profit					25% Developer's Profit						
			Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable		
15 Unit Housing Scheme	1	0.30																											
	2	0.30	£500,816					£375,077								£235,180				£95,301									
	3	0.30	£1,598,469	£940,891	£133,919			£1,431,510	£525,312	£27,105						£1,264,552	£400,524			£1,109,027	£270,431				£771,632				
	4	0.30	£2,702,570	£1,460,186	£815,074	£528,244		£2,502,947	£1,310,861	£691,194	£418,148					£2,303,323	£1,173,636	£579,010	£302,716	£2,103,699	£1,022,755	£457,116	£187,284			£1,704,451	£720,994	£201,722	
	5	0.30	£3,806,672	£2,286,069	£1,484,781	£1,138,864	£380,056	£3,574,383	£2,112,329	£1,342,115	£1,006,573	£276,218				£3,342,693	£1,938,569	£1,211,944	£878,281	£3,109,903	£1,764,809	£1,067,791	£745,990	£88,544		£2,645,224	£1,417,269	£779,487	
	6	0.30	£4,910,774	£3,111,992	£2,162,891	£1,738,051	£847,366	£4,645,819	£2,913,797	£2,000,163	£1,590,969	£732,510				£4,380,863	£2,715,602	£1,837,434	£1,443,888	£4,030,359	£4,115,908	£2,517,407	£1,674,706	£1,256,806	£513,105		£3,585,997	£2,121,017	£1,349,249
	7	0.30	£6,014,876	£3,937,895	£2,841,001	£2,350,958	£1,312,488	£5,717,255	£3,715,265	£2,658,240	£2,185,743	£1,197,089				£5,419,634	£3,492,635	£2,475,419	£2,020,528	£4,068,040	£5,122,013	£3,270,005	£2,292,628	£1,855,313	£998,990		£4,526,770	£2,824,745	£1,927,046
	8	0.30	£8,026,795	£5,442,874	£4,078,868	£3,467,811	£2,175,850	£7,669,650	£5,175,718	£3,857,349	£3,289,553	£2,022,507				£7,312,504	£4,908,562	£3,637,970	£3,074,295	£6,955,359	£4,641,406	£3,418,621	£2,873,037	£1,716,061	£6,241,068	£4,107,094	£2,979,922	£2,476,521	£1,400,534
25 Unit Housing Scheme	1	0.63																											
	2	0.63	£456,810					£325,514								£194,717				£56,991									
	3	0.63	£1,542,325	£542,862	£106,805			£1,377,470	£420,883							£1,242,614	£304,658			£1,047,759	£181,778				£725,528				
	4	0.63	£2,632,520	£1,336,913	£776,191	£413,007		£2,435,410	£1,192,335	£661,209	£311,259					£2,236,301	£1,047,758	£538,141	£203,025	£2,041,191	£903,180	£415,074	£91,647	£39		£1,646,972	£620,420	£174,163	
	5	0.63	£3,722,715	£2,136,581	£1,448,849	£1,000,428	£323,214	£3,493,351	£1,968,325	£1,308,120	£875,709	£224,483				£3,283,967	£1,800,089	£1,168,390	£758,116	£3,034,623	£1,631,853	£1,024,861	£833,401	£20,499		£2,575,996	£1,295,380	£748,922	
	6	0.63	£4,812,909	£2,936,200	£2,123,507	£1,591,508	£778,806	£4,551,291	£2,744,314	£1,961,847	£1,449,592	£674,074				£4,289,673	£2,552,420	£1,800,187	£1,307,677	£4,028,055	£2,360,526	£1,638,527	£1,165,761	£448,395		£3,504,819	£1,976,737	£1,315,206	
	7	0.63	£5,903,104	£3,735,856	£2,797,165	£2,182,887	£1,244,196	£5,609,232	£3,520,304	£2,615,574	£2,023,475	£1,118,746				£5,315,360	£3,304,751	£2,433,983	£1,984,063	£4,993,295	£5,021,487	£3,086,199	£2,252,393	£1,704,651	£967,845		£4,433,742	£2,858,093	£1,889,211
	8	0.63	£7,889,882	£5,192,992	£4,024,720	£3,260,511	£2,092,240	£7,537,035	£4,934,329	£3,806,811	£3,089,217	£1,941,899				£7,184,388	£4,675,866	£3,588,902	£2,877,923	£7,191,159	£6,831,741	£4,417,003	£3,370,993	£2,086,629	£1,640,619	£6,126,447	£3,899,676	£2,935,175	£2,304,040
50 Unit Mixed Scheme	1	0.91																											
	2	0.91	£458,406					£288,921								£118,913													
	3	0.91	£1,811,407	£470,668	£38,407			£1,601,434	£318,442							£1,391,460	£171,471			£1,181,487					£761,540				
	4	0.91	£3,188,045	£1,442,727	£894,542	£349,965		£2,918,905	£1,263,274	£737,803	£218,555					£2,688,785	£1,083,820	£580,863	£80,738	£2,418,624	£904,367	£428,138				£1,918,344	£545,480	£114,422	
	5	0.91	£4,526,883	£2,419,748	£1,752,214	£1,084,880	£421,491	£4,238,376	£2,211,368	£1,569,899	£928,449	£289,910				£3,946,069	£2,003,029	£1,387,985	£772,141	£3,655,782	£1,794,670	£1,205,271	£815,872	£27,578		£3,075,117	£1,377,951	£840,642	
	6	0.91	£5,884,321	£3,396,788	£2,608,885	£1,823,002	£1,036,120	£5,553,847	£3,159,493	£2,402,198	£1,644,889	£887,582				£5,223,373	£2,922,238	£2,194,507	£1,466,778	£4,892,899	£2,884,973	£1,986,018	£1,289,663	£590,508		£4,231,951	£2,210,442	£1,571,439	
	7	0.91	£7,241,959	£4,373,789	£3,487,557	£2,561,325	£1,855,093	£6,871,318	£4,107,617	£3,234,493	£2,361,388	£1,488,243				£6,500,878	£3,841,446	£3,001,428	£2,161,411	£1,321,393	£6,130,037	£3,575,275	£2,768,364	£1,961,453	£1,154,543	£5,386,755	£3,042,933	£2,302,236	
	8	0.91	£9,747,491	£6,173,105	£5,043,070	£3,913,035	£2,703,000	£9,302,722	£5,853,700	£4,763,393	£3,673,887	£2,582,788				£9,857,953	£5,534,295	£4,483,716	£3,433,130	£2,382,580	£8,413,184	£5,214,889	£4,204,039	£3,193,189	£2,182,340	£7,523,648	£4,576,079	£3,644,885	£2,713,282

Source: Adams Integra, November 2009
 =Within Range of Indicative VOA Agricultural and Lower Industrial Land Values
 =Within Range of Indicative VOA Industrial Land Values
 =Outside Range of Indicative VOA Agricultural and Lower Industrial Land Values
 =Outside Range of Indicative VOA Industrial Land Values

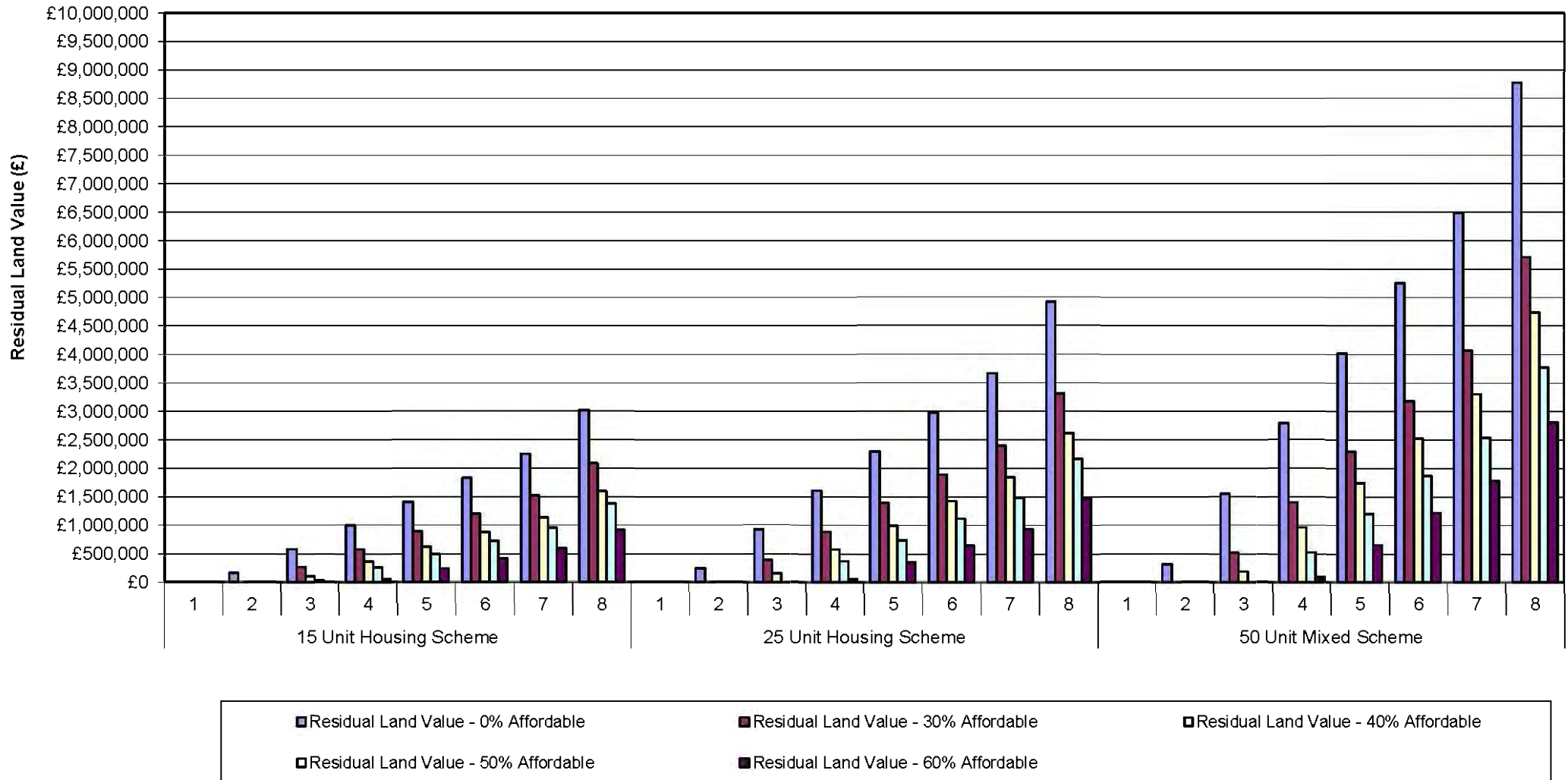
Appendix IIe

**Table 7: Summary of Residual Land Value (£) Appraisals for All Value Points -
Planning Infrastructure Level £5,000
12.5%, 15%, 17.5%, 20% & 25% Developer's Profit**

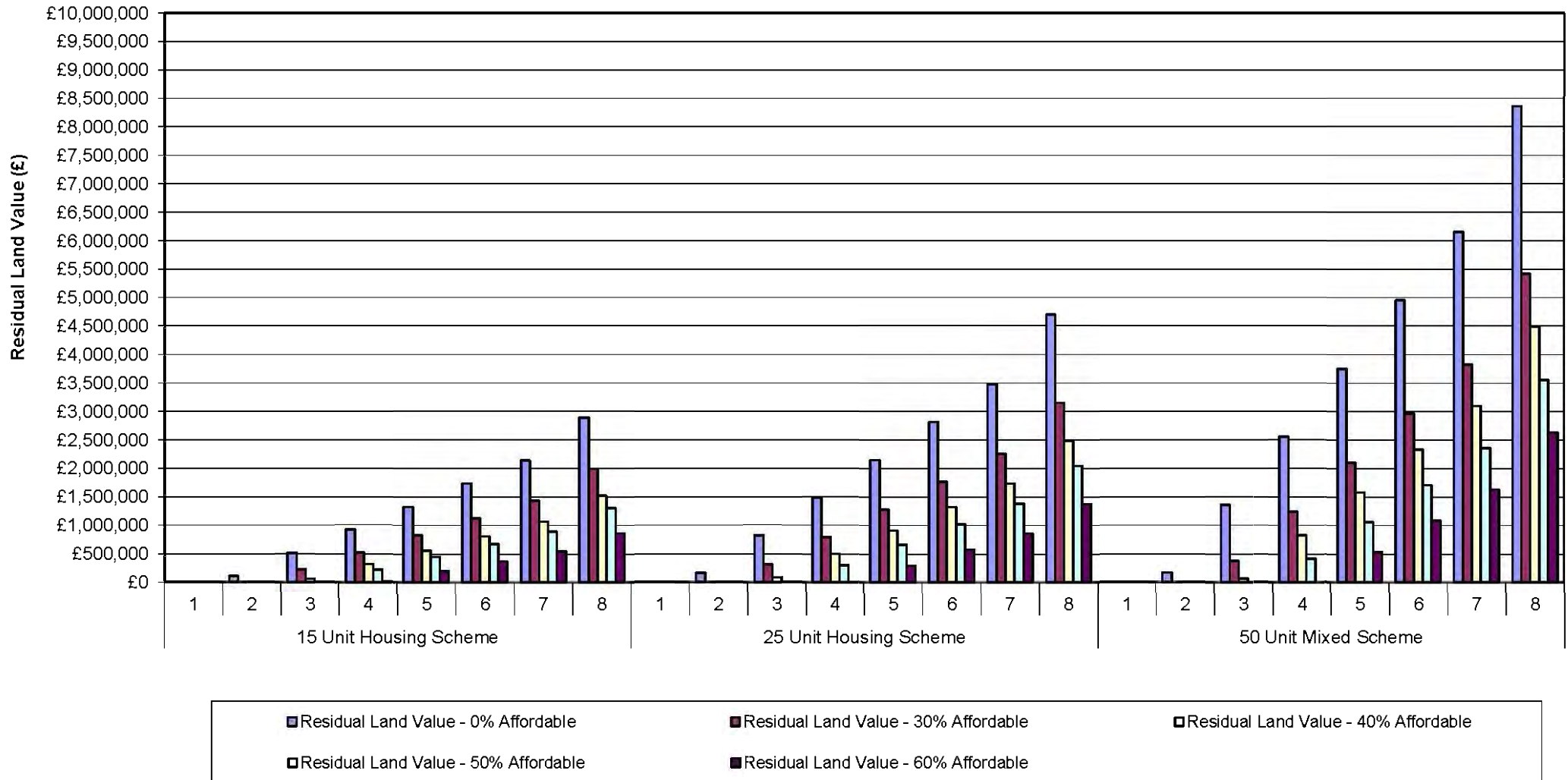
Development Scenario / Threshold	Value Point	12.5% Developer's Profit					15% Developer's Profit					17.5% Developer's Profit					20% Developer's Profit					25% Developer's Profit				
		Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable
15 Unit Housing Scheme	1	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
	2	£161,749	£0	£0	£0	£0	£108,592	£0	£0	£0	£0	£55,434	£0	£0	£0	£2,277	£0	£0	£0	£0	£0	£0	£0	£0	£0	
	3	£574,838	£266,699	£106,440	£28,773	£0	£511,394	£223,257	£65,851	£0	£0	£452,616	£174,316	£25,262	£0	£388,511	£126,641	£0	£0	£0	£260,301	£27,770	£0	£0	£0	
	4	£994,397	£577,793	£363,613	£263,241	£54,401	£918,540	£521,050	£316,538	£225,243	£20,492	£842,683	£469,143	£269,463	£181,817	£0	£766,825	£411,808	£226,974	£139,789	£0	£615,111	£297,139	£132,205	£52,061	
	5	£1,413,955	£891,636	£617,546	£493,432	£239,530	£1,325,685	£825,607	£563,333	£449,061	£200,467	£1,237,415	£759,579	£509,120	£399,550	£163,034	£1,149,145	£693,550	£459,645	£350,039	£123,576	£972,605	£561,492	£350,090	£251,018	
	6	£1,833,514	£1,205,479	£875,228	£726,336	£416,614	£1,732,831	£1,130,165	£813,391	£670,445	£372,957	£1,632,148	£1,054,424	£751,554	£614,554	£329,301	£1,531,465	£979,537	£689,717	£558,663	£285,644	£1,330,099	£828,909	£566,044	£451,536	
	7	£2,253,073	£1,519,323	£1,132,909	£959,241	£592,366	£2,139,977	£1,434,723	£1,063,449	£896,459	£543,832	£2,026,881	£1,350,124	£993,988	£833,677	£495,299	£1,913,785	£1,265,524	£924,528	£770,896	£451,419	£1,687,593	£1,096,326	£785,607	£645,333	
	8	£3,017,602	£2,091,214	£1,602,463	£1,383,645	£920,451	£2,881,887	£1,989,695	£1,519,110	£1,308,307	£862,211	£2,746,172	£1,888,176	£1,435,798	£1,232,969	£803,971	£2,610,456	£1,786,657	£1,352,405	£1,157,631	£745,731	£2,339,026	£1,583,618	£1,185,700	£1,006,955	
25 Unit Housing Scheme	1	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	
	2	£238,829	£0	£0	£0	£0	£154,222	£0	£0	£0	£67,203	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0		
	3	£918,415	£385,757	£156,273	£0	£0	£814,556	£308,784	£89,423	£0	£0	£710,697	£236,591	£22,572	£0	£606,838	£159,627	£0	£0	£0	£403,278	£920	£0	£0		
	4	£1,605,237	£885,558	£574,427	£374,009	£61,481	£1,481,058	£794,474	£497,694	£305,946	£6,262	£1,356,879	£703,390	£425,346	£242,788	£0	£1,232,700	£612,306	£347,813	£173,322	£0	£984,342	£434,618	£196,722	£34,736	
	5	£2,292,060	£1,389,336	£998,832	£742,722	£355,886	£2,147,561	£1,283,348	£909,542	£664,338	£293,559	£2,003,062	£1,177,359	£820,253	£585,954	£235,999	£1,858,563	£1,071,370	£730,963	£507,570	£174,128	£1,589,564	£959,392	£552,384	£354,456	
	6	£2,978,883	£1,893,114	£1,423,236	£1,115,291	£645,413	£2,814,064	£1,772,221	£1,321,390	£1,025,884	£575,854	£2,644,244	£1,651,327	£1,219,545	£836,478	£504,695	£2,484,425	£1,530,434	£1,117,699	£847,071	£438,860	£2,154,786	£1,288,647	£914,007	£668,257	
	7	£3,665,706	£2,396,892	£1,847,641	£1,487,860	£938,609	£3,480,566	£2,261,094	£1,733,239	£1,387,431	£899,575	£3,295,427	£2,125,296	£1,618,836	£1,287,001	£780,541	£3,110,287	£1,989,498	£1,504,434	£1,186,572	£701,508	£2,740,008	£1,717,902	£1,275,630	£985,713	
	8	£4,917,249	£3,314,888	£2,621,001	£2,166,764	£1,472,876	£4,695,082	£3,151,930	£2,483,718	£2,046,248	£1,378,036	£4,472,914	£2,968,972	£2,346,435	£1,925,733	£1,283,195	£4,250,747	£2,826,015	£2,289,152	£1,805,217	£1,188,355	£3,806,412	£2,500,099	£1,934,587	£1,564,187	
50 Unit Mixed Scheme	1	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	
	2	£313,866	£0	£0	£0	£0	£162,611	£0	£0	£0	£1,648	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0		
	3	£1,546,081	£514,618	£192,211	£0	£0	£1,355,005	£381,553	£69,441	£0	£0	£1,163,929	£243,128	£0	£0	£972,853	£107,941	£0	£0	£0	£590,701	£0	£0	£0		
	4	£2,781,531	£1,403,706	£866,868	£530,029	£97,874	£2,553,904	£1,240,404	£824,053	£411,949	£0	£2,326,276	£1,077,101	£681,238	£288,347	£0	£2,098,648	£913,799	£538,423	£169,841	£0	£1,643,393	£587,194	£255,427	£0	
	5	£4,016,982	£2,292,795	£1,747,349	£1,201,903	£656,457	£3,752,802	£2,103,188	£1,581,443	£1,059,698	£537,952	£3,488,623	£1,913,581	£1,415,537	£917,492	£423,817	£3,224,443	£1,723,974	£1,249,631	£775,287	£304,078	£2,696,084	£1,344,760	£917,819	£490,877	
	6	£5,252,432	£3,181,884	£2,527,830	£1,873,776	£1,219,722	£4,951,701	£2,965,972	£2,338,833	£1,711,893	£1,084,553	£4,650,970	£2,750,061	£2,149,836	£1,549,610	£949,384	£4,350,238	£2,534,150	£1,960,838	£1,387,527	£814,215	£3,748,776	£2,102,327	£1,582,844	£1,063,361	
	7	£6,487,883	£4,070,972	£3,308,311	£2,545,650	£1,782,988	£6,150,680	£3,828,757	£3,096,223	£2,363,689	£1,631,155	£5,813,317	£3,586,541	£2,884,134	£2,181,728	£1,479,321	£5,476,033	£3,344,325	£2,672,046	£1,999,767	£1,327,487	£4,801,467	£2,859,894	£2,247,869	£1,635,845	
	8	£8,767,917	£5,708,351	£4,742,028	£3,775,706	£2,809,384	£8,363,177	£5,417,692	£4,487,522	£3,557,353	£2,627,183	£7,958,437	£5,127,033	£4,233,016	£3,339,000	£2,444,983	£7,553,697	£4,836,374	£3,978,510	£3,120,646	£2,262,783	£6,744,218	£4,469,498	£2,683,940	£1,898,382	

Source: Adams Integra, November 2009

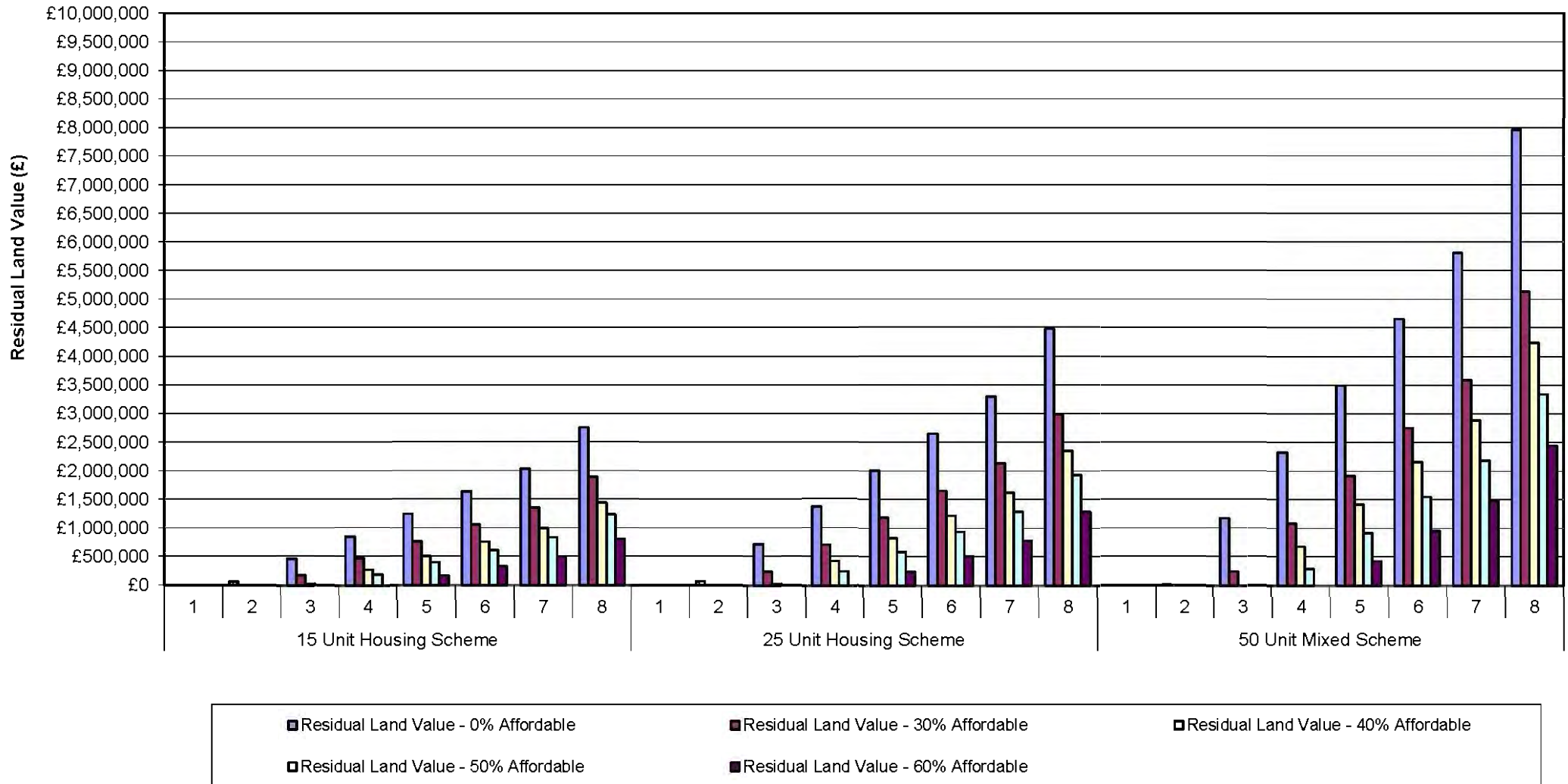
**Graph 15: Summary of Residual Land Values at 0%, 30%, 40%, 50% & 60% Affordable Housing Across All Value Points
 Planning Infrastructure Level £5,000
 12.5% Developer's Profit**



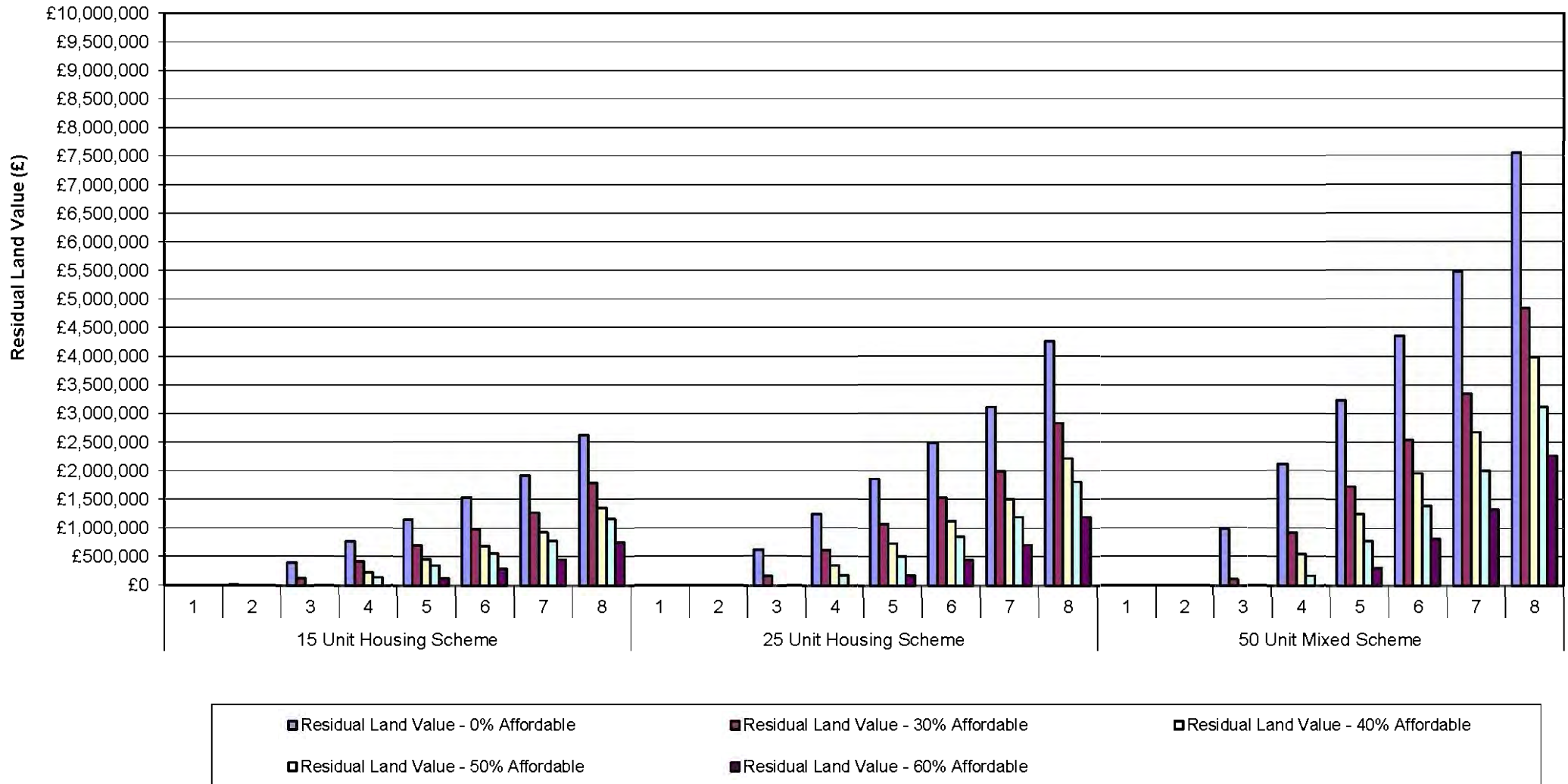
**Graph 16: Summary of Residual Land Values at 0%, 30%, 40%, 50% & 60% Affordable Housing Across All Value Points
 Planning Infrastructure Level £5,000
 15% Developer's Profit**



**Graph 17: Summary of Residual Land Values at 0%, 30%, 40%, 50% & 60% Affordable Housing Across All Value Points
 Planning Infrastructure Level £5,000
 17.5% Developer's Profit**



**Graph 18: Summary of Residual Land Values at 0%, 30%, 40%, 50% & 60% Affordable Housing Across All Value Points
 Planning Infrastructure Level £5,000
 20% Developer's Profit**



**Graph 19: Summary of Residual Land Values at 0%, 30%, 40%, 50% & 60% Affordable Housing Across All Value Points
 Planning Infrastructure Level £5,000
 25% Developer's Profit**

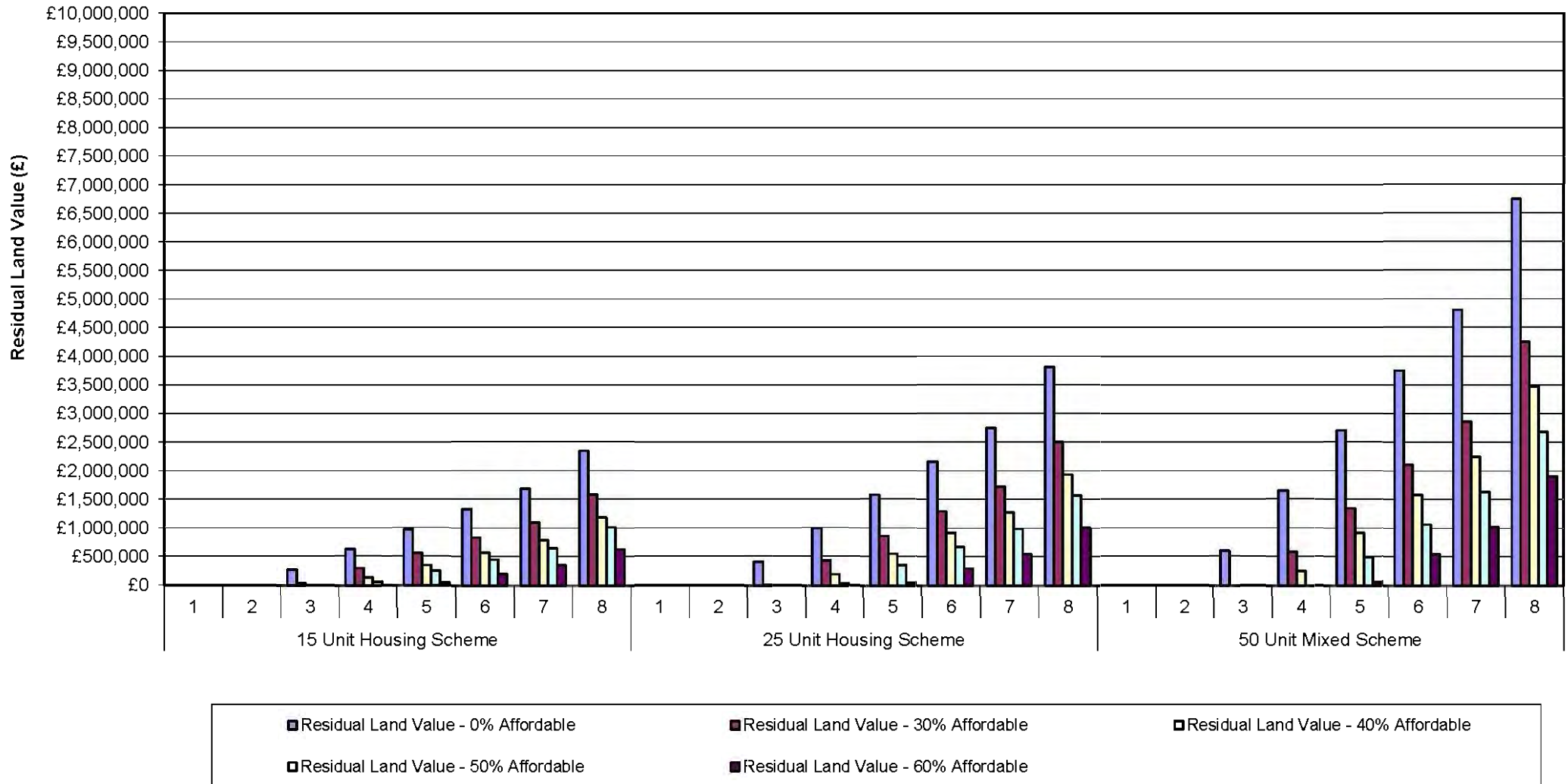
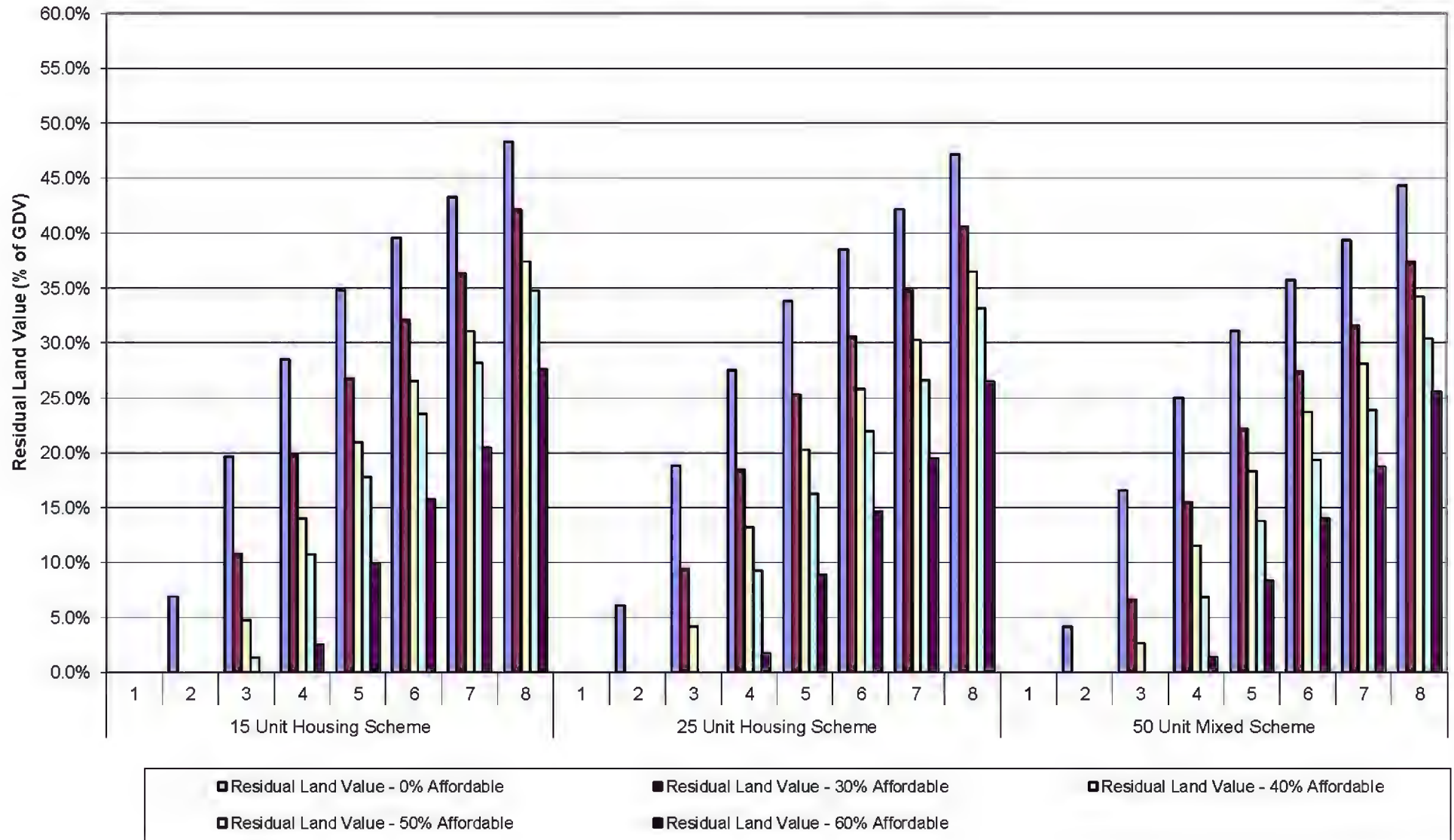


Table 7a: Summary of Residual Land Value (as % of GDV) Appraisals for All Value Points Planning Infrastructure Level £5,000 12.5%, 15%, 17.5%, 20% & 25% Developer's Profit

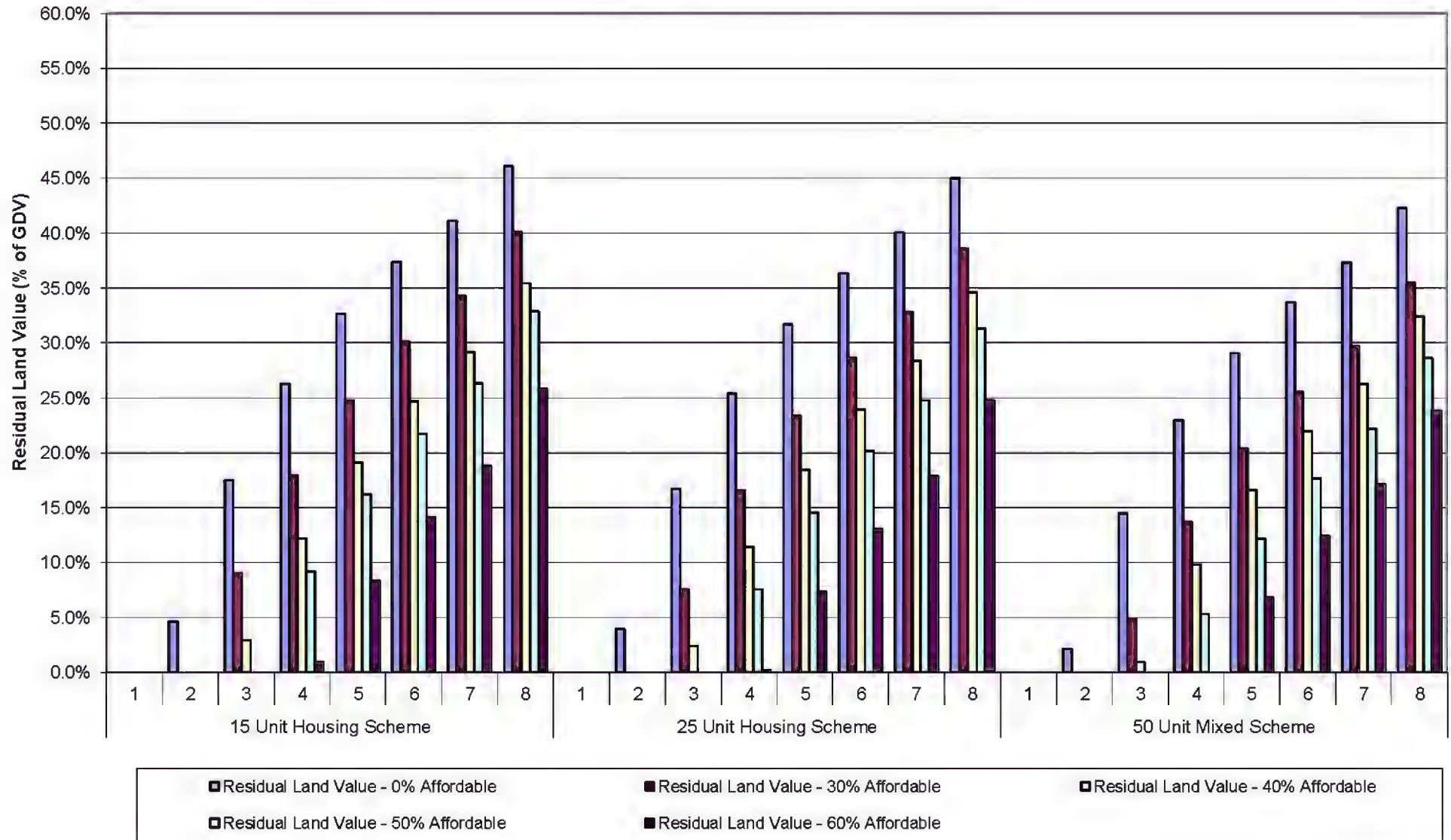
Development Scenario / Threshold	Value Point	12.5% Developer's Profit					15% Developer's Profit					17.5% Developer's Profit					20% Developer's Profit					25% Developer's Profit									
		Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable					
15 Unit Housing Scheme	1	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	2	6.9%	0.0%	0.0%	0.0%	0.0%	4.6%	0.0%	0.0%	0.0%	0.0%	2.4%	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	3	19.7%	10.8%	4.7%	1.3%	0.0%	17.5%	9.0%	2.9%	0.0%	0.0%	15.5%	7.0%	1.1%	0.0%	0.0%	13.3%	5.1%	0.0%	0.0%	0.0%	8.9%	1.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	4	28.5%	19.9%	14.0%	10.7%	2.5%	26.3%	18.0%	12.2%	9.2%	0.9%	24.1%	16.2%	10.4%	7.4%	0.0%	22.0%	14.2%	8.8%	5.7%	0.0%	17.6%	10.2%	5.1%	2.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	5	34.8%	26.8%	21.0%	17.8%	10.0%	32.6%	24.8%	19.1%	16.2%	8.3%	30.4%	22.8%	17.3%	14.4%	6.8%	28.3%	20.8%	15.6%	12.6%	5.1%	23.9%	16.9%	11.9%	9.1%	1.9%	0.0%	0.0%	0.0%	0.0%	0.0%
	6	39.6%	32.1%	26.6%	23.5%	15.7%	37.4%	30.1%	24.7%	21.7%	14.1%	35.2%	28.1%	22.8%	19.9%	12.4%	33.0%	26.1%	20.9%	18.1%	10.8%	28.7%	22.1%	17.2%	14.6%	7.6%	0.0%	0.0%	0.0%	0.0%	0.0%
	7	43.3%	36.3%	31.1%	28.2%	20.5%	41.1%	34.3%	29.2%	26.3%	18.8%	38.9%	32.3%	27.3%	24.5%	17.1%	36.8%	30.2%	25.4%	22.6%	15.6%	32.4%	26.2%	21.5%	19.0%	12.2%	0.0%	0.0%	0.0%	0.0%	0.0%
	8	48.3%	42.1%	37.4%	34.7%	27.5%	46.1%	40.1%	35.4%	32.8%	25.8%	43.9%	38.0%	33.5%	31.0%	24.1%	41.8%	36.0%	31.6%	29.1%	22.3%	37.4%	31.9%	27.7%	25.3%	18.8%	0.0%	0.0%	0.0%	0.0%	0.0%
25 Unit Housing Scheme	1	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	2	6.1%	0.0%	0.0%	0.0%	0.0%	3.9%	0.0%	0.0%	0.0%	0.0%	1.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	3	18.8%	9.4%	4.2%	0.0%	0.0%	16.7%	7.5%	2.4%	0.0%	0.0%	14.6%	5.8%	0.8%	0.0%	0.0%	12.4%	3.9%	0.0%	0.0%	0.0%	8.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	4	27.5%	18.5%	13.2%	9.2%	1.7%	25.4%	16.6%	11.5%	7.6%	0.2%	23.3%	14.7%	9.8%	6.0%	0.0%	21.1%	12.8%	8.0%	4.3%	0.0%	16.9%	9.1%	4.5%	0.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	5	33.8%	25.3%	20.3%	16.3%	8.9%	31.7%	23.4%	18.4%	14.6%	7.3%	29.5%	21.4%	16.6%	12.8%	5.9%	27.4%	19.5%	14.8%	11.1%	4.3%	23.1%	15.7%	11.2%	7.8%	1.1%	0.0%	0.0%	0.0%	0.0%	0.0%
	6	38.5%	30.6%	25.8%	21.9%	14.6%	36.4%	28.6%	23.9%	20.2%	13.0%	34.2%	26.7%	22.1%	18.4%	11.4%	32.1%	24.7%	20.2%	16.7%	9.9%	27.8%	20.8%	16.8%	13.2%	6.7%	0.0%	0.0%	0.0%	0.0%	0.0%
	7	42.2%	34.8%	30.2%	26.6%	19.5%	40.0%	32.8%	28.4%	24.8%	17.8%	37.9%	30.8%	26.5%	23.0%	16.2%	35.8%	28.9%	24.6%	21.2%	14.6%	31.5%	24.9%	20.9%	17.6%	11.3%	0.0%	0.0%	0.0%	0.0%	0.0%
	8	47.1%	40.6%	36.5%	33.1%	26.5%	45.0%	38.6%	34.6%	31.3%	24.0%	42.9%	36.6%	32.7%	29.4%	23.1%	40.8%	34.6%	30.8%	27.6%	21.4%	36.5%	30.6%	26.9%	23.9%	18.0%	0.0%	0.0%	0.0%	0.0%	0.0%
50 Unit Mixed Scheme	1	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	2	4.2%	0.0%	0.0%	0.0%	0.0%	2.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	3	16.6%	6.6%	2.6%	0.0%	0.0%	14.5%	4.9%	1.8%	0.0%	0.0%	12.5%	3.1%	0.0%	0.0%	0.0%	10.4%	1.4%	0.0%	0.0%	0.0%	6.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	4	25.0%	15.5%	11.5%	6.9%	1.4%	23.0%	13.7%	9.8%	5.3%	0.0%	20.9%	11.9%	8.1%	3.7%	0.0%	18.9%	10.1%	6.4%	2.2%	0.0%	14.8%	6.5%	3.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	5	31.1%	22.2%	18.4%	13.8%	8.3%	29.1%	20.3%	16.6%	12.2%	6.8%	27.0%	18.5%	14.9%	10.5%	5.4%	25.0%	16.7%	13.1%	8.9%	3.9%	20.9%	13.0%	9.6%	5.6%	0.8%	0.0%	0.0%	0.0%	0.0%	0.0%
	6	35.7%	27.4%	23.7%	19.4%	14.0%	33.7%	25.5%	22.0%	17.7%	12.5%	31.6%	23.7%	20.2%	16.0%	10.9%	29.6%	21.8%	18.4%	14.3%	9.4%	25.5%	18.1%	14.9%	11.0%	6.2%	0.0%	0.0%	0.0%	0.0%	0.0%
	7	39.4%	31.5%	28.1%	23.9%	18.7%	37.3%	29.7%	26.3%	22.2%	17.1%	35.3%	27.8%	24.5%	20.5%	15.5%	33.2%	25.9%	22.7%	18.8%	13.9%	29.1%	22.2%	19.1%	15.4%	10.8%	0.0%	0.0%	0.0%	0.0%	0.0%
	8	44.3%	37.4%	34.2%	30.4%	25.5%	42.3%	35.5%	32.4%	28.6%	23.9%	40.2%	33.6%	30.6%	26.9%	22.2%	38.2%	31.7%	28.7%	25.1%	20.6%	34.1%	27.9%	25.0%	21.6%	17.3%	0.0%	0.0%	0.0%	0.0%	0.0%

Source: Adams Integra, November 2009

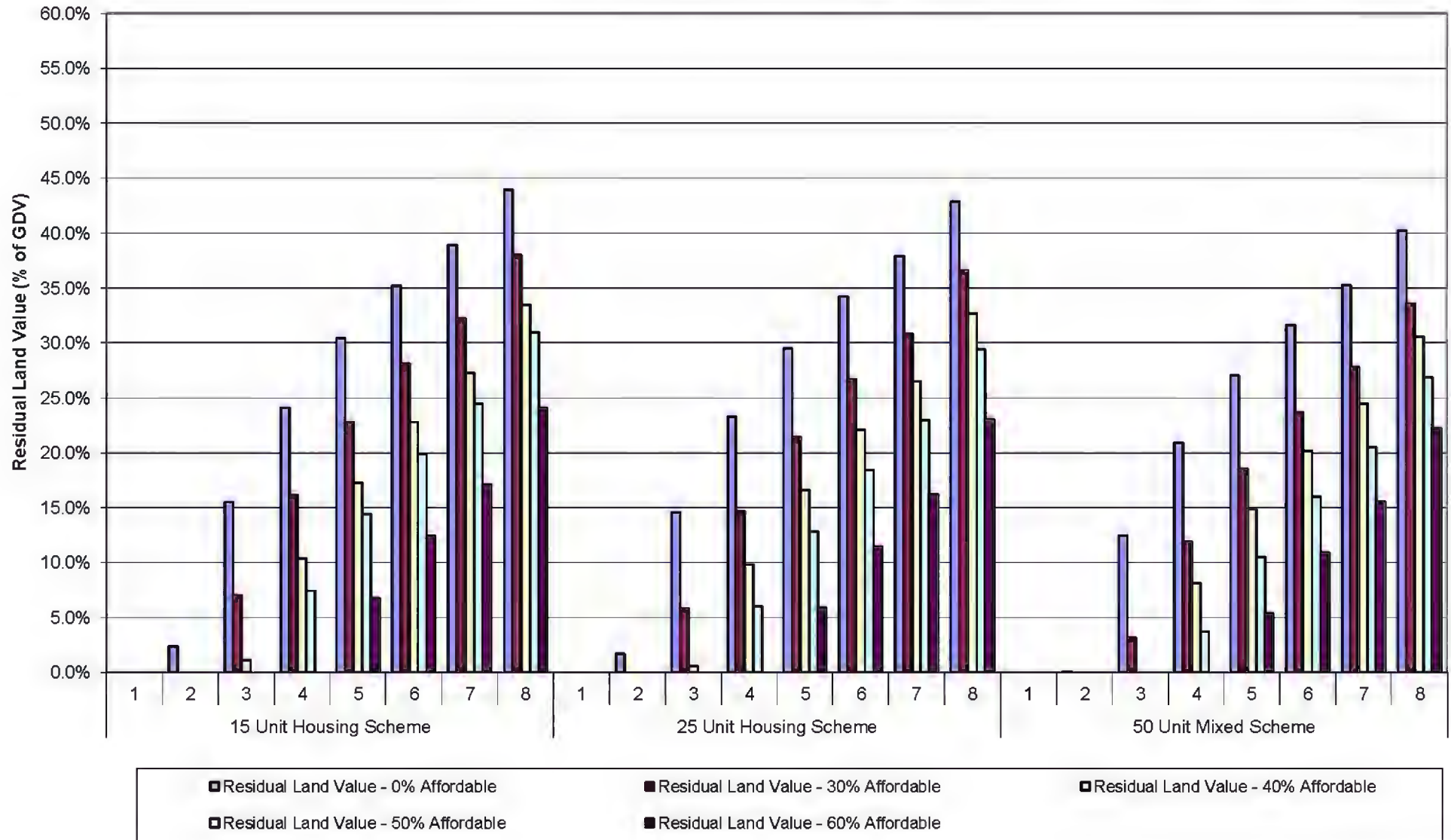
**Graph 15a: Summary of Residual Land Values (as % of GDV) at 0%, 30%, 40%, 50% & 60% Affordable Housing
Across all Value Points
Planning Infrastructure Level £5,000
12.5% Developer's Profit**



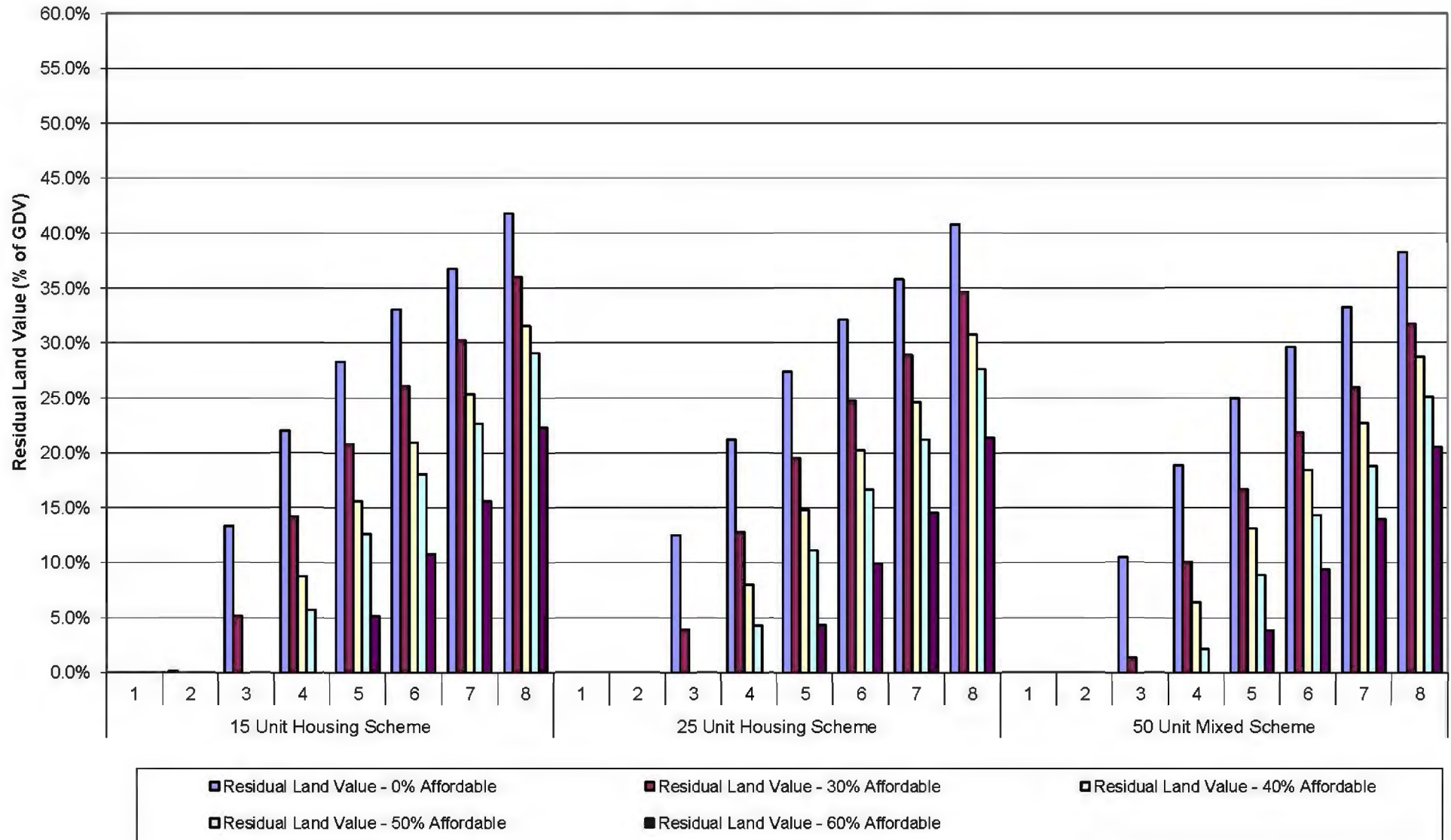
**Graph 16a: Summary of Residual Land Values (as % of GDV) at 0%, 30%, 40%, 50% & 60% Affordable Housing
 Across all Value Points
 Planning Infrastructure Level £5,000
 15% Developer's Profit**



**Graph 17a: Summary of Residual Land Values (as % of GDV) at 0%, 30%, 40%, 50% & 60% Affordable Housing
Across all Value Points
Planning Infrastructure Level £5,000
17.5% Developer's Profit**



**Graph 18a: Summary of Residual Land Values (as % of GDV) at 0%, 30%, 40%, 50% & 60% Affordable Housing
Across all Value Points
Planning Infrastructure Level £5,000
20% Developer's Profit**



**Graph 19a: Summary of Residual Land Values (as % of GDV) at 0%, 30%, 40%, 50% & 60% Affordable Housing
 Across all Value Points
 Planning Infrastructure Level £5,000
 25% Developer's Profit**

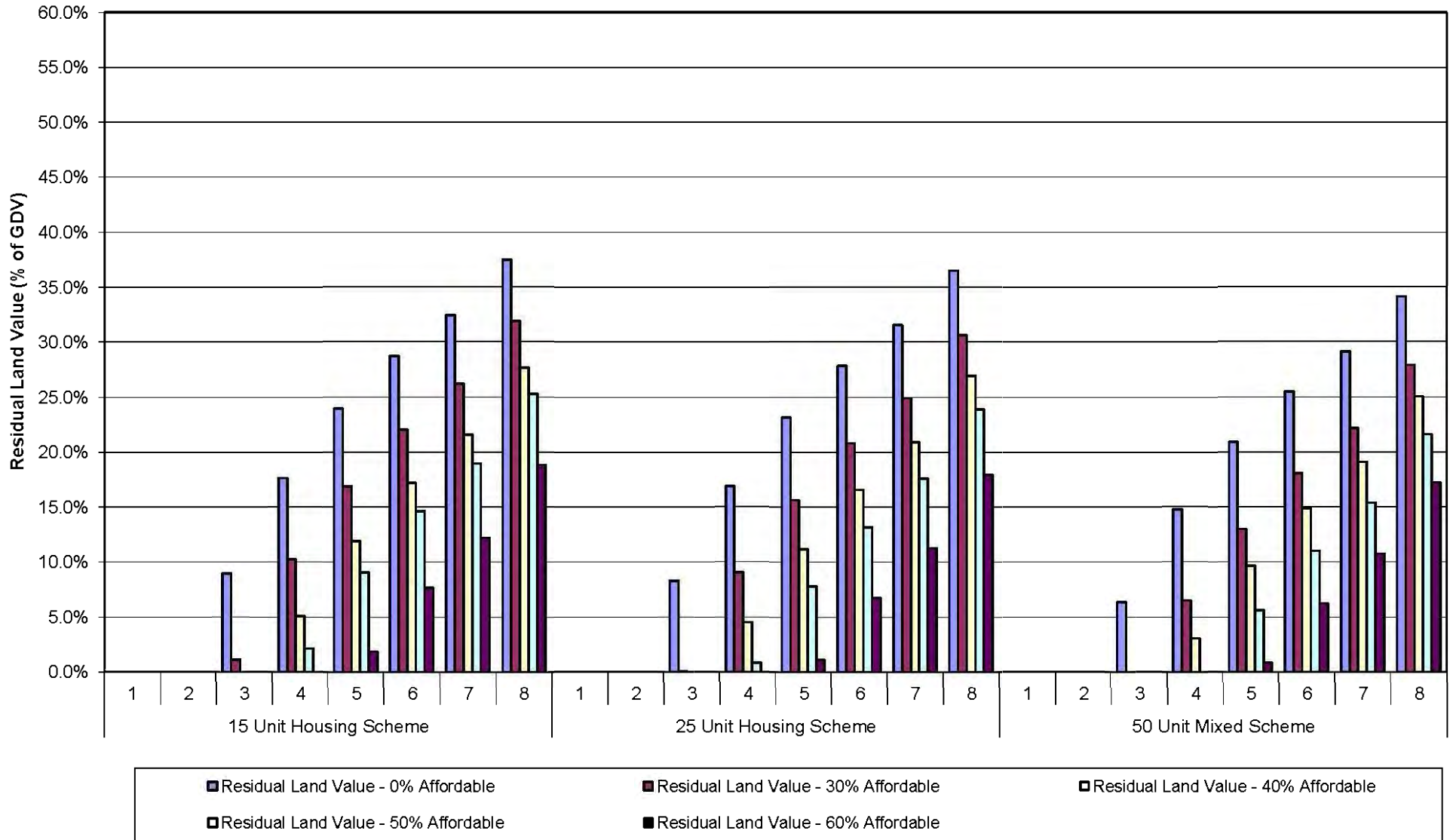


Table 7b: Summary of Residual Land Value (£ per Ha) Appraisals for All Value Points Planning Infrastructure Level £5,000 12.5%, 15%, 17.5% & 25% Developer's Profit (Higher Density)

Development Scenario / Threshold	Value Point	Site Size	12.5% Developer's Profit					15% Developer's Profit					17.5% Developer's Profit					20% Developer's Profit					25% Developer's Profit							
			Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable			
15 Unit Housing Scheme	1	0.60	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592		
	2	0.60	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592		
	3	0.60	598,063	444,499	£177,400	£47,956	£0	£82,323	£372,095	£109,751	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	
	4	0.60	£1,657,328	£962,989	£906,021	£430,734	£90,668	£1,530,899	£868,416	£527,564	£375,405	£34,153	£1,404,471	£791,904	£449,106	£303,029	£0	£1,278,042	£686,347	£0	£232,982	£0	£1,025,195	£495,232	£220,342	£86,768	£0	£0		
	5	0.60	£2,356,692	£1,466,060	£1,029,243	£822,386	£398,217	£2,209,476	£1,376,012	£938,888	£748,434	£334,112	£2,062,369	£1,265,964	£848,533	£665,917	£271,723	£1,915,242	£1,156,916	£766,075	£583,969	£295,960	£1,621,008	£935,820	£593,493	£418,363	£74,433	£0	£0	
	6	0.60	£3,055,057	£2,009,132	£1,458,713	£1,210,560	£694,356	£2,889,052	£1,883,609	£1,355,652	£1,117,408	£621,595	£2,720,247	£1,790,085	£1,252,680	£1,024,257	£548,834	£2,562,442	£1,632,562	£1,148,529	£931,105	£476,073	£2,218,832	£1,381,515	£943,406	£752,500	£337,367	£0	£0	
	7	0.60	£3,755,422	£2,532,204	£1,888,482	£1,598,735	£987,276	£3,566,628	£2,391,205	£1,772,415	£1,494,099	£906,387	£3,378,135	£2,290,206	£1,656,647	£1,399,462	£825,498	£3,189,641	£2,108,207	£1,540,880	£1,264,826	£752,366	£2,812,655	£1,827,209	£1,309,344	£1,075,554	£598,903	£0	£0	
	8	0.60	£5,029,337	£3,495,357	£2,670,771	£2,306,075	£1,534,085	£4,803,145	£3,316,459	£2,531,890	£2,180,511	£1,437,018	£4,576,953	£3,146,960	£2,392,929	£2,054,948	£1,338,952	£4,350,761	£2,977,761	£2,254,008	£1,829,385	£1,242,895	£3,898,377	£2,639,363	£1,976,166	£1,678,258	£1,048,752	£0	£0	
25 Unit Housing Scheme	1	1.00	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592		
	2	1.00	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	
	3	1.00	598,063	444,499	£177,400	£47,956	£0	£154,222	£754,360	£290,526	£42,103	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	
	4	1.00	£1,657,327	£962,988	£885,558	£574,427	£374,009	£1,481,058	£794,474	£497,894	£305,946	£1,356,879	£783,390	£425,346	£242,788	£0	£1,232,790	£612,306	£347,813	£173,322	£0	£984,342	£434,619	£196,722	£34,736	£0	£0	£0	£0	
	5	1.00	£2,356,692	£1,399,336	£988,832	£742,722	£355,086	£2,147,561	£1,283,348	£908,542	£664,330	£283,559	£2,003,062	£1,177,358	£820,253	£585,954	£235,999	£1,868,563	£1,071,370	£730,963	£507,570	£174,128	£1,569,564	£959,382	£552,394	£354,456	£46,618	£0	£0	
	6	1.00	£3,055,057	£1,893,114	£1,423,236	£1,115,291	£645,413	£2,814,064	£1,772,221	£1,321,390	£1,025,884	£575,054	£2,649,244	£1,651,327	£1,219,545	£836,478	£594,695	£2,484,425	£1,538,434	£1,117,699	£847,071	£430,880	£2,154,786	£1,289,647	£914,007	£668,257	£296,676	£0	£0	
	7	1.00	£3,665,706	£2,396,892	£1,847,641	£1,487,860	£938,689	£3,490,566	£2,261,084	£1,733,239	£1,387,431	£889,575	£3,295,427	£2,125,296	£1,618,836	£1,287,001	£790,541	£3,110,287	£1,989,498	£1,504,434	£1,186,572	£701,506	£2,740,008	£1,717,902	£1,275,630	£985,713	£543,440	£0	£0	
	8	1.00	£4,917,249	£3,314,888	£2,621,081	£2,166,764	£1,472,876	£4,695,082	£3,151,930	£2,483,718	£2,046,248	£1,379,036	£4,472,914	£2,989,972	£2,346,435	£1,825,733	£1,283,195	£4,250,747	£2,826,015	£2,208,152	£1,805,217	£1,198,355	£3,806,412	£2,500,099	£1,934,587	£1,564,187	£998,674	£0	£0	
50 Unit Mixed Scheme	1	1.43	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	
	2	1.43	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592	299,592
	3	1.43	£1,081,175	£359,872	£134,444	£0	£0	£113,714	£947,596	£296,820	£48,560	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
	4	1.43	£1,945,127	£981,613	£676,131	£370,850	£67,984	£1,785,947	£987,415	£576,261	£298,076	£0	£1,626,766	£753,218	£476,390	£201,642	£0	£1,467,586	£638,020	£376,570	£118,770	£0	£1,149,226	£410,625	£178,620	£0	£0	£0	£0	
	5	1.43	£2,889,078	£1,603,353	£1,221,822	£840,491	£459,061	£2,624,337	£1,470,761	£1,105,904	£741,047	£376,190	£2,439,598	£1,338,169	£899,886	£641,603	£296,376	£2,254,855	£1,205,576	£873,868	£542,158	£212,642	£1,885,374	£940,382	£641,831	£343,271	£46,573	£0	£0	
	6	1.43	£3,673,030	£2,225,084	£1,767,713	£1,310,333	£852,853	£3,462,728	£2,074,407	£1,635,547	£1,198,988	£798,429	£3,252,426	£1,923,120	£1,503,382	£1,083,643	£663,905	£3,042,125	£1,772,133	£1,371,216	£970,289	£569,381	£2,621,521	£1,470,159	£1,106,894	£743,609	£380,334	£0	£0	
	7	1.43	£4,536,981	£2,946,834	£2,343,504	£1,780,175	£1,246,845	£4,301,119	£2,677,452	£2,165,191	£1,652,829	£1,140,668	£4,065,256	£2,508,071	£2,016,977	£1,525,684	£1,034,490	£3,828,394	£2,338,689	£1,868,564	£1,369,438	£829,313	£3,357,669	£1,999,826	£1,571,937	£1,143,947	£715,968	£0	£0	
	8	1.43	£6,131,410	£3,991,854	£3,316,104	£2,640,354	£1,864,604	£5,848,375	£3,788,586	£3,138,127	£2,487,659	£1,837,191	£5,605,341	£3,585,338	£2,960,151	£2,334,965	£1,709,778	£5,282,316	£3,382,080	£2,782,175	£2,182,270	£1,582,366	£4,716,236	£2,975,504	£2,426,223	£1,876,881	£1,327,540	£0	£0	

Source: Adams Integra, November 2009

- Within Range of Indicative VOA Agricultural and Lower Industrial Land Values
- Within Range of Indicative VOA Industrial Land Values
- Higher (Comparative) Indicative VOA Industrial Land Value

Table 7c: Summary of Residual Land Value (£ per Ha) Appraisals for All Value Points Planning Infrastructure Level £5,000 12.5%, 15%, 17.5% & 25% Developer's Profit (Lower Density)

Development Scenario / Threshold	Value Point	Site Size	12.5% Developer's Profit					15% Developer's Profit					17.5% Developer's Profit					20% Developer's Profit					25% Developer's Profit					
			Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	
15 Unit Housing Scheme	1	0.30	£426,856	£0	£0	£0	£0	£285,768	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	
	2	0.30	£1,512,732	£704,841	£280,106	£75,719	£0	£1,345,773	£687,519	£173,292	£0	£0	£0	£0	£0	£0	£1,191,695	£458,726	£66,478	£0	£0	£0	£0	£0	£0	£0	£0	
	3	0.30	£2,616,634	£1,520,508	£956,876	£682,739	£143,161	£2,417,210	£1,371,883	£832,985	£592,744	£53,826	£2,217,586	£1,234,686	£708,114	£478,466	£0	£2,017,962	£1,083,785	£597,300	£367,867	£0	£0	£0	£0	£0	£0	£0
	4	0.30	£3,720,536	£2,346,411	£1,625,121	£1,298,504	£830,343	£3,488,646	£2,172,651	£1,482,456	£1,181,739	£577,545	£3,256,356	£1,989,891	£1,338,789	£1,051,447	£429,037	£3,024,066	£1,825,131	£1,208,593	£921,456	£325,200	£2,558,487	£1,477,611	£924,288	£660,573	£117,526	
	5	0.30	£4,824,437	£3,172,314	£2,303,231	£1,814,411	£1,098,352	£4,580,082	£2,974,119	£2,140,502	£1,764,329	£981,466	£4,295,127	£2,775,924	£1,977,774	£1,617,248	£866,580	£4,030,171	£2,577,729	£1,815,045	£1,470,166	£751,695	£3,500,260	£2,181,339	£1,489,588	£1,188,253	£532,685	
	6	0.30	£5,928,339	£3,988,217	£2,981,341	£2,524,318	£1,558,857	£5,631,518	£3,775,687	£2,788,550	£2,358,183	£1,431,138	£5,333,897	£3,562,957	£2,615,759	£2,193,898	£1,303,418	£5,036,276	£3,338,327	£2,432,968	£2,028,673	£1,187,846	£4,441,034	£2,889,067	£2,067,386	£1,698,243	£928,846	
	7	0.30	£7,032,242	£4,592,120	£3,474,465	£2,917,442	£1,818,357	£6,735,679	£4,879,856	£3,891,421	£3,460,663	£2,245,047	£6,428,580	£4,601,906	£3,279,313	£2,856,380	£1,916,337	£6,121,459	£4,292,782	£3,167,997	£2,713,786	£1,812,589	£5,533,366	£3,679,514	£2,817,946	£2,388,809	£1,998,998	
	8	0.30	£8,136,145	£5,503,196	£4,217,008	£3,644,171	£2,422,238	£7,583,913	£5,236,040	£4,087,698	£3,442,813	£2,288,976	£7,226,768	£4,968,884	£3,778,309	£3,244,655	£2,115,713	£6,868,622	£4,701,728	£3,558,960	£3,046,397	£1,962,450	£6,155,331	£4,167,416	£3,120,262	£2,648,881	£1,655,824	
25 Unit Housing Scheme	1	0.63	£379,094	£0	£0	£0	£0	£244,797	£0	£0	£0	£0	£0	£0	£0	£0	£106,671	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	
	2	0.63	£1,457,801	£612,313	£248,053	£65,294	£0	£1,282,846	£480,134	£141,941	£0	£0	£0	£0	£0	£0	£1,128,891	£375,541	£56,828	£0	£0	£0	£0	£0	£0	£0	£0	£0
	3	0.63	£2,547,998	£1,405,648	£911,788	£583,665	£97,589	£2,358,886	£1,261,070	£788,880	£485,629	£268,895	£2,153,777	£1,116,482	£675,152	£385,378	£1,956,667	£971,914	£552,084	£275,114	£0	£0	£0	£0	£0	£0	£0	£0
	4	0.63	£3,638,181	£2,295,296	£1,585,447	£1,178,824	£664,889	£3,408,827	£2,037,060	£1,443,718	£1,054,595	£465,967	£3,179,463	£1,888,824	£1,301,988	£830,886	£374,602	£2,960,089	£1,708,597	£1,168,258	£805,667	£276,394	£2,491,372	£1,364,115	£876,800	£562,629	£72,410	
	5	0.63	£4,728,386	£3,004,944	£2,258,105	£1,778,303	£1,024,466	£4,486,788	£2,813,049	£2,087,445	£1,628,388	£912,784	£4,205,148	£2,621,155	£1,935,785	£1,486,472	£801,103	£3,943,531	£2,428,258	£1,774,125	£1,344,557	£886,603	£3,420,295	£2,045,472	£1,480,804	£1,088,726	£170,914	
	6	0.63	£5,818,581	£3,904,581	£2,932,764	£2,361,683	£1,489,855	£5,524,788	£3,588,039	£2,751,173	£2,282,271	£1,364,405	£5,238,836	£3,373,486	£2,568,882	£2,042,889	£1,238,956	£4,938,863	£3,157,833	£2,387,881	£1,883,447	£1,113,504	£4,348,219	£2,726,828	£2,024,809	£1,564,623	£862,884	
	7	0.63	£6,908,558	£4,561,727	£3,410,318	£2,838,307	£1,837,889	£7,052,511	£4,803,064	£3,642,489	£3,288,013	£2,187,358	£6,698,864	£4,744,401	£3,724,508	£3,056,719	£2,036,818	£6,417,217	£4,486,737	£3,506,981	£2,865,424	£1,886,278	£6,041,824	£3,968,411	£3,070,773	£2,482,836	£1,585,187	
	8	0.63	£8,002,558	£5,261,727	£4,160,318	£3,438,307	£2,337,889	£8,142,511	£5,083,064	£3,942,489	£3,588,013	£2,487,358	£7,688,864	£5,444,401	£4,324,508	£3,456,719	£2,236,818	£7,417,217	£5,086,737	£3,906,981	£3,065,424	£2,086,278	£7,186,278	£5,041,824	£4,070,773	£3,082,836	£1,585,187	
50 Unit Mixed Scheme	1	0.91	£344,908	£0	£0	£0	£0	£178,693	£0	£0	£0	£0	£0	£0	£0	£0	£89,346	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	
	2	0.91	£1,698,988	£685,514	£211,221	£55,814	£0	£1,488,016	£419,289	£76,388	£0	£0	£0	£0	£0	£0	£1,278,043	£267,174	£36,912	£0	£0	£0	£0	£0	£0	£0	£0	£0
	3	0.91	£3,056,628	£1,542,534	£1,062,492	£682,450	£106,674	£2,806,487	£1,363,881	£805,653	£452,891	£0	£2,556,347	£1,183,828	£748,613	£316,885	£2,306,287	£1,084,175	£591,674	£186,638	£0	£0	£0	£0	£0	£0	£0	£0
	4	0.91	£4,144,266	£2,519,555	£1,920,164	£1,320,772	£721,381	£4,123,958	£2,311,996	£1,737,848	£1,164,583	£591,156	£3,833,661	£2,182,836	£1,555,535	£1,008,233	£485,733	£3,543,344	£1,894,477	£1,373,221	£851,964	£334,152	£2,862,730	£1,477,758	£1,008,592	£538,425	£73,186	
	5	0.91	£5,238,354	£3,496,576	£2,777,835	£2,058,085	£1,348,354	£5,441,430	£3,258,310	£2,570,146	£1,880,881	£1,191,817	£5,110,956	£3,022,045	£2,362,457	£1,782,888	£1,043,280	£4,780,482	£2,784,780	£2,154,767	£1,524,755	£884,742	£4,118,534	£2,310,250	£1,738,389	£1,168,528	£597,668	
	6	0.91	£6,330,442	£4,473,586	£3,365,507	£2,797,417	£1,859,328	£6,798,981	£4,287,425	£3,402,443	£2,597,480	£1,792,478	£6,388,280	£3,841,254	£3,188,378	£2,387,503	£1,625,827	£6,017,619	£3,675,883	£2,936,314	£2,197,546	£1,458,777	£5,276,338	£3,142,741	£2,470,186	£1,797,631	£1,125,077	
	7	0.91	£7,422,540	£5,272,913	£4,064,828	£3,418,129	£2,087,235	£8,198,384	£5,053,907	£4,031,343	£3,009,178	£2,087,015	£7,455,535	£4,634,102	£3,651,966	£2,669,230	£1,686,795	£7,008,766	£4,518,989	£3,429,282	£2,486,574	£1,711,228	£6,475,886	£3,812,635	£2,848,365	£2,086,134		
	8	0.91	£8,536,738	£6,123,387	£4,716,843	£3,969,429	£2,588,449	£9,308,578	£5,759,130	£4,631,789	£3,518,010	£2,588,162	£8,565,723	£5,149,615	£4,036,921	£3,009,178	£2,087,015	£8,019,957	£5,019,957	£3,906,981	£2,865,424	£1,886,278	£7,256,957	£4,258,411	£3,182,836	£2,482,836	£1,585,187	

Source: Adams Integra, November 2009

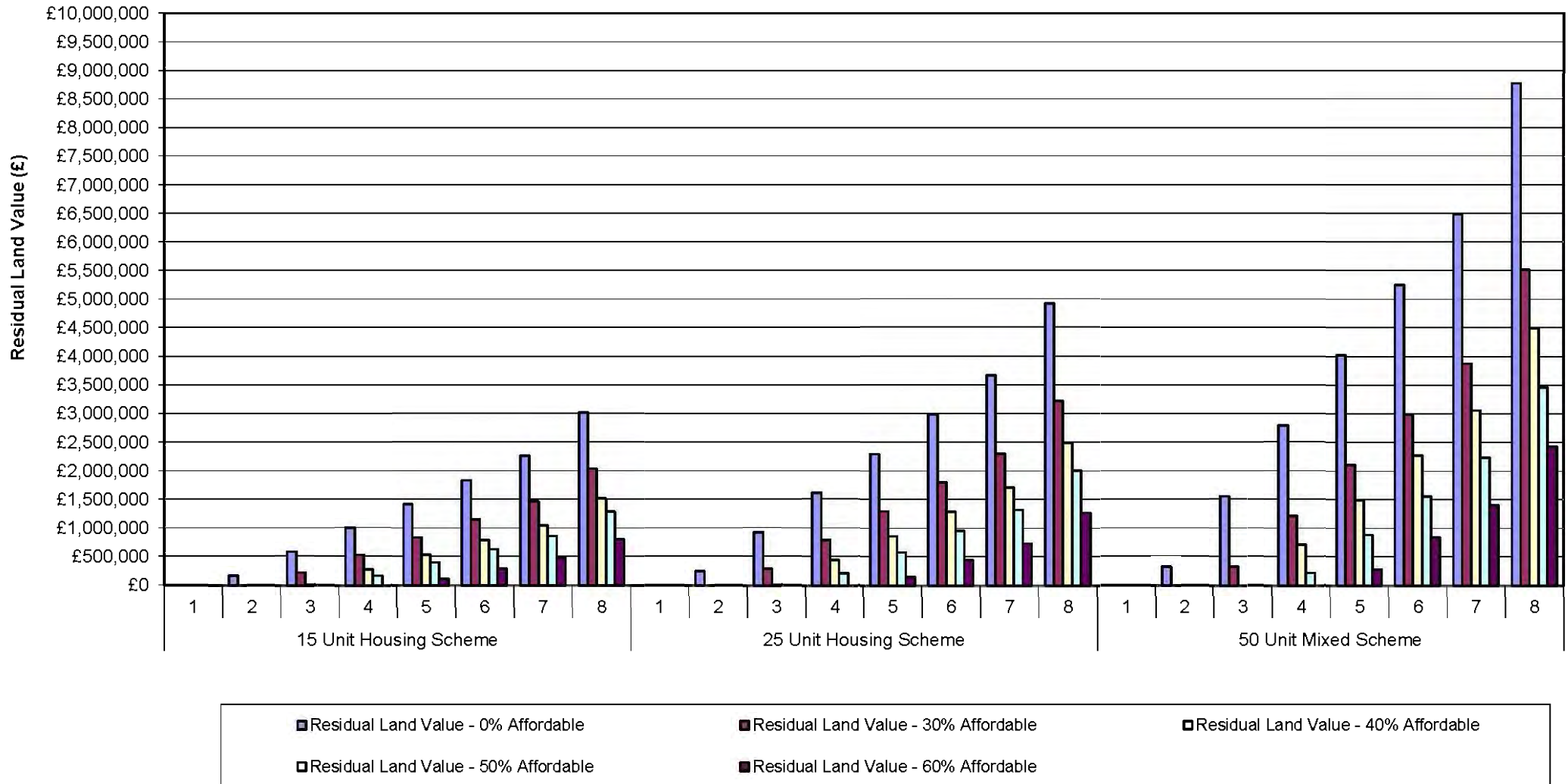
 =Within Range of Indicative VOA Agricultural and Lower Industrial Land Values
 =Within Range of Indicative VOA Industrial Land Values
 =Highest (Competitive) Indicative VOA Industrial Land Value

**Table 8: Summary of Residual Land Value (£) Appraisals for All Value Points - Planning Infrastructure Level £5,000
12.5%, 15%, 17.5%, 20% & 25% Developer's Profit Without Grant**

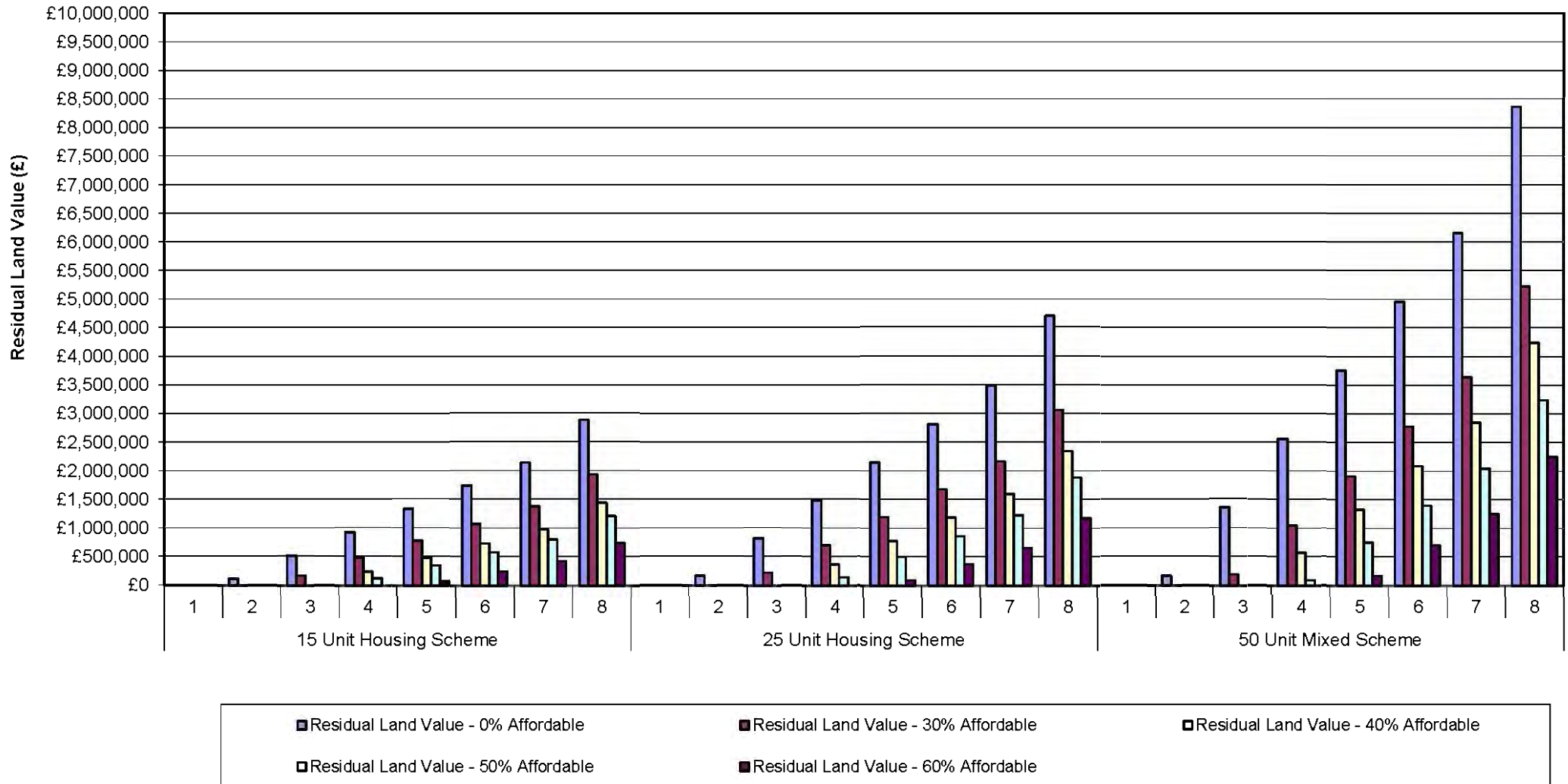
Development Scenario / Threshold	Value Point	12.5% Developer's Profit					15% Developer's Profit					17.5% Developer's Profit					20% Developer's Profit					25% Developer's Profit				
		Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable
15 Unit Housing Scheme	1	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
	2	£161,749	£0	£0	£0	£0	£108,592	£0	£0	£0	£0	£55,434	£0	£0	£0	£2,277	£0	£0	£0	£0	£0	£0	£0	£0	£0	
	3	£574,838	£214,962	£16,952	£0	£0	£511,394	£167,697	£0	£0	£0	£452,616	£118,262	£0	£0	£388,511	£68,826	£0	£0	£0	£260,301	£0	£0	£0	£0	
	4	£994,397	£522,291	£276,809	£168,823	£0	£918,540	£470,397	£234,471	£124,959	£0	£842,683	£413,062	£186,426	£81,095	£0	£766,825	£355,728	£139,778	£37,230	£0	£615,111	£246,029	£42,717	£0	
	5	£1,413,955	£836,134	£531,637	£399,089	£110,483	£1,325,685	£770,105	£482,397	£349,578	£71,025	£1,237,415	£704,076	£427,619	£300,068	£31,567	£1,149,145	£638,048	£372,841	£250,557	£0	£972,605	£505,990	£263,286	£156,222	
	6	£1,833,514	£1,149,977	£789,319	£627,879	£289,091	£1,732,831	£1,074,663	£727,482	£571,988	£245,435	£1,632,148	£999,349	£665,645	£516,897	£205,938	£1,531,465	£924,335	£603,808	£465,000	£163,012	£1,330,099	£773,407	£480,135	£352,054	
	7	£2,253,073	£1,463,820	£1,047,080	£860,784	£471,013	£2,139,977	£1,379,221	£977,540	£798,002	£421,975	£2,026,881	£1,294,621	£908,079	£735,221	£372,936	£1,913,785	£1,210,022	£838,619	£672,439	£323,897	£1,687,583	£1,040,823	£899,698	£546,876	
	8	£3,017,602	£2,035,712	£1,516,554	£1,285,188	£794,243	£2,881,887	£1,934,193	£1,433,201	£1,209,850	£736,003	£2,746,172	£1,832,674	£1,349,848	£1,134,512	£677,763	£2,610,456	£1,731,154	£1,266,496	£1,059,174	£819,523	£2,339,026	£1,528,116	£1,099,790	£908,498	
25 Unit Housing Scheme	1	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
	2	£238,829	£0	£0	£0	£0	£154,222	£0	£0	£0	£0	£67,203	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	
	3	£918,415	£288,199	£11,818	£0	£0	£814,556	£215,581	£0	£0	£0	£710,697	£138,405	£0	£0	£0	£606,838	£59,051	£0	£0	£403,278	£0	£0	£0	£0	
	4	£1,605,237	£789,005	£440,289	£210,645	£0	£1,481,058	£697,921	£362,757	£142,605	£0	£1,356,879	£606,837	£285,224	£72,437	£0	£1,232,700	£515,753	£211,974	£2,269	£984,342	£337,060	£54,254	£0	£0	
	5	£2,292,060	£1,292,784	£860,155	£576,831	£150,211	£2,147,561	£1,186,795	£770,865	£498,447	£89,956	£2,003,062	£1,080,806	£681,576	£424,439	£21,701	£1,858,563	£974,817	£592,286	£345,238	£0	£1,569,564	£762,840	£418,016	£190,689	
	6	£2,978,883	£1,796,562	£1,284,560	£949,400	£441,954	£2,814,064	£1,675,868	£1,182,714	£859,993	£370,862	£2,649,244	£1,554,775	£1,080,868	£770,586	£299,770	£2,484,425	£1,433,881	£979,022	£681,180	£233,393	£2,154,786	£1,192,094	£775,330	£502,366	
	7	£3,665,706	£2,300,340	£1,708,964	£1,321,969	£730,593	£3,480,566	£2,164,541	£1,594,562	£1,221,539	£651,560	£3,295,427	£2,028,743	£1,480,168	£1,121,110	£572,526	£3,110,287	£1,892,945	£1,365,757	£1,020,680	£493,492	£2,740,008	£1,621,349	£1,136,953	£819,821	
	8	£4,917,249	£3,218,335	£2,482,324	£2,008,872	£1,284,861	£4,695,082	£3,055,377	£2,345,041	£1,880,357	£1,170,021	£4,472,914	£2,892,419	£2,207,758	£1,759,841	£1,075,180	£4,250,747	£2,729,462	£2,070,475	£1,639,326	£980,340	£3,806,412	£2,403,546	£1,795,910	£1,398,295	
50 Unit Mixed Scheme	1	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
	2	£313,866	£0	£0	£0	£0	£162,611	£0	£0	£0	£0	£1,648	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	
	3	£1,546,081	£324,842	£0	£0	£0	£1,355,005	£190,260	£0	£0	£0	£1,163,929	£494,76	£0	£0	£0	£972,853	£0	£0	£0	£590,701	£0	£0	£0	£0	
	4	£2,781,531	£1,210,582	£711,733	£219,538	£0	£2,553,904	£1,047,279	£568,919	£94,331	£0	£2,326,276	£883,977	£430,542	£0	£0	£2,098,648	£720,674	£286,240	£0	£1,643,393	£398,174	£0	£0	£0	
	5	£4,016,982	£2,099,670	£1,492,214	£884,759	£280,192	£3,752,802	£1,910,063	£1,326,308	£742,554	£165,415	£3,488,623	£1,720,456	£1,160,402	£600,348	£41,973	£3,224,443	£1,530,850	£994,496	£462,916	£0	£2,696,084	£1,151,636	£662,684	£179,162	
	6	£5,252,432	£2,988,759	£2,272,696	£1,556,632	£840,569	£4,951,701	£2,772,848	£2,083,698	£1,394,549	£705,400	£4,650,970	£2,556,936	£1,894,701	£1,232,466	£570,231	£4,350,238	£2,341,025	£1,705,704	£1,070,383	£439,594	£3,748,776	£1,909,202	£1,327,710	£746,217	
	7	£6,487,883	£3,877,848	£3,053,177	£2,228,506	£1,403,835	£6,150,680	£3,635,632	£2,841,088	£2,046,545	£1,252,001	£5,813,317	£3,393,416	£2,629,000	£1,864,584	£1,100,167	£5,476,033	£3,151,201	£2,416,912	£1,682,623	£948,334	£4,801,467	£2,666,769	£1,992,735	£1,318,701	
	8	£8,767,917	£5,515,226	£4,486,894	£3,458,562	£2,430,230	£8,363,177	£5,224,567	£4,232,388	£3,240,209	£2,248,030	£7,958,437	£4,933,908	£3,977,882	£3,021,856	£2,065,829	£7,553,697	£4,643,249	£3,723,376	£2,803,502	£1,883,629	£6,744,218	£4,061,932	£3,214,364	£2,366,796	

Source: Adams Integra, November 2009

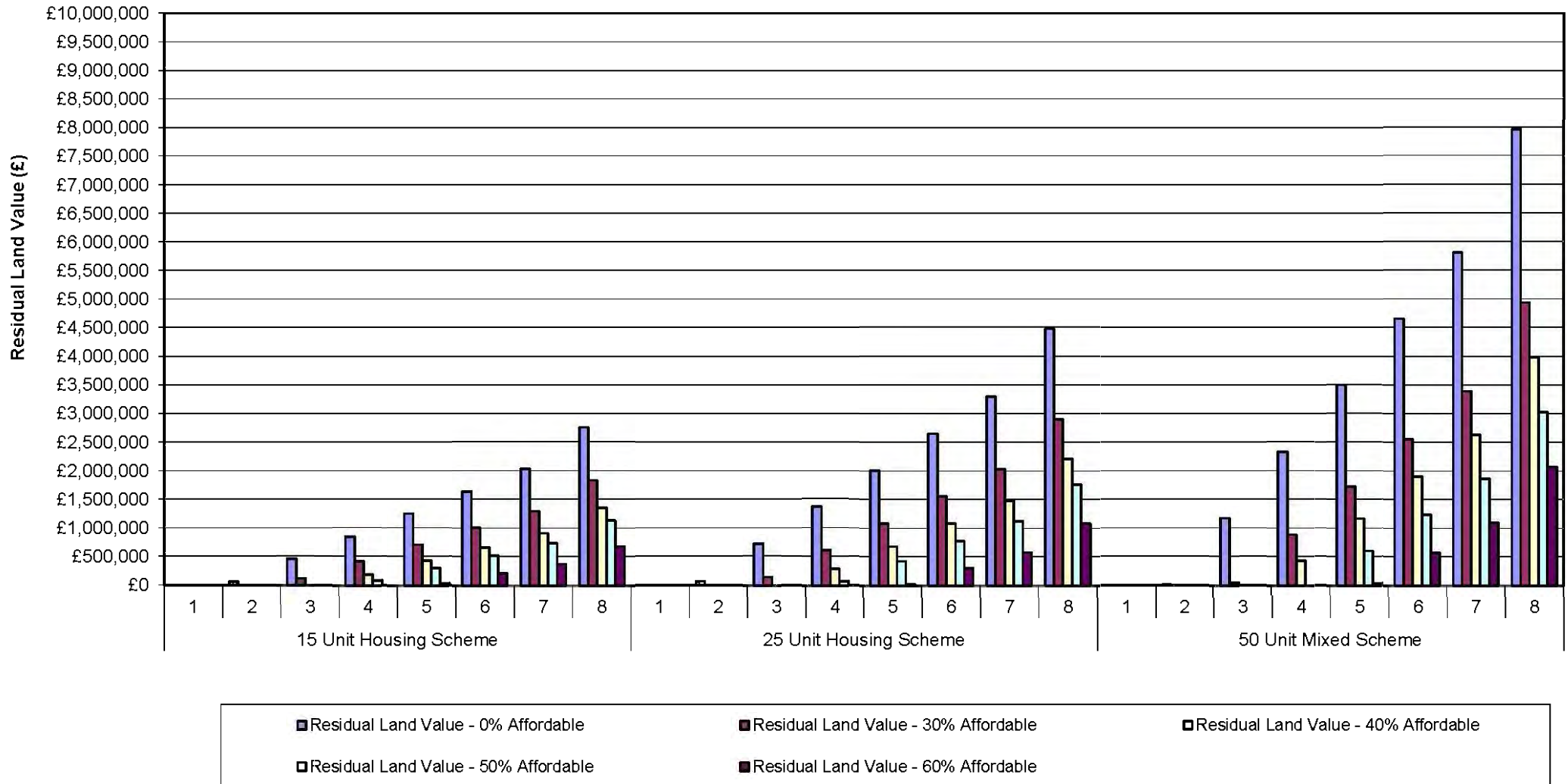
Graph 20: Summary of Residual Land Values at 0%, 30%, 40%, 50% & 60% Affordable Housing Across All Value Points
Planning Infrastructure Level £5,000
12.5% Developer's Profit
Without Grant



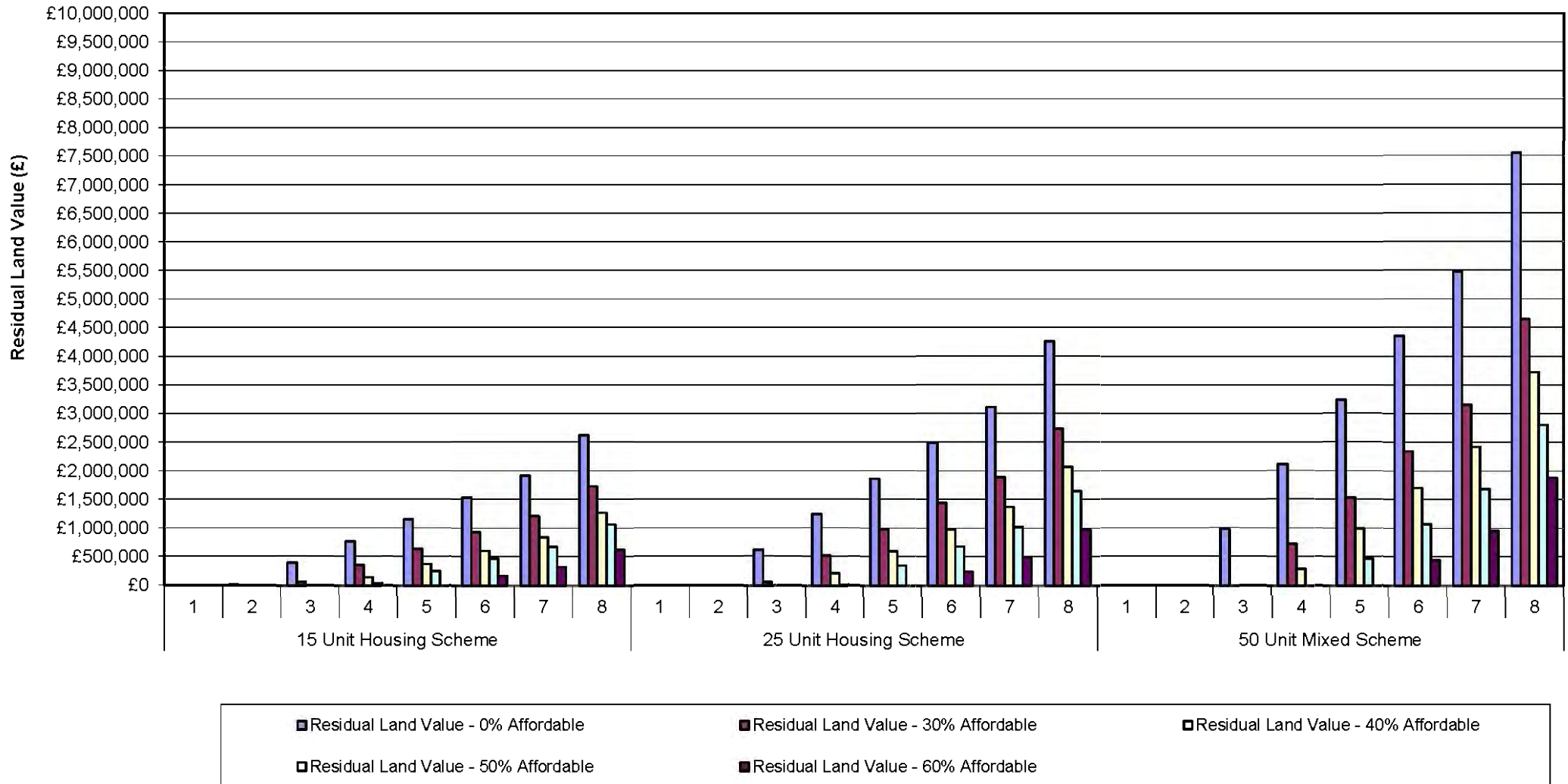
Graph 21: Summary of Residual Land Values at 0%, 30%, 40%, 50% & 60% Affordable Housing Across All Value Points
Planning Infrastructure Level £5,000
15% Developer's Profit
Without Grant



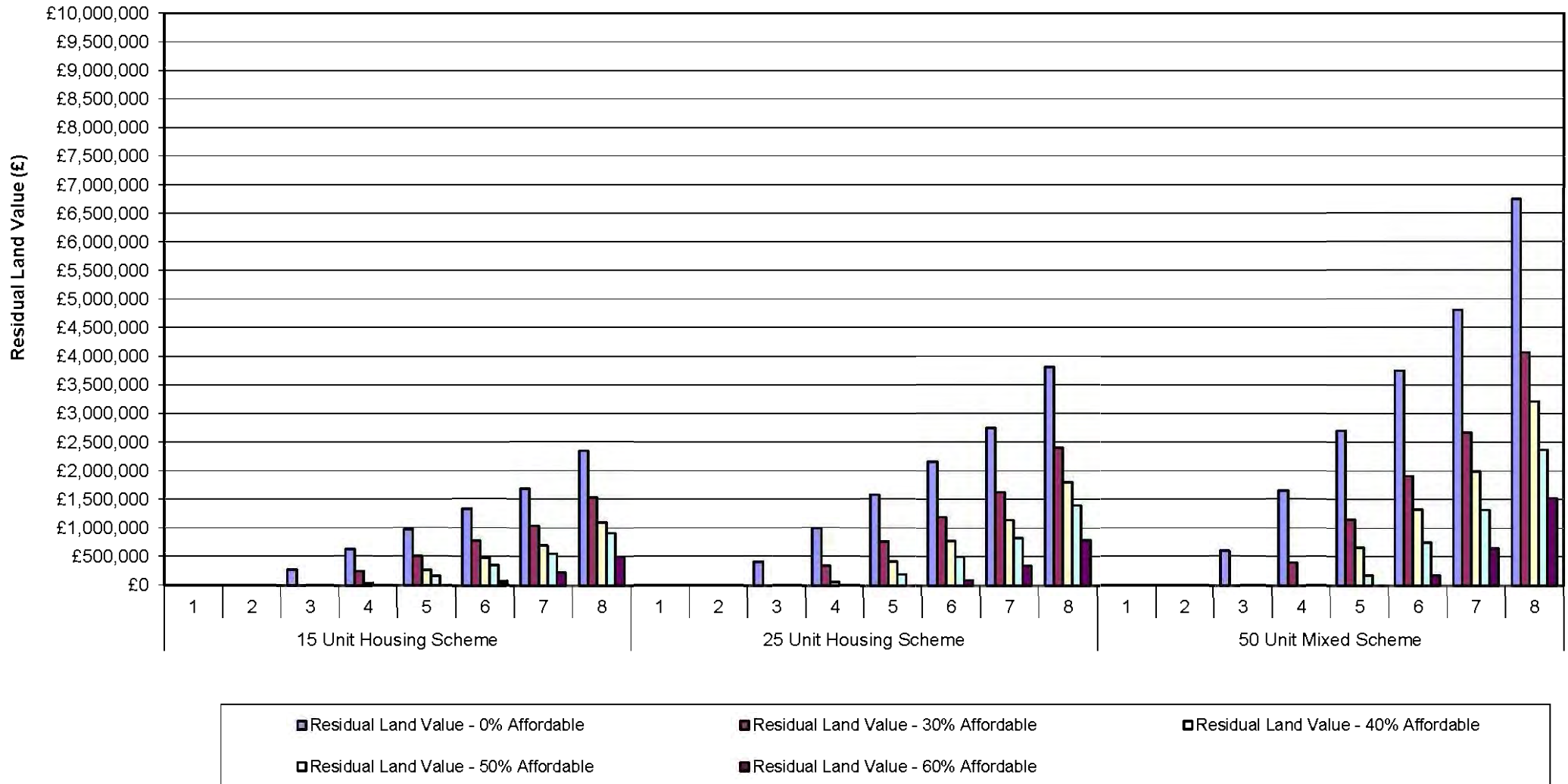
Graph 22: Summary of Residual Land Values at 0%, 30%, 40%, 50% & 60% Affordable Housing Across All Value Points
Planning Infrastructure Level £5,000
17.5% Developer's Profit
Without Grant



Graph 23: Summary of Residual Land Values at 0%, 30%, 40%, 50% & 60% Affordable Housing Across All Value Points
Planning Infrastructure Level £5,000
20% Developer's Profit
Without Grant



**Graph 24: Summary of Residual Land Values at 0%, 30%, 40%, 50% & 60% Affordable Housing Across All Value Points
 Planning Infrastructure Level £5,000
 25% Developer's Profit
 Without Grant**

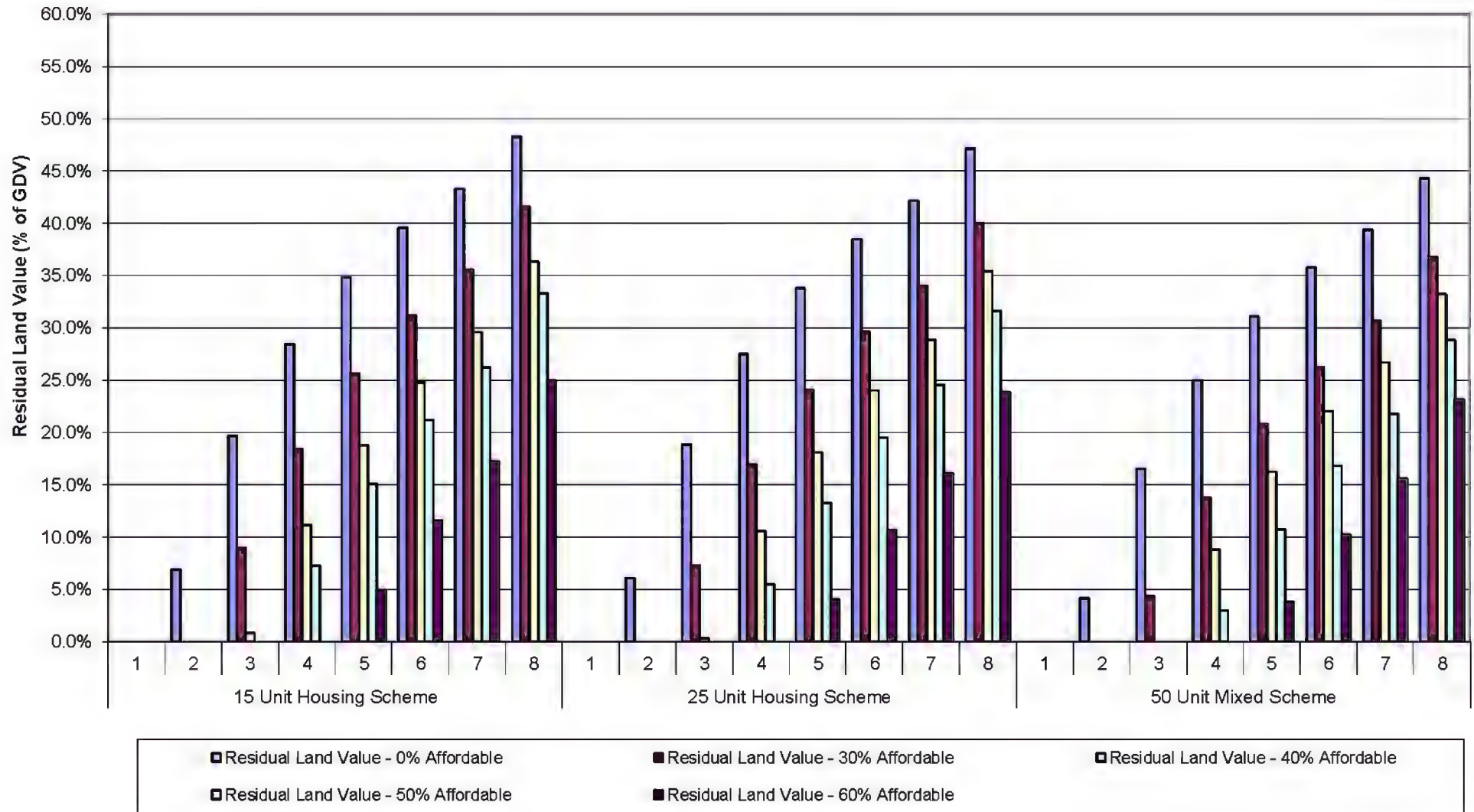


**Table 8a: Summary of Residual Land Value (as % of GDV) Appraisals for
All Value Points
Planning Infrastructure Level £5,000
Without Grant
12.5%, 15%, 17.5%, 20% & 25% Developer's Profit**

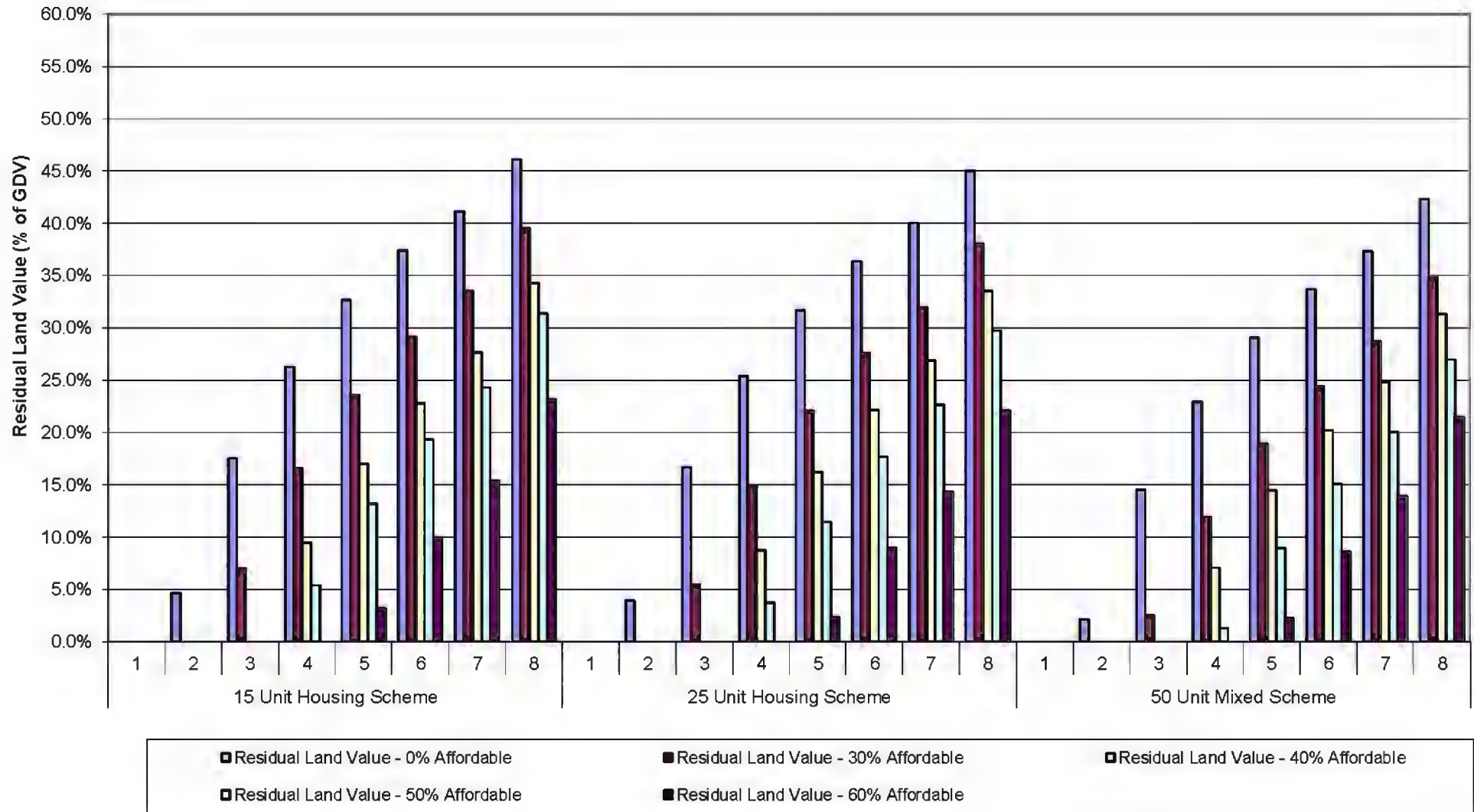
Development Scenario / Threshold	Value Point	12.5% Developer's Profit					15% Developer's Profit					17.5% Developer's Profit					20% Developer's Profit					25% Developer's Profit									
		Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable					
15 Unit Housing Scheme	1	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	2	6.9%	0.0%	0.0%	0.0%	0.0%	4.6%	0.0%	0.0%	0.0%	0.0%	2.4%	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	3	19.7%	8.9%	0.8%	0.0%	0.0%	17.5%	7.0%	0.0%	0.0%	0.0%	15.5%	4.9%	0.0%	0.0%	0.0%	13.3%	2.9%	0.0%	0.0%	0.0%	8.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	4	28.5%	18.4%	11.1%	7.2%	0.0%	26.3%	16.6%	9.4%	5.4%	0.0%	24.1%	14.6%	7.5%	3.5%	0.0%	22.0%	12.6%	5.6%	1.6%	0.0%	17.6%	8.7%	1.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	5	34.8%	25.6%	18.7%	15.1%	4.9%	32.6%	23.6%	17.0%	13.2%	3.2%	30.4%	21.6%	15.1%	11.3%	1.4%	28.3%	19.6%	13.1%	9.5%	0.0%	23.9%	15.5%	9.3%	5.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	6	39.6%	31.2%	24.8%	21.2%	11.6%	37.4%	29.1%	22.8%	19.3%	9.9%	35.2%	27.1%	20.9%	17.4%	8.3%	33.0%	25.1%	18.9%	15.7%	6.5%	28.7%	21.0%	15.1%	11.9%	2.9%	0.0%	0.0%	0.0%	0.0%	0.0%
	7	43.3%	35.6%	29.6%	26.2%	17.2%	41.1%	33.5%	27.6%	24.3%	15.4%	38.9%	31.5%	25.7%	22.4%	13.6%	36.8%	29.4%	23.7%	20.5%	11.8%	32.4%	25.3%	19.8%	16.7%	8.4%	0.0%	0.0%	0.0%	0.0%	0.0%
	8	48.3%	41.6%	36.3%	33.3%	25.0%	46.1%	39.5%	34.3%	31.4%	23.1%	43.9%	37.4%	32.3%	29.4%	21.3%	41.8%	35.4%	30.3%	27.4%	19.5%	37.4%	31.2%	26.3%	23.5%	15.8%	0.0%	0.0%	0.0%	0.0%	0.0%
25 Unit Housing Scheme	1	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	2	6.1%	0.0%	0.0%	0.0%	0.0%	3.9%	0.0%	0.0%	0.0%	0.0%	1.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	3	18.8%	7.3%	0.3%	0.0%	0.0%	16.7%	5.4%	0.0%	0.0%	0.0%	14.6%	3.5%	0.0%	0.0%	0.0%	12.4%	1.5%	0.0%	0.0%	0.0%	8.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	4	27.5%	16.9%	10.6%	5.5%	0.0%	25.4%	15.0%	8.7%	3.7%	0.0%	23.3%	13.0%	6.9%	1.9%	0.0%	21.1%	11.1%	5.1%	0.1%	0.0%	16.9%	7.2%	1.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	5	33.8%	24.1%	18.1%	13.3%	4.0%	31.7%	22.1%	16.2%	11.5%	2.3%	29.5%	20.1%	14.3%	9.8%	0.6%	27.4%	18.2%	12.5%	7.9%	0.0%	23.1%	14.2%	8.8%	4.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	6	38.5%	29.6%	24.0%	19.5%	10.7%	36.4%	27.6%	22.1%	17.7%	9.0%	34.2%	25.6%	20.2%	15.8%	7.2%	32.1%	23.6%	18.3%	14.0%	5.6%	27.8%	19.7%	14.5%	10.3%	2.2%	0.0%	0.0%	0.0%	0.0%	0.0%
	7	42.2%	34.0%	28.8%	24.5%	16.1%	40.0%	32.0%	26.9%	22.7%	14.3%	37.9%	30.0%	25.0%	20.8%	12.6%	35.8%	28.0%	23.0%	19.0%	10.8%	31.5%	24.0%	19.2%	15.2%	7.4%	0.0%	0.0%	0.0%	0.0%	0.0%
	8	47.1%	40.0%	35.4%	31.6%	23.9%	45.0%	38.0%	33.5%	29.7%	22.1%	42.9%	36.0%	31.5%	27.8%	20.3%	40.8%	33.8%	29.6%	25.9%	18.5%	36.5%	29.9%	25.6%	22.1%	14.9%	0.0%	0.0%	0.0%	0.0%	0.0%
50 Unit Mixed Scheme	1	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	2	4.2%	0.0%	0.0%	0.0%	0.0%	2.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	3	16.6%	4.3%	0.0%	0.0%	0.0%	14.5%	2.5%	0.0%	0.0%	0.0%	12.5%	0.7%	0.0%	0.0%	0.0%	10.4%	0.0%	0.0%	0.0%	0.0%	6.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	4	25.0%	13.8%	8.8%	3.0%	0.0%	23.0%	11.9%	7.1%	1.3%	0.0%	20.9%	10.1%	5.3%	0.0%	0.0%	18.9%	8.2%	3.6%	0.0%	0.0%	14.8%	4.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	5	31.1%	20.8%	16.3%	10.7%	3.8%	29.1%	19.0%	14.4%	9.0%	2.2%	27.0%	17.1%	12.6%	7.3%	0.6%	25.0%	15.2%	10.8%	5.6%	0.0%	20.9%	11.4%	7.2%	2.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	6	35.7%	26.3%	22.0%	16.8%	10.3%	33.7%	24.4%	20.2%	15.1%	8.6%	31.6%	22.5%	18.4%	13.3%	7.0%	29.6%	20.6%	16.5%	11.6%	5.4%	25.5%	16.8%	12.8%	8.1%	2.1%	0.0%	0.0%	0.0%	0.0%	0.0%
	7	39.4%	30.7%	26.7%	21.8%	15.6%	37.3%	28.7%	24.8%	20.0%	13.9%	35.3%	26.8%	23.0%	18.2%	12.2%	33.2%	24.9%	21.1%	16.5%	10.5%	29.1%	21.1%	17.4%	12.9%	7.2%	0.0%	0.0%	0.0%	0.0%	0.0%
	8	44.3%	36.7%	33.2%	28.8%	23.2%	42.3%	34.8%	31.3%	27.0%	21.4%	40.2%	32.9%	29.4%	25.2%	19.7%	38.2%	30.9%	27.6%	23.4%	17.9%	34.1%	27.1%	23.8%	19.7%	14.5%	0.0%	0.0%	0.0%	0.0%	0.0%

Source: Adams Integra, November 2009

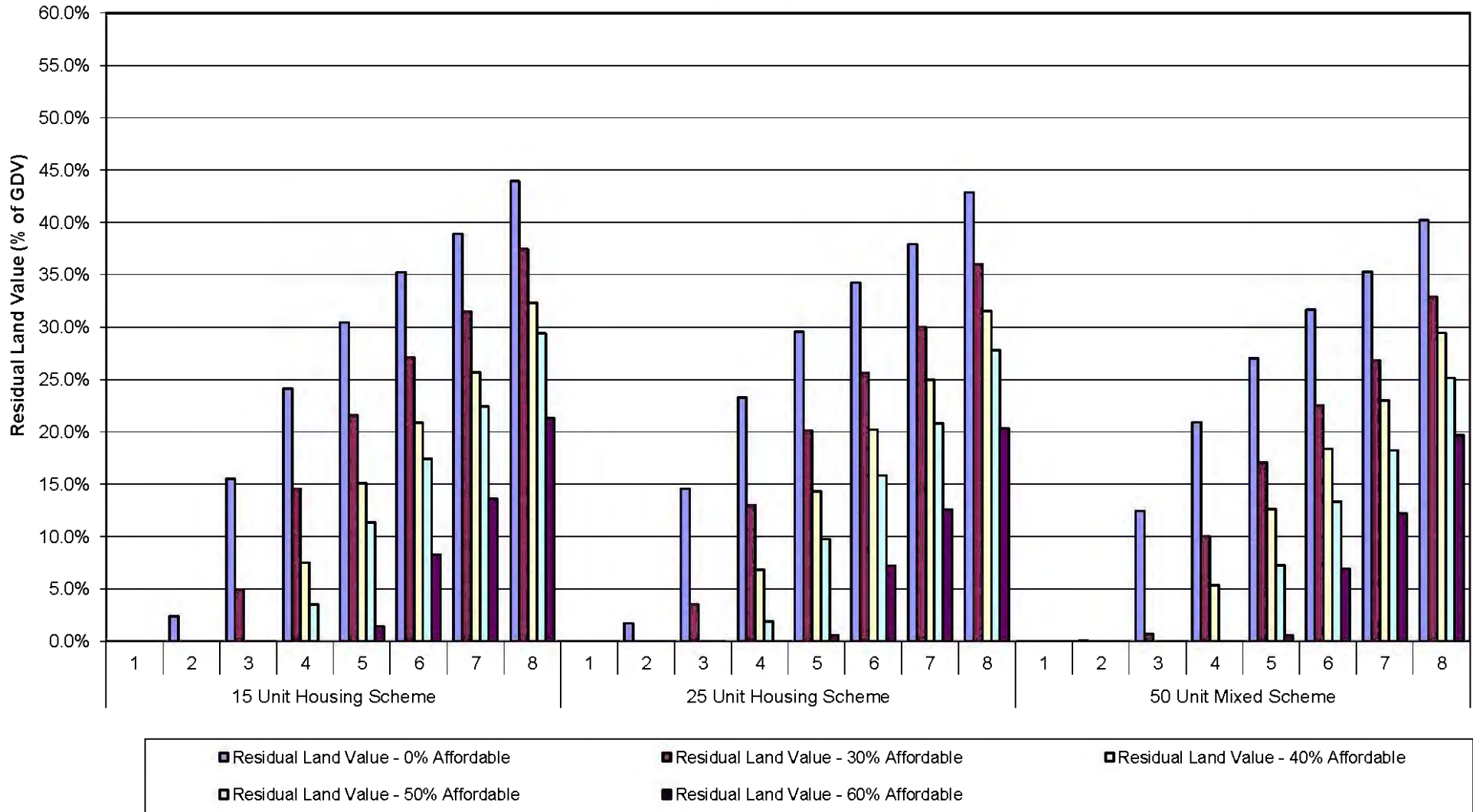
**Graph 20a: Summary of Residual Land Values (as % of GDV) at 0%, 30%, 40%, 50% & 60% Affordable Housing
Across all Value Points
Planning Infrastructure Level £5,000
12.5% Developer's Profit
Without Grant**



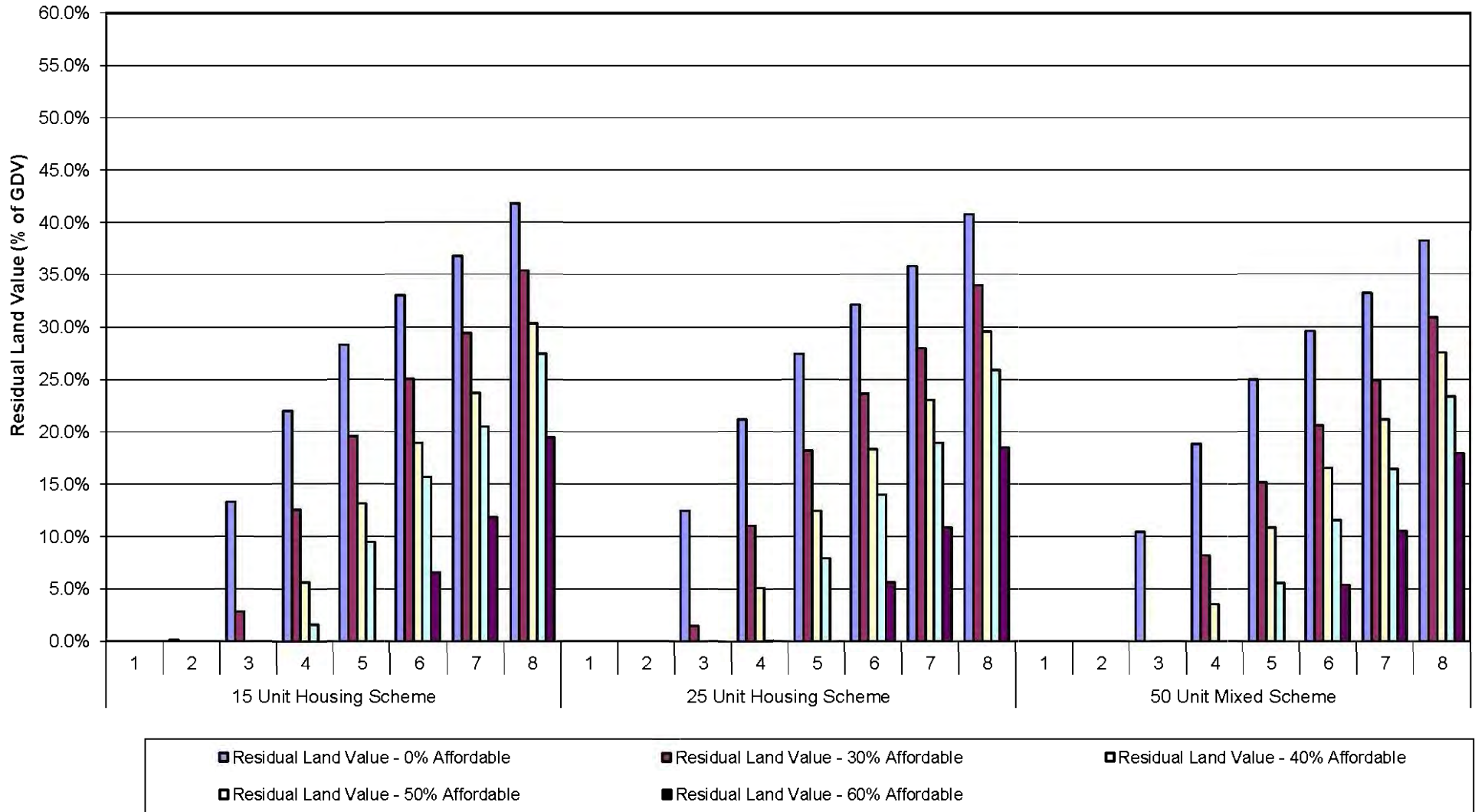
**Graph 21a: Summary of Residual Land Values (as % of GDV) at 0%, 30%, 40%, 50% & 60% Affordable Housing
 Across all Value Points
 Planning Infrastructure Level £5,000
 15% Developer's Profit
 Without Grant**



**Graph 22a: Summary of Residual Land Values (as % of GDV) at 0%, 30%, 40%, 50% & 60% Affordable Housing
Across all Value Points
Planning Infrastructure Level £5,000
17.5% Developer's Profit
Without Grant**



**Graph 23a: Summary of Residual Land Values (as % of GDV) at 0%, 30%, 40%, 50% & 60% Affordable Housing
 Across all Value Points
 Planning Infrastructure Level £5,000
 20% Developer's Profit
 Without Grant**



**Graph 24a: Summary of Residual Land Values (as % of GDV) at 0%, 30%, 40%, 50% & 60% Affordable Housing
 Across all Value Points
 Planning Infrastructure Level £5,000
 25% Developer's Profit
 Without Grant**

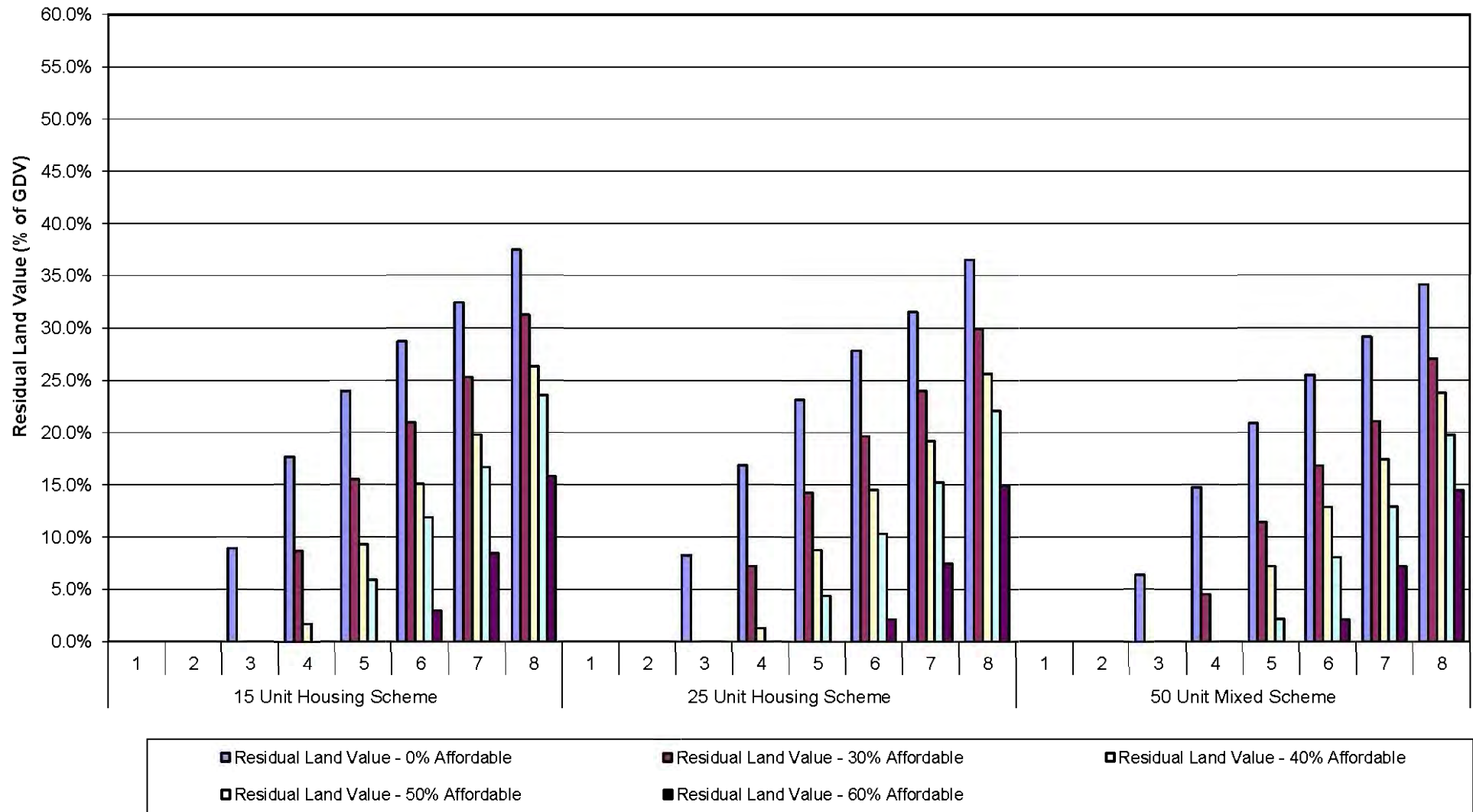


Table 8b: Summary of Residual Land Value (£ per Ha) Appraisals for
 All Value Points
 Planning Infrastructure Level £5,000
 Without Grant
 12.5%, 15%, 17.5%, 20% & 25% Developer's Profit
 (Higher Density)

Development Scenario / Threshold	Value Point	Site Size	12.5% Developer's Profit					15% Developer's Profit					17.5% Developer's Profit					20% Developer's Profit					25% Developer's Profit				
			Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable
15 Unit Housing Scheme	1	0.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	2	0.60	£29,582	0.00	0.00	0.00	0.00	£100,996	0.00	0.00	0.00	0.00	0.00	0.00	692,391	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	3	0.60	£99,063	£350,270	£28,253	0.00	0.00	£82,323	£279,496	0.00	0.00	0.00	0.00	£754,360	£197,103	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	4	0.60	£1,657,328	£970,495	£461,348	£281,372	0.00	£1,530,899	£783,995	£390,785	£208,265	0.00	0.00	£1,404,474	£698,437	£310,709	£135,158	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	5	0.60	£2,356,692	£1,393,557	£896,062	£665,148	£184,139	£2,208,476	£1,283,509	£803,995	£592,631	£189,376	0.00	0.00	£2,062,369	£1,173,461	£712,699	£500,113	£52,612	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	6	0.60	£3,055,957	£1,916,629	£1,316,531	£1,046,466	£491,919	£2,888,052	£1,791,405	£1,212,470	£953,314	£409,950	0.00	0.00	£2,720,247	£1,695,582	£1,109,408	£860,162	£343,231	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	7	0.60	£3,755,122	£2,439,700	£1,746,001	£1,434,640	£795,022	£3,566,628	£2,298,701	£1,629,233	£1,330,004	£703,291	0.00	0.00	£3,378,135	£2,157,702	£1,513,466	£1,225,369	£621,569	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	8	0.60	£5,029,337	£3,392,854	£2,527,590	£2,141,980	£1,323,730	£4,803,145	£3,223,665	£2,308,669	£2,016,417	£1,226,672	0.00	0.00	£4,576,953	£3,054,456	£2,249,747	£1,990,953	£1,129,605	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
25 Unit Housing Scheme	1	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	2	1.00	£29,829	0.00	0.00	0.00	0.00	£154,222	0.00	0.00	0.00	0.00	0.00	667,203	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	3	1.00	£99,415	£288,199	0.00	0.00	0.00	£814,556	£215,581	0.00	0.00	0.00	0.00	£710,697	£138,405	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	4	1.00	£1,605,237	£789,005	£440,299	£210,645	0.00	£1,481,058	£697,921	£362,757	£142,605	0.00	0.00	£1,356,879	£696,837	£295,224	£72,437	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	5	1.00	£2,292,000	£1,292,784	£860,195	£576,831	£150,211	£2,147,561	£1,186,795	£770,065	£498,447	£95,596	0.00	0.00	£2,003,062	£1,090,806	£691,576	£424,430	£21,701	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	6	1.00	£2,978,883	£1,796,562	£1,294,560	£949,400	£441,954	£2,814,064	£1,675,668	£1,182,714	£899,993	£370,862	0.00	0.00	£2,649,244	£1,554,775	£1,080,968	£770,586	£299,770	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	7	1.00	£3,665,706	£2,300,340	£1,706,964	£1,321,969	£730,993	£3,480,566	£2,164,541	£1,594,562	£1,221,539	£651,560	0.00	0.00	£3,295,427	£2,028,743	£1,480,160	£1,121,110	£572,526	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	8	1.00	£4,917,249	£3,218,335	£2,492,324	£2,000,872	£1,264,861	£4,695,082	£3,055,377	£2,345,041	£1,890,357	£1,170,021	0.00	0.00	£4,472,914	£2,992,419	£2,207,759	£1,759,841	£1,075,180	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
50 Unit Mixed Scheme	1	1.43	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	2	1.43	£29,487	0.00	0.00	0.00	0.00	£113,734	0.00	0.00	0.00	0.00	0.00	667,203	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	3	1.43	£99,175	£277,162	0.00	0.00	0.00	£947,556	£133,049	0.00	0.00	0.00	0.00	£813,936	£34,598	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	4	1.43	£1,945,127	£946,561	£497,746	£153,523	0.00	£1,795,947	£732,363	£397,945	£65,966	0.00	0.00	£1,626,766	£618,165	£301,078	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	5	1.43	£2,809,078	£1,468,301	£1,043,507	£619,712	£195,938	£2,624,337	£1,335,709	£927,488	£519,298	£116,675	0.00	0.00	£2,439,596	£1,203,116	£811,470	£419,824	£29,352	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	6	1.43	£3,673,030	£2,090,041	£1,589,298	£1,089,554	£587,810	£3,462,728	£1,938,054	£1,457,132	£975,209	£493,287	0.00	0.00	£3,252,425	£1,789,067	£1,324,966	£961,964	£398,763	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	7	1.43	£4,536,981	£2,711,782	£2,136,089	£1,558,396	£981,703	£4,301,119	£2,542,400	£1,986,776	£1,431,150	£875,525	0.00	0.00	£4,095,256	£2,373,018	£1,838,461	£1,303,905	£769,348	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	8	1.43	£5,131,410	£3,896,801	£3,137,688	£2,419,575	£1,699,462	£5,849,375	£3,653,543	£2,959,712	£2,265,880	£1,572,049	0.00	0.00	£5,565,341	£3,490,295	£2,781,736	£2,113,186	£1,444,636	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Source: Adams Integra, November 2009

£0	£100	£200	£300	£400	£500	£600	£700	£800	£900	£1,000
£1,100	£1,200	£1,300	£1,400	£1,500	£1,600	£1,700	£1,800	£1,900	£2,000	£2,100
£2,200	£2,300	£2,400	£2,500	£2,600	£2,700	£2,800	£2,900	£3,000	£3,100	£3,200
£3,300	£3,400	£3,500	£3,600	£3,700	£3,800	£3,900	£4,000	£4,100	£4,200	£4,300
£4,400	£4,500	£4,600	£4,700	£4,800	£4,900	£5,000	£5,100	£5,200	£5,300	£5,400
£5,500	£5,600	£5,700	£5,800	£5,900	£6,000	£6,100	£6,200	£6,300	£6,400	£6,500
£6,600	£6,700	£6,800	£6,900	£7,000	£7,100	£7,200	£7,300	£7,400	£7,500	£7,600
£7,700	£7,800	£7,900	£8,000	£8,100	£8,200	£8,300	£8,400	£8,500	£8,600	£8,700
£8,800	£8,900	£9,000	£9,100	£9,200	£9,300	£9,400	£9,500	£9,600	£9,700	£9,800
£9,900	£10,000	£10,100	£10,200	£10,300	£10,400	£10,500	£10,600	£10,700	£10,800	£10,900
£11,000	£11,100	£11,200	£11,300	£11,400	£11,500	£11,600	£11,700	£11,800	£11,900	£12,000

£0-£200: Within Range of Indicative VOA Agricultural and Lower Industrial Land Values
 £200-£400: Within Range of Indicative VOA Industrial Land Values
 £400-£600: Higher Densities, Indicative VOA Industrial Land Values

Table 8c: Summary of Residual Land Value (£ per Ha) Appraisals for
 All Value Points
 Planning Infrastructure Level £5,000
 Without Grant
 12.5%, 15%, 17.5%, 20% & 25% Developer's Profit
 (Lower Density)

Development Scenario / Threshold	Value Point	Site Size	12.5% Developer's Profit					15% Developer's Profit					17.5% Developer's Profit					20% Developer's Profit					25% Developer's Profit								
			Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable				
15 Unit Housing Scheme	1	0.30																													
	2	0.30	£426,656					£285,768						£145,880																	
	3	0.30	£1,512,732	£565,689	£44,609			£1,345,773	£141,309					£1,191,095	£311,215							£1,022,397	£181,121				£685,003				
	4	0.30	£2,616,634	£1,374,450	£728,445	£144,271		£2,417,210	£1,237,866	£617,029	£328,839			£2,217,586	£1,087,006	£490,594	£213,407					£2,017,962	£936,125	£367,937	£97,975		£1,618,714	£647,444	£112,413		
	5	0.30	£3,720,536	£2,200,353	£1,386,045	£1,050,234	£290,746	£3,488,646	£2,026,593	£1,269,466	£919,943	£186,909		£3,256,356	£1,852,833	£1,125,314	£789,651	£83,072				£3,024,066	£1,679,073	£981,161	£659,360		£2,559,497	£1,331,553	£692,857	£411,111	
	6	0.30	£4,825,037	£3,026,256	£2,077,154	£1,652,314	£760,766	£4,560,082	£2,828,061	£1,614,426	£1,505,233	£645,880	£4,295,127	£2,629,866	£1,751,697	£1,358,151	£541,843	£4,030,171	£2,431,671	£1,588,969	£1,223,695	£429,978	£3,500,260	£2,035,281	£1,263,512	£926,457	£192,401				
	7	0.30	£5,929,139	£3,852,159	£2,755,264	£2,265,221	£1,239,509	£5,631,518	£3,629,529	£2,572,473	£2,100,006	£1,110,459	£5,333,897	£3,406,899	£2,389,692	£1,934,791	£801,410	£5,036,276	£3,194,269	£2,206,891	£1,769,576	£852,360	£4,444,034	£2,739,009	£1,841,310	£1,439,147	£606,513				
	8	0.30	£7,041,058	£5,357,137	£3,990,931	£3,382,074	£2,080,143	£7,563,813	£5,089,981	£3,771,582	£3,183,816	£1,936,950	£7,226,768	£4,822,825	£3,552,233	£2,985,599	£1,783,587	£6,868,622	£4,555,669	£3,332,884	£2,787,300	£1,630,324	£6,155,331	£4,021,357	£2,894,185	£2,390,784	£1,323,787				
25 Unit Housing Scheme	1	0.63																													
	2	0.63	£370,094					£244,797						£106,671																	
	3	0.63	£1,457,901	£157,458				£1,292,946	£342,192					£1,128,091	£219,690							£963,236	£93,732				£640,124				
	4	0.63	£2,547,996	£1,252,390	£698,872	£334,357		£2,350,886	£1,107,812	£575,004	£226,357			£2,153,777	£963,234	£452,737	£114,979					£1,956,667	£819,656	£336,467			£1,562,448	£535,015	£86,118		
	5	0.63	£3,638,191	£2,052,037	£1,365,325	£915,605	£238,430	£3,408,827	£1,883,801	£1,223,596	£791,195	£136,438	£3,179,463	£1,715,565	£1,081,966	£673,742	£34,446	£2,960,099	£1,547,329	£940,137	£547,997		£2,491,372	£1,210,856	£663,518	£302,601					
	6	0.63	£4,728,396	£2,851,685	£2,036,983	£1,506,984	£701,514	£4,466,768	£2,659,791	£1,877,323	£1,365,068	£588,670	£4,205,149	£2,467,896	£1,715,663	£1,223,153	£478,825	£3,943,531	£2,276,002	£1,554,003	£1,081,237	£370,465	£3,420,295	£1,892,243	£1,230,682	£797,406	£141,537				
	7	0.63	£5,818,981	£3,651,333	£2,742,642	£2,098,363	£1,159,672	£5,524,708	£3,435,780	£2,531,051	£1,938,951	£1,034,222	£5,230,836	£3,220,227	£2,349,460	£1,779,539	£908,772	£4,936,963	£3,004,675	£2,167,869	£1,620,127	£783,321	£4,349,219	£2,573,569	£1,804,687	£1,301,304	£537,967				
	8	0.63	£7,905,458	£5,108,460	£3,940,196	£3,175,988	£2,007,716	£7,452,511	£4,849,805	£3,722,287	£2,994,693	£1,857,175	£7,089,864	£4,581,142	£3,504,378	£2,793,399	£1,706,635	£6,747,217	£4,332,479	£3,286,469	£2,602,105	£1,556,095	£6,041,924	£3,815,153	£2,850,651	£2,218,516	£1,255,014				
50 Unit Mixed Scheme	1	0.91																													
	2	0.91	£344,908					£178,653						£82,999																	
	3	0.91	£1,698,980	£356,969				£1,489,016	£209,077					£1,279,043	£54,369							£1,069,069					£648,122				
	4	0.91	£3,056,628	£1,330,309	£782,125	£241,250		£2,806,487	£1,150,856	£625,195	£103,661			£2,556,347	£974,403	£473,123						£2,306,207	£791,949	£314,549			£1,805,826	£437,554			
	5	0.91	£4,414,266	£2,307,330	£1,639,796	£972,262	£307,903	£4,123,959	£2,098,971	£1,457,482	£815,993	£181,775	£3,833,651	£1,890,611	£1,275,167	£669,723	£46,124	£3,543,344	£1,882,252	£1,092,953	£508,699		£2,962,730	£1,265,534	£728,224	£196,881					
	6	0.91	£5,774,904	£3,284,350	£2,497,468	£1,710,595	£923,702	£5,444,430	£3,047,085	£2,289,778	£1,532,472	£775,165	£5,110,956	£2,898,820	£2,082,089	£1,354,398	£626,627	£4,780,482	£2,572,555	£1,874,400	£1,176,245	£483,070	£4,118,534	£2,098,025	£1,459,021	£820,018	£198,558				
	7	0.91	£7,129,542	£4,261,371	£3,355,139	£2,448,907	£1,542,675	£6,759,901	£3,995,200	£3,122,075	£2,248,950	£1,375,825	£6,398,260	£3,729,029	£2,889,011	£2,048,993	£1,208,975	£6,017,619	£3,462,858	£2,655,947	£1,849,036	£1,042,125	£5,276,338	£2,930,515	£2,189,819	£1,449,122	£708,425				
	8	0.91	£9,635,073	£6,060,688	£4,930,653	£3,800,618	£2,670,583	£9,190,304	£5,741,282	£4,660,976	£3,560,869	£2,470,362	£8,745,535	£5,421,877	£4,371,299	£3,320,720	£2,270,142	£8,300,766	£5,102,472	£4,091,622	£3,080,772	£2,069,822	£7,411,228	£4,463,661	£3,532,268	£2,600,975	£1,669,482				

Source: Adams Integra, November 2009

=Within Range of Indicative VOA Agricultural and Lower Industrial Land Values
=Within Range of Indicative VOA Industrial Land Values
=Within Range of Indicative VOA Residential Land Values

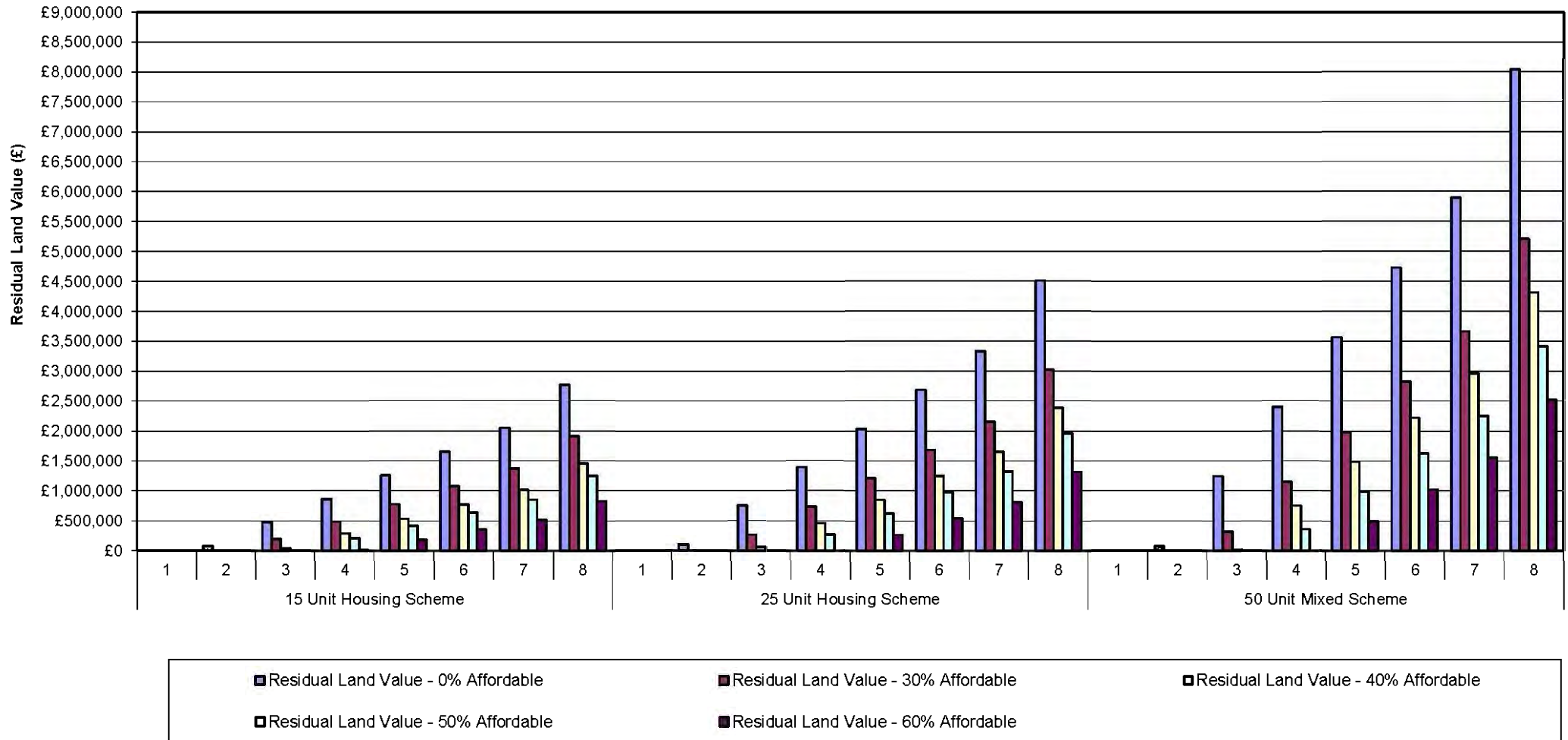
Appendix II

**Table 9: Summary of Residual Land Value (£) Appraisals for
All Value Points -
Planning Infrastructure Level £2,500
CfSH Level 4**

Development Scenario / Threshold	Value Point	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable
15 Unit Housing Scheme	1	£0	£0	£0	£0	£0
	2	£77,564	£0	£0	£0	£0
	3	£474,081	£196,224	£47,391	£0	£0
	4	£863,927	£485,550	£290,929	£203,725	£8,712
	5	£1,258,659	£780,823	£530,364	£421,015	£183,311
	6	£1,653,392	£1,076,095	£772,798	£635,798	£350,766
	7	£2,048,125	£1,371,368	£1,015,232	£854,921	£516,543
	8	£2,767,416	£1,909,420	£1,457,002	£1,254,213	£825,215
25 Unit Housing Scheme	1	£0	£0	£0	£0	£0
	2	£103,026	£0	£0	£0	£0
	3	£745,087	£266,559	£58,394	£0	£0
	4	£1,391,269	£737,780	£460,094	£272,631	£0
	5	£2,037,452	£1,211,749	£854,642	£620,344	£265,980
	6	£2,683,634	£1,685,717	£1,253,934	£970,867	£539,084
	7	£3,329,816	£2,159,686	£1,653,226	£1,321,391	£814,931
	8	£4,507,304	£3,023,362	£2,380,825	£1,960,123	£1,317,585
50 Unit Mixed Scheme	1	£0	£0	£0	£0	£0
	2	£80,450	£0	£0	£0	£0
	3	£1,239,579	£319,566	£23,530	£0	£0
	4	£2,401,925	£1,152,751	£756,888	£364,785	£0
	5	£3,564,272	£1,989,231	£1,491,186	£993,142	£495,098
	6	£4,726,619	£2,825,711	£2,225,485	£1,625,260	£1,025,034
	7	£5,888,966	£3,662,191	£2,959,784	£2,257,377	£1,554,971
	8	£8,034,087	£5,202,683	£4,308,666	£3,414,649	£2,520,633

Source: Adams Integra, November 2009

**Graph 25: Summary of Residual Land Values at 0%, 30%, 40%, 50% & 60% Affordable Housing Across All Value Points
Planning Infrastructure Level £2,500
CfSH Level 4**

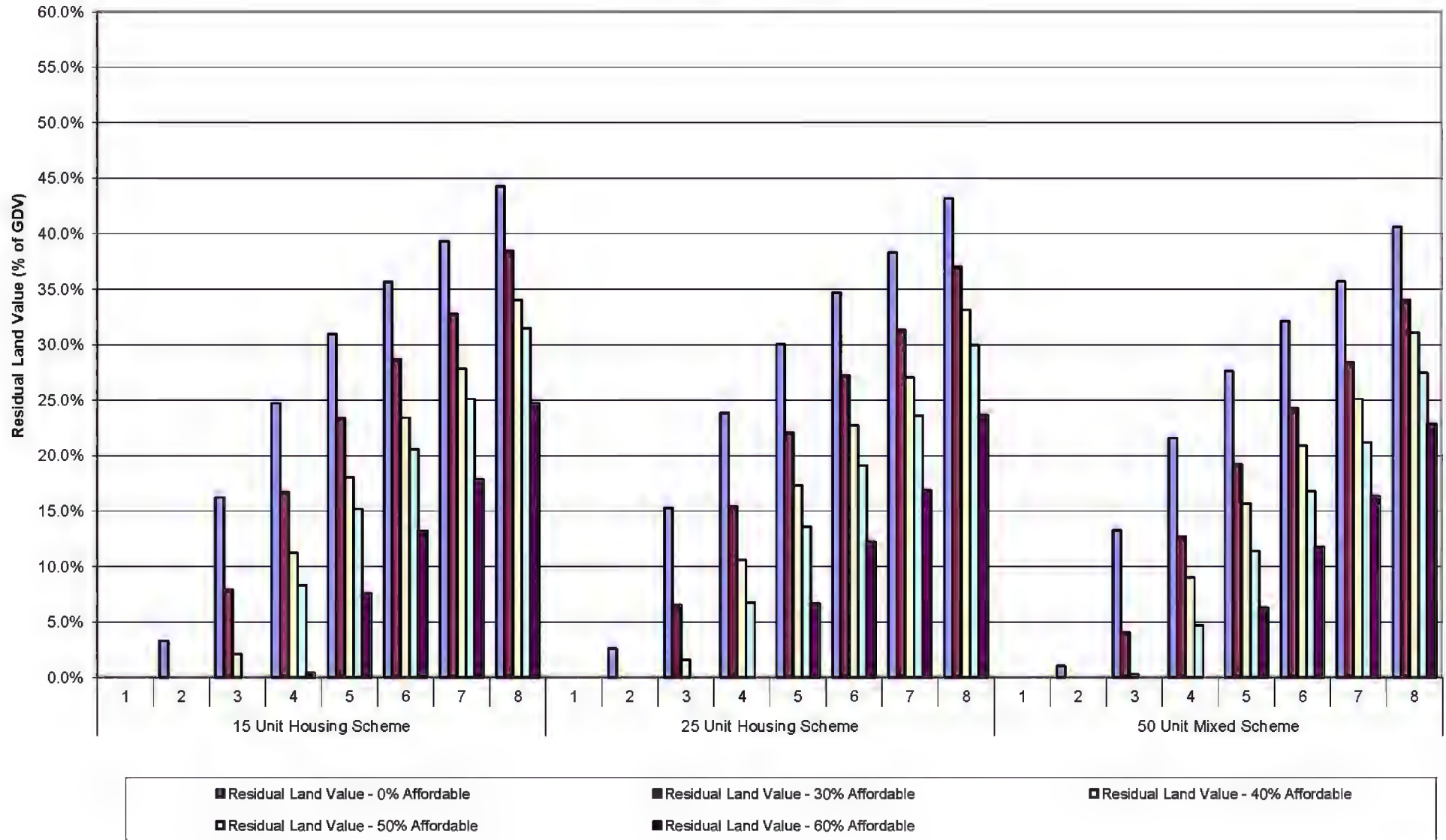


**Table 9a: Summary of Residual Land Value (as % of GDV) Appraisals for
All Value Points
Planning Infrastructure Level £2,500
CfSH Level 4**

Development Scenario / Threshold	Value Point	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable
15 Unit Housing Scheme	1	0.0%	0.0%	0.0%	0.0%	0.0%
	2	3.3%	0.0%	0.0%	0.0%	0.0%
	3	16.2%	7.9%	2.1%	0.0%	0.0%
	4	24.7%	16.7%	11.2%	8.3%	0.4%
	5	31.0%	23.4%	18.0%	15.2%	7.6%
	6	35.7%	28.6%	23.4%	20.6%	13.2%
	7	39.3%	32.8%	27.8%	25.1%	17.8%
	8	44.3%	38.5%	34.0%	31.5%	24.7%
25 Unit Housing Scheme	1	0.0%	0.0%	0.0%	0.0%	0.0%
	2	2.6%	0.0%	0.0%	0.0%	0.0%
	3	15.3%	6.5%	1.6%	0.0%	0.0%
	4	23.9%	15.4%	10.6%	6.7%	0.0%
	5	30.0%	22.1%	17.3%	13.6%	6.6%
	6	34.7%	27.2%	22.7%	19.1%	12.2%
	7	38.3%	31.3%	27.1%	23.6%	16.9%
	8	43.2%	37.0%	33.1%	30.0%	23.7%
50 Unit Mixed Scheme	1	0.0%	0.0%	0.0%	0.0%	0.0%
	2	1.1%	0.0%	0.0%	0.0%	0.0%
	3	13.3%	4.1%	0.3%	0.0%	0.0%
	4	21.6%	12.7%	9.0%	4.7%	0.0%
	5	27.6%	19.2%	15.7%	11.4%	6.3%
	6	32.2%	24.3%	20.9%	16.8%	11.8%
	7	35.7%	28.4%	25.1%	21.2%	16.3%
	8	40.6%	34.1%	31.1%	27.5%	22.9%

Source: Adams Integra, November 2009

**Graph 25a: Summary of Residual Land Values (as % of GDV) at 0%, 30%, 40%, 50% & 60% Affordable Housing
Across all Value Points
Planning Infrastructure Level £2,500
CfSH Level 4**



**Table 9b: Summary of Residual Land Value (£ per Ha) Appraisals for
All Value Points
Planning Infrastructure Level £2,500
CfSH Level 4
(Higher Density)**

Development Scenario / Threshold	Value Point	Site Size	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable
15 Unit Housing Scheme	1	0.38					
	2	0.38	£204,115				
	3	0.38	£1,247,582	£516,378	£124,713		
	4	0.38	£2,273,491	£1,277,763	£765,602	£536,119	£22,926
	5	0.38	£3,312,261	£2,054,796	£1,395,694	£1,107,935	£482,398
	6	0.38	£4,351,032	£2,831,829	£2,033,679	£1,673,153	£923,068
	7	0.38	£5,389,802	£3,608,862	£2,671,664	£2,249,793	£1,359,323
	8	0.38	£7,282,673	£5,024,789	£3,834,215	£3,300,560	£2,171,618
25 Unit Housing Scheme	1	0.63					
	2	0.63	£163,533				
	3	0.63	£1,182,678	£423,110	£92,689		
	4	0.63	£2,208,364	£1,171,079	£730,307	£432,748	
	5	0.63	£3,234,050	£1,923,410	£1,356,575	£984,673	£422,190
	6	0.63	£4,259,736	£2,675,742	£1,990,372	£1,541,059	£855,690
	7	0.63	£5,285,423	£3,428,073	£2,624,169	£2,097,446	£1,293,542
	8	0.63	£7,154,451	£4,798,988	£3,779,087	£3,111,306	£2,091,405
50 Unit Mixed Scheme	1	0.91					
	2	0.91	£88,406				
	3	0.91	£1,362,174	£351,171	£25,857		
	4	0.91	£2,639,479	£1,266,759	£831,745	£400,863	
	5	0.91	£3,916,783	£2,185,968	£1,638,666	£1,091,365	£544,063
	6	0.91	£5,194,087	£3,105,177	£2,445,588	£1,786,000	£1,126,411
	7	0.91	£6,471,391	£4,024,385	£3,252,510	£2,480,634	£1,708,759
	8	0.91	£8,828,667	£5,717,234	£4,734,798	£3,752,362	£2,769,926

Source: Adams Integra, November 2009

Key:

=Within Range of Indicative VOA Agricultural and Lower Industrial Land Values
=Within Range of Indicative VOA Industrial Land Values
= Higher Comparative, Indicative VOA Industrial Land Values

**Table 9c: Summary of Residual Land Value (£ per Ha) Appraisals for
All Value Points
Planning Infrastructure Level £2,500
CfSH Level 4
(Lower Density)**

Development Scenario / Threshold	Value Point	Site Size	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable
15 Unit Housing Scheme	1	0.60	£0	£0	£0	£0	£0
	2	0.60	£129,273	£0	£0	£0	£0
	3	0.60	£790,135	£327,040	£78,985	£0	£0
	4	0.60	£1,439,878	£809,250	£484,881	£339,542	£0
	5	0.60	£2,097,766	£1,301,371	£883,940	£701,692	£305,519
	6	0.60	£2,755,653	£1,793,492	£1,287,997	£1,059,664	£584,610
	7	0.60	£3,413,541	£2,285,613	£1,692,054	£1,424,869	£860,905
	8	0.60	£4,612,359	£3,182,367	£2,428,336	£2,090,355	£1,375,358
25 Unit Housing Scheme	1	1.00	£0	£0	£0	£0	£0
	2	1.00	£103,026	£0	£0	£0	£0
	3	1.00	£745,087	£266,559	£58,394	£0	£0
	4	1.00	£1,391,269	£737,780	£460,094	£272,631	£0
	5	1.00	£2,037,452	£1,211,749	£854,642	£620,344	£265,980
	6	1.00	£2,683,634	£1,685,717	£1,253,934	£970,867	£539,084
	7	1.00	£3,329,816	£2,159,686	£1,653,226	£1,321,391	£814,931
	8	1.00	£4,507,304	£3,023,362	£2,380,825	£1,960,123	£1,317,585
50 Unit Mixed Scheme	1	1.43	£0	£0	£0	£0	£0
	2	1.43	£56,258	£0	£0	£0	£0
	3	1.43	£866,838	£223,472	£0	£0	£0
	4	1.43	£1,679,668	£806,120	£529,292	£255,094	£0
	5	1.43	£2,492,498	£1,391,071	£1,042,788	£694,505	£346,222
	6	1.43	£3,305,328	£1,976,022	£1,556,283	£1,136,545	£716,807
	7	1.43	£4,118,158	£2,560,972	£2,069,779	£1,578,586	£1,087,392
	8	1.43	£5,618,242	£3,638,240	£3,013,053	£2,387,867	£1,762,680

Source: Adams Integra, November 2009

Key:

Indicative VOA Agricultural Land Values

=Within Range of Indicative VOA Agricultural and Lower Industrial Land Values

=Within Range of Indicative VOA Industrial Land Values

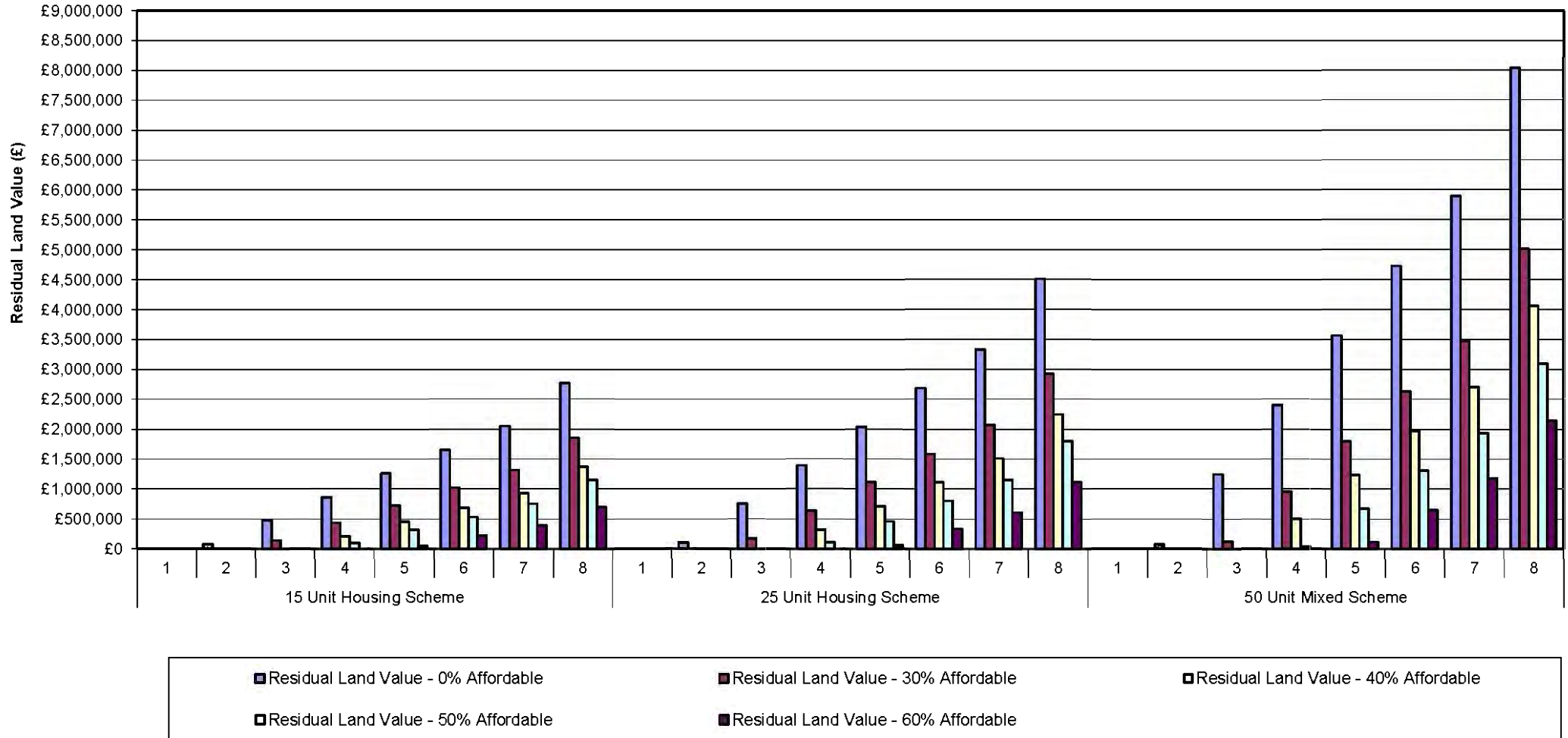
= Higher Comparative Indicative VOA Industrial Land Values

**Table 10: Summary of Residual Land Value (£) Appraisals for
All Value Points -
Planning Infrastructure Level £2,500
CfSH Level 4
Without Grant**

Development Scenario / Threshold	Value Point	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable
15 Unit Housing Scheme	1	£0	£0	£0	£0	£0
	2	£77,564	£0	£0	£0	£0
	3	£474,081	£140,391	£0	£0	£0
	4	£863,927	£434,528	£208,334	£103,224	£0
	5	£1,258,659	£725,320	£449,084	£321,533	£53,696
	6	£1,653,392	£1,020,593	£686,889	£537,341	£227,846
	7	£2,048,125	£1,315,865	£929,323	£756,465	£394,401
	8	£2,767,416	£1,853,918	£1,371,092	£1,155,756	£699,007
25 Unit Housing Scheme	1	£0	£0	£0	£0	£0
	2	£103,026	£0	£0	£0	£0
	3	£745,087	£174,227	£0	£0	£0
	4	£1,391,269	£641,227	£319,972	£108,260	£0
	5	£2,037,452	£1,115,196	£715,966	£459,187	£57,523
	6	£2,683,634	£1,589,164	£1,115,257	£804,976	£334,518
	7	£3,329,816	£2,063,133	£1,514,549	£1,155,500	£606,916
	8	£4,507,304	£2,926,809	£2,242,148	£1,794,231	£1,109,570
50 Unit Mixed Scheme	1	£0	£0	£0	£0	£0
	2	£80,450	£0	£0	£0	£0
	3	£1,239,579	£128,277	£0	£0	£0
	4	£2,401,925	£959,626	£501,753	£45,709	£0
	5	£3,564,272	£1,796,106	£1,236,052	£675,998	£120,775
	6	£4,726,619	£2,632,586	£1,970,351	£1,308,116	£645,881
	7	£5,888,966	£3,469,066	£2,704,650	£1,940,233	£1,175,817
	8	£8,034,087	£5,009,558	£4,053,532	£3,097,505	£2,141,479

Source: Adams Integra, November 2009

Graph 26: Summary of Residual Land Values at 0%, 30%, 40%, 50% & 60% Affordable Housing Across All Value Points
Planning Infrastructure Level £2,500
CfSH Level 4
Without Grant

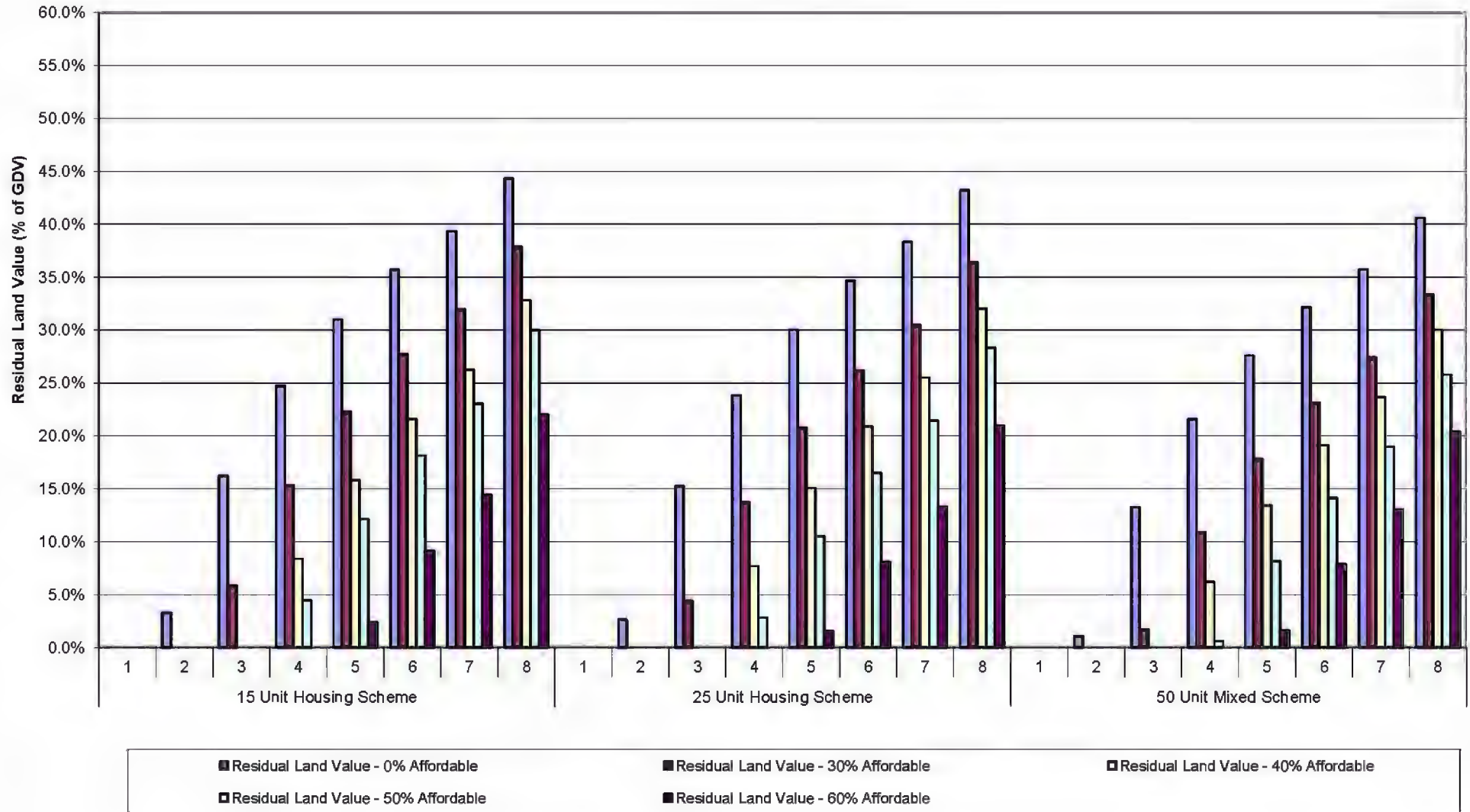


**Table 10a: Summary of Residual Land Value (as % of GDV) Appraisals for
All Value Points
Planning Infrastructure Level £2,500
CfSH Level 4
Without Grant**

Development Scenario / Threshold	Value Point	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable
15 Unit Housing Scheme	1	0.0%	0.0%	0.0%	0.0%	0.0%
	2	3.3%	0.0%	0.0%	0.0%	0.0%
	3	16.2%	5.8%	0.0%	0.0%	0.0%
	4	24.7%	15.3%	8.4%	4.4%	0.0%
	5	31.0%	22.2%	15.8%	12.2%	2.4%
	6	35.7%	27.7%	21.6%	18.1%	9.2%
	7	39.3%	32.0%	26.3%	23.1%	14.4%
	8	44.3%	37.9%	32.8%	30.0%	22.0%
25 Unit Housing Scheme	1	0.0%	0.0%	0.0%	0.0%	0.0%
	2	2.6%	0.0%	0.0%	0.0%	0.0%
	3	15.3%	4.4%	0.0%	0.0%	0.0%
	4	23.9%	13.7%	7.7%	2.8%	0.0%
	5	30.0%	20.8%	15.1%	10.6%	1.5%
	6	34.7%	26.2%	20.9%	16.5%	8.1%
	7	38.3%	30.5%	25.5%	21.5%	13.3%
	8	43.2%	36.4%	32.0%	28.4%	21.0%
50 Unit Mixed Scheme	1	0.0%	0.0%	0.0%	0.0%	0.0%
	2	1.1%	0.0%	0.0%	0.0%	0.0%
	3	13.3%	1.7%	0.0%	0.0%	0.0%
	4	21.6%	10.9%	6.2%	0.6%	0.0%
	5	27.6%	17.8%	13.5%	8.2%	1.6%
	6	32.2%	23.2%	19.1%	14.1%	7.9%
	7	35.7%	27.4%	23.7%	19.0%	13.0%
	8	40.6%	33.4%	30.0%	25.8%	20.4%

Source: Adams Integra, November 2009

**Graph 26a: Summary of Residual Land Values (as % of GDV) at 0%, 30%, 40%, 50% & 60% Affordable Housing
Across all Value Points
Planning Infrastructure Level £2,500
CfSH Level 4
Without Grant**



**Table 10b: Summary of Residual Land Value (£ per Ha) Appraisals for
All Value Points
Planning Infrastructure Level £2,500
CfSH Level 4
Without Grant
(Higher Density)**

Development Scenario / Threshold	Value Point	Site Size	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable
15 Unit Housing Scheme	1	0.60	£0	£0	£0	£0	£0
	2	0.60	£129,273	£0	£0	£0	£0
	3	0.60	£790,135	£233,985	£0	£0	£0
	4	0.60	£1,439,878	£724,213	£347,223	£172,040	£0
	5	0.60	£2,097,766	£1,208,867	£748,474	£535,888	£89,494
	6	0.60	£2,755,653	£1,700,988	£1,144,815	£895,569	£379,744
	7	0.60	£3,413,541	£2,193,109	£1,548,872	£1,260,774	£657,335
	8	0.60	£4,612,359	£3,089,863	£2,285,154	£1,926,260	£1,165,012
25 Unit Housing Scheme	1	1.00	£0	£0	£0	£0	£0
	2	1.00	£103,026	£0	£0	£0	£0
	3	1.00	£745,087	£174,227	£0	£0	£0
	4	1.00	£1,391,269	£641,227	£319,972	£108,260	£0
	5	1.00	£2,037,452	£1,115,196	£715,966	£459,187	£57,523
	6	1.00	£2,683,634	£1,589,164	£1,115,257	£804,976	£334,518
	7	1.00	£3,329,816	£2,063,133	£1,514,549	£1,155,500	£606,916
	8	1.00	£4,507,304	£2,926,809	£2,242,148	£1,794,231	£1,109,570
50 Unit Mixed Scheme	1	1.43	£0	£0	£0	£0	£0
	2	1.43	£56,258	£0	£0	£0	£0
	3	1.43	£866,838	£89,704	£0	£0	£0
	4	1.43	£1,679,668	£671,067	£350,876	£31,964	£0
	5	1.43	£2,492,498	£1,256,018	£864,372	£472,726	£84,458
	6	1.43	£3,305,328	£1,840,969	£1,377,868	£914,766	£451,665
	7	1.43	£4,118,158	£2,425,920	£1,891,363	£1,356,807	£822,250
	8	1.43	£5,618,242	£3,503,187	£2,834,637	£2,166,088	£1,497,538

Source: Adams Integra, November 2009

Key:

■ Indicative VOA Agricultural Land Values

■ Within Range of Indicative VOA Agricultural and Lower Industrial Land Values

■ Within Range of Indicative VOA Industrial Land Values

■ Higher Comparative, Indicative VOA Industrial Land Values

**Table 10c: Summary of Residual Land Value (£ per Ha) Appraisals for
All Value Points
Planning Infrastructure Level £2,500
CfSH Level 4
Without Grant
(Lower Density)**

Development Scenario / Threshold	Value Point	Site Size	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable
15 Unit Housing Scheme	1	0.38	£0	£0	£0	£0	£0
	2	0.38	£204,115	£0	£0	£0	£0
	3	0.38	£1,247,582	£369,450	£0	£0	£0
	4	0.38	£2,273,491	£1,143,493	£548,246	£271,641	£0
	5	0.38	£3,312,261	£1,908,738	£1,181,801	£846,139	£141,306
	6	0.38	£4,351,032	£2,685,771	£1,807,603	£1,414,056	£599,595
	7	0.38	£5,389,802	£3,462,804	£2,445,588	£1,990,697	£1,037,897
	8	0.38	£7,282,673	£4,878,731	£3,608,138	£3,041,463	£1,839,492
25 Unit Housing Scheme	1	0.63	£0	£0	£0	£0	£0
	2	0.63	£163,533	£0	£0	£0	£0
	3	0.63	£1,182,678	£276,552	£0	£0	£0
	4	0.63	£2,208,364	£1,017,821	£507,893	£171,841	£0
	5	0.63	£3,234,050	£1,770,152	£1,136,453	£728,868	£91,307
	6	0.63	£4,259,736	£2,522,483	£1,770,250	£1,277,740	£530,981
	7	0.63	£5,285,423	£3,274,814	£2,404,047	£1,834,126	£963,359
	8	0.63	£7,154,451	£4,645,729	£3,558,965	£2,847,986	£1,761,222
50 Unit Mixed Scheme	1	0.91	£0	£0	£0	£0	£0
	2	0.91	£88,406	£0	£0	£0	£0
	3	0.91	£1,362,174	£140,964	£0	£0	£0
	4	0.91	£2,639,479	£1,054,534	£551,377	£50,229	£0
	5	0.91	£3,916,783	£1,973,743	£1,358,299	£742,855	£132,720
	6	0.91	£5,194,087	£2,892,952	£2,165,221	£1,437,490	£709,759
	7	0.91	£6,471,391	£3,812,160	£2,972,142	£2,132,125	£1,292,107
	8	0.91	£8,828,667	£5,505,009	£4,454,430	£3,403,852	£2,353,274

Source: Adams Integra, November 2009

Key:

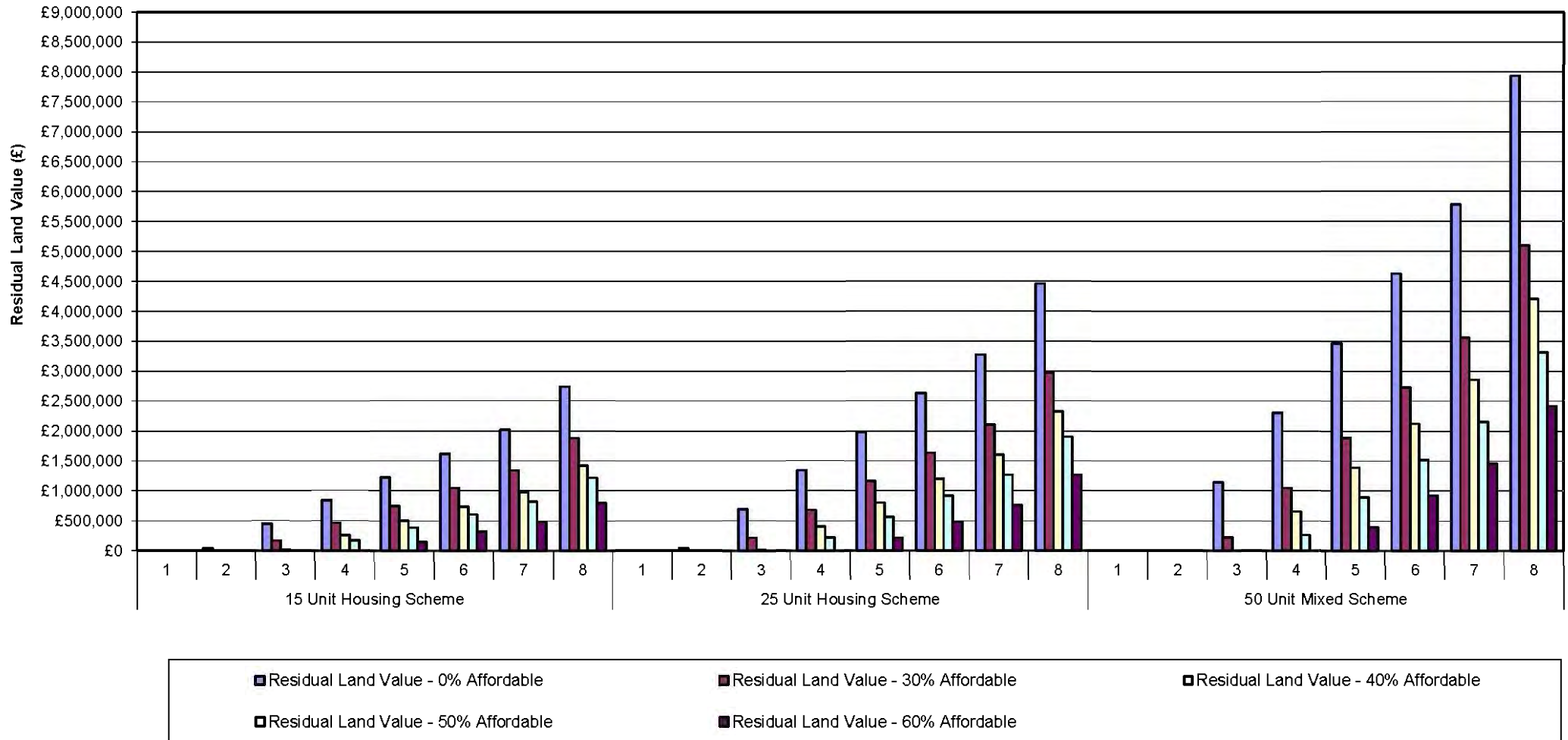
£	Indicative VOA Agricultural Land Values
=	Within Range of Indicative VOA Agricultural and Lower Industrial Land Values
=	Within Range of Indicative VOA Industrial Land Values
>	Higher Competitive Indicative VOA Industrial Land Values

**Table 11: Summary of Residual Land Value (£) Appraisals for
All Value Points -
Planning Infrastructure Level £5,000
CfSH Level 4**

Development Scenario / Threshold	Value Point	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable
15 Unit Housing Scheme	1	£0	£0	£0	£0	£0
	2	£43,626	£0	£0	£0	£0
	3	£441,162	£164,268	£13,453	£0	£0
	4	£831,347	£457,689	£258,009	£171,845	£0
	5	£1,226,079	£748,243	£497,784	£388,096	£151,226
	6	£1,620,812	£1,043,515	£740,218	£603,218	£317,846
	7	£2,015,545	£1,338,788	£982,652	£822,341	£483,963
	8	£2,734,836	£1,876,840	£1,424,422	£1,221,633	£792,635
25 Unit Housing Scheme	1	£0	£0	£0	£0	£0
	2	£47,557	£0	£0	£0	£0
	3	£691,837	£217,141	£2,926	£0	£0
	4	£1,338,019	£684,530	£406,289	£223,338	£0
	5	£1,984,202	£1,158,499	£801,392	£567,094	£216,550
	6	£2,630,384	£1,632,467	£1,200,684	£917,617	£485,834
	7	£3,276,566	£2,106,436	£1,599,976	£1,268,141	£761,681
	8	£4,454,054	£2,970,112	£2,327,575	£1,906,873	£1,264,335
50 Unit Mixed Scheme	1	£0	£0	£0	£0	£0
	2	£0	£0	£0	£0	£0
	3	£1,137,279	£220,658	£0	£0	£0
	4	£2,299,625	£1,050,451	£654,588	£261,419	£0
	5	£3,461,972	£1,886,931	£1,388,886	£890,842	£396,889
	6	£4,624,319	£2,723,411	£2,123,185	£1,522,960	£922,734
	7	£5,786,666	£3,559,891	£2,857,484	£2,155,077	£1,452,671
	8	£7,931,787	£5,100,383	£4,206,366	£3,312,349	£2,418,333

Source: Adams Integra, November 2009

**Graph 27: Summary of Residual Land Values at 0%, 30%, 40%, 50% & 60% Affordable Housing Across All Value Points
Planning Infrastructure Level £5,000
CfSH Level 4**

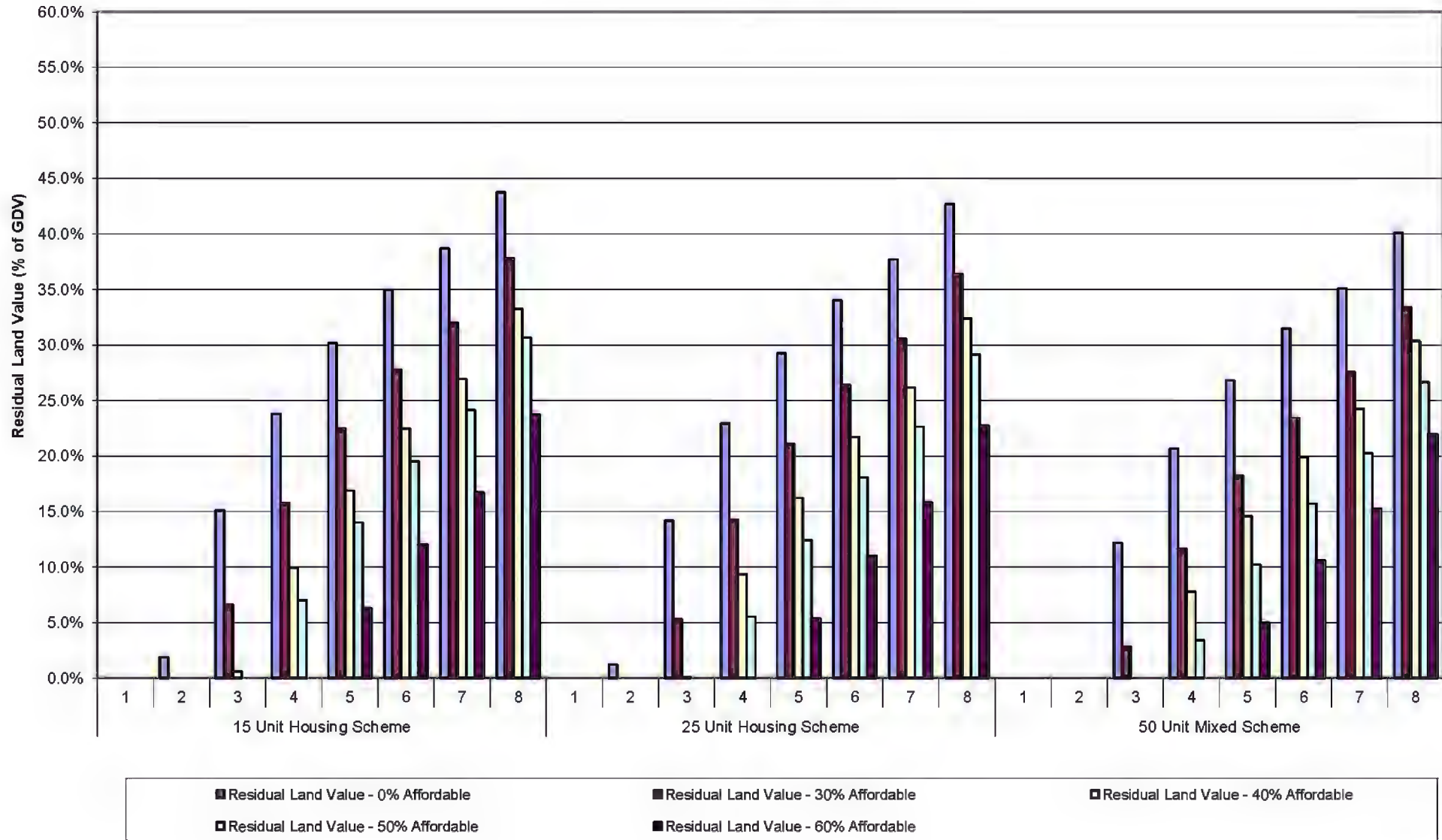


**Table 11a: Summary of Residual Land Value (as % of GDV) Appraisals for
All Value Points
Planning Infrastructure Level £5,000
CfSH Level 4**

Development Scenario / Threshold	Value Point	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable
15 Unit Housing Scheme	1	0.0%	0.0%	0.0%	0.0%	0.0%
	2	1.9%	0.0%	0.0%	0.0%	0.0%
	3	15.1%	6.6%	0.6%	0.0%	0.0%
	4	23.8%	15.8%	9.9%	7.0%	0.0%
	5	30.2%	22.5%	16.9%	14.0%	6.3%
	6	35.0%	27.8%	22.5%	19.5%	12.0%
	7	38.7%	32.0%	26.9%	24.2%	16.7%
	8	43.8%	37.8%	33.2%	30.7%	23.7%
25 Unit Housing Scheme	1	0.0%	0.0%	0.0%	0.0%	0.0%
	2	1.2%	0.0%	0.0%	0.0%	0.0%
	3	14.2%	5.3%	0.1%	0.0%	0.0%
	4	23.0%	14.3%	9.4%	5.5%	0.0%
	5	29.2%	21.1%	16.3%	12.4%	5.4%
	6	34.0%	26.4%	21.8%	18.1%	11.0%
	7	37.7%	30.6%	26.2%	22.6%	15.8%
	8	42.7%	36.4%	32.4%	29.1%	22.7%
50 Unit Mixed Scheme	1	0.0%	0.0%	0.0%	0.0%	0.0%
	2	0.0%	0.0%	0.0%	0.0%	0.0%
	3	12.2%	2.8%	0.0%	0.0%	0.0%
	4	20.7%	11.6%	7.8%	3.4%	0.0%
	5	26.8%	18.3%	14.6%	10.2%	5.0%
	6	31.5%	23.4%	19.9%	15.7%	10.6%
	7	35.1%	27.6%	24.3%	20.2%	15.3%
	8	40.1%	33.4%	30.4%	26.7%	22.0%

Source: Adams Integra, November 2009

**Graph 27a: Summary of Residual Land Values (as % of GDV) at 0%, 30%, 40%, 50% & 60% Affordable Housing
Across all Value Points
Planning Infrastructure Level £5,000
CfSH Level 4**



**Table 11b: Summary of Residual Land Value (£ per Ha) Appraisals for
All Value Points
Planning Infrastructure Level £5,000
CfSH Level 4
(Higher Density)**

Development Scenario / Threshold	Value Point	Site Size	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable
15 Unit Housing Scheme	1	0.38	£114,805	£432,285	£35,403	£452,225	£397,962
	2	0.38	£1,160,952	£1,204,444	£678,972	£1,021,305	£836,438
	3	0.38	£2,187,754	£1,969,060	£1,309,957	£1,587,416	£1,273,587
	4	0.38	£3,226,525	£2,746,093	£1,947,942	£2,164,057	£2,085,881
	5	0.38	£4,265,295	£3,523,126	£2,585,927	£3,214,823	£2,085,881
	6	0.38	£5,304,065	£4,939,052	£3,748,478	£3,214,823	£2,085,881
	7	0.38	£7,196,936	£4,939,052	£3,748,478	£3,214,823	£2,085,881
	8	0.38	£7,196,936	£4,939,052	£3,748,478	£3,214,823	£2,085,881
25 Unit Housing Scheme	1	0.63	£75,487	£344,669	£644,903	£354,505	£343,730
	2	0.63	£1,098,154	£1,086,555	£644,903	£354,505	£343,730
	3	0.63	£2,123,840	£1,838,887	£1,272,051	£900,149	£771,166
	4	0.63	£3,149,526	£2,591,218	£1,905,848	£1,456,536	£1,209,018
	5	0.63	£4,175,213	£3,343,549	£2,539,645	£2,012,922	£1,209,018
	6	0.63	£5,200,899	£4,714,464	£3,694,563	£3,026,782	£2,006,881
	7	0.63	£7,069,927	£4,714,464	£3,694,563	£3,026,782	£2,006,881
	8	0.63	£7,069,927	£4,714,464	£3,694,563	£3,026,782	£2,006,881
50 Unit Mixed Scheme	1	0.91	£1,249,757	£242,481	£719,327	£287,274	£436,142
	2	0.91	£2,527,061	£1,154,342	£719,327	£287,274	£436,142
	3	0.91	£3,804,365	£2,073,550	£1,526,249	£978,947	£1,013,994
	4	0.91	£5,081,670	£2,992,759	£2,333,171	£1,673,582	£1,596,341
	5	0.91	£6,358,974	£3,911,968	£3,140,092	£2,368,217	£1,596,341
	6	0.91	£8,716,249	£5,604,816	£4,622,380	£3,639,944	£2,657,508
	7	0.91	£8,716,249	£5,604,816	£4,622,380	£3,639,944	£2,657,508
	8	0.91	£8,716,249	£5,604,816	£4,622,380	£3,639,944	£2,657,508

Source: Adams Integra, November 2009

Key:

£	Within Range of Indicative VOA Agricultural and Lower Industrial Land Values
£	Within Range of Indicative VOA Industrial Land Values
>	Higher Comparative Indicative VOA Industrial Land Values

**Table 11c: Summary of Residual Land Value (£ per Ha) Appraisals for
All Value Points
Planning Infrastructure Level £5,000
CfSH Level 4
(Lower Density)**

Development Scenario / Threshold	Value Point	Site Size	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable
15 Unit Housing Scheme	1	0.60	£0	£0	£0	£0	£0
	2	0.60	£72,710	£0	£0	£0	£0
	3	0.60	£735,270	£273,780	£22,422	£0	£0
	4	0.60	£1,385,578	£762,814	£430,016	£286,409	£0
	5	0.60	£2,043,466	£1,247,071	£829,640	£646,826	£252,043
	6	0.60	£2,701,353	£1,739,192	£1,233,697	£1,005,364	£529,744
	7	0.60	£3,359,241	£2,231,313	£1,637,754	£1,370,569	£806,605
	8	0.60	£4,558,059	£3,128,067	£2,374,036	£2,036,055	£1,321,058
25 Unit Housing Scheme	1	1.00	£0	£0	£0	£0	£0
	2	1.00	£47,557	£0	£0	£0	£0
	3	1.00	£691,837	£217,141	£0	£0	£0
	4	1.00	£1,338,019	£684,530	£406,289	£223,338	£0
	5	1.00	£1,984,202	£1,158,499	£801,392	£567,094	£216,550
	6	1.00	£2,630,384	£1,632,467	£1,200,684	£917,617	£485,834
	7	1.00	£3,276,566	£2,106,436	£1,599,976	£1,268,141	£761,681
	8	1.00	£4,454,054	£2,970,112	£2,327,575	£1,906,873	£1,264,335
50 Unit Mixed Scheme	1	1.43	£0	£0	£0	£0	£0
	2	1.43	£0	£0	£0	£0	£0
	3	1.43	£795,300	£154,306	£0	£0	£0
	4	1.43	£1,608,130	£734,581	£457,754	£182,811	£0
	5	1.43	£2,420,960	£1,319,532	£971,249	£622,966	£277,545
	6	1.43	£3,233,790	£1,904,483	£1,484,745	£1,065,007	£645,269
	7	1.43	£4,046,620	£2,489,434	£1,998,241	£1,507,047	£1,015,854
	8	1.43	£5,546,704	£3,566,701	£2,941,515	£2,316,328	£1,691,142

Source: Adams Integra, November 2009

Key:

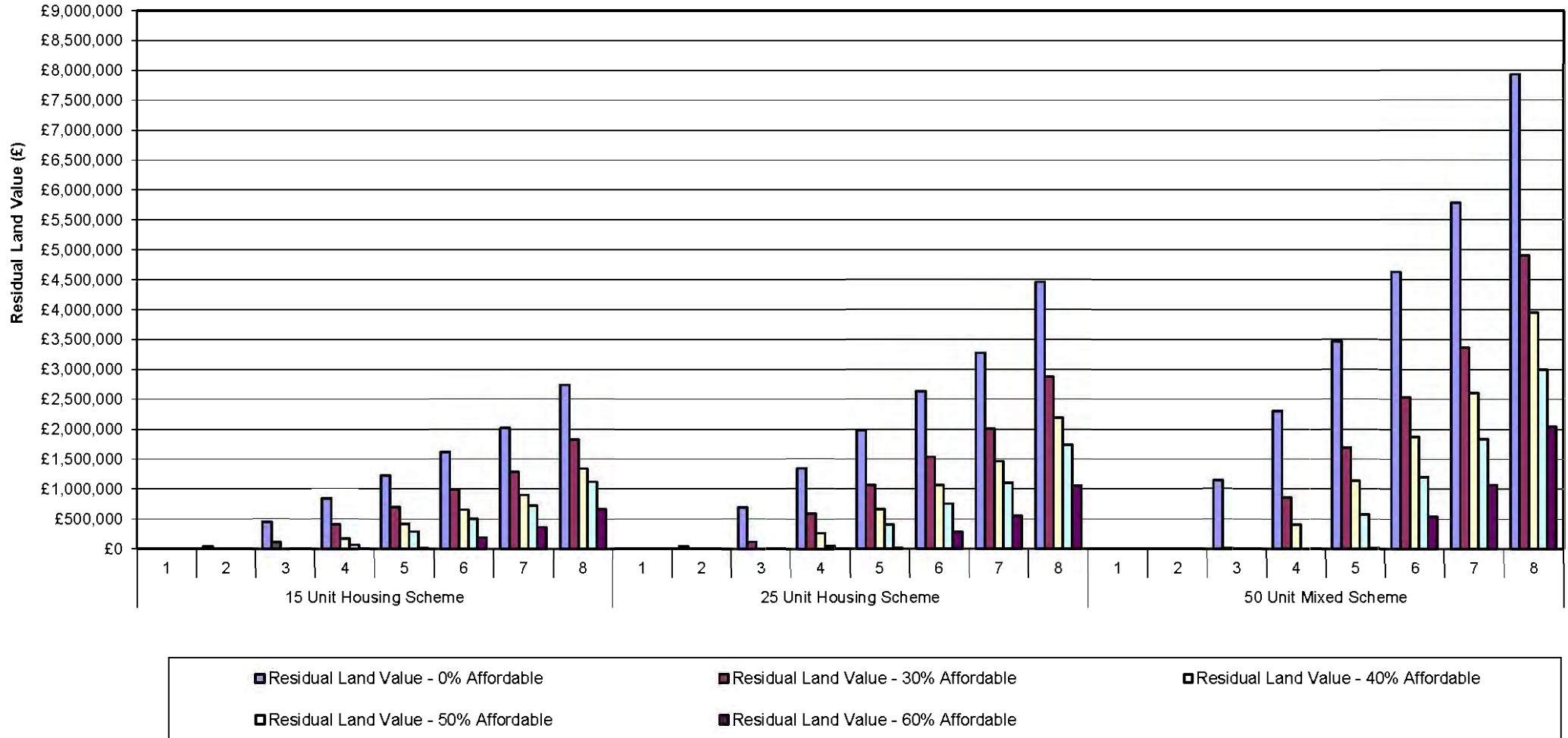
£0	=Within Range of Indicative VOA Agricultural and Lower Industrial Land Values
£0 to £100,000	=Within Range of Indicative VOA Industrial Land Values
£100,000 to £200,000	=Higher Comparative Indicative VOA Industrial Land Values

**Table 12: Summary of Residual Land Value (£) Appraisals for
All Value Points -
Planning Infrastructure Level £5,000
CfSH Level 4
Without Grant**

Development Scenario / Threshold	Value Point	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable
15 Unit Housing Scheme	1	£0	£0	£0	£0	£0
	2	£43,626	£0	£0	£0	£0
	3	£441,162	£106,453	£0	£0	£0
	4	£831,347	£401,608	£174,735	£69,286	£0
	5	£1,226,079	£692,740	£416,165	£288,613	£19,759
	6	£1,620,812	£988,013	£654,309	£504,761	£194,248
	7	£2,015,545	£1,283,285	£896,743	£723,885	£361,482
	8	£2,734,836	£1,821,338	£1,338,512	£1,123,176	£666,427
25 Unit Housing Scheme	1	£0	£0	£0	£0	£0
	2	£47,557	£0	£0	£0	£0
	3	£691,837	£118,759	£0	£0	£0
	4	£1,338,019	£587,977	£266,168	£52,791	£0
	5	£1,984,202	£1,061,946	£662,716	£405,382	£2,055
	6	£2,630,384	£1,535,914	£1,062,007	£751,726	£280,713
	7	£3,276,566	£2,009,883	£1,461,299	£1,102,250	£553,666
	8	£4,454,054	£2,873,559	£2,188,898	£1,740,981	£1,056,320
50 Unit Mixed Scheme	1	£0	£0	£0	£0	£0
	2	£0	£0	£0	£0	£0
	3	£1,137,279	£21,715	£0	£0	£0
	4	£2,299,625	£857,326	£403,614	£0	£0
	5	£3,461,972	£1,693,806	£1,133,752	£573,698	£14,212
	6	£4,624,319	£2,530,286	£1,868,051	£1,205,816	£543,581
	7	£5,786,666	£3,366,766	£2,602,350	£1,837,933	£1,073,517
	8	£7,931,787	£4,907,258	£3,951,232	£2,995,205	£2,039,179

Source: Adams Integra, November 2009

**Graph 28: Summary of Residual Land Values at 0%, 30%, 40%, 50% & 60% Affordable Housing Across All Value Points
 Planning Infrastructure Level £5,000
 CfSH Level 4
 Without Grant**

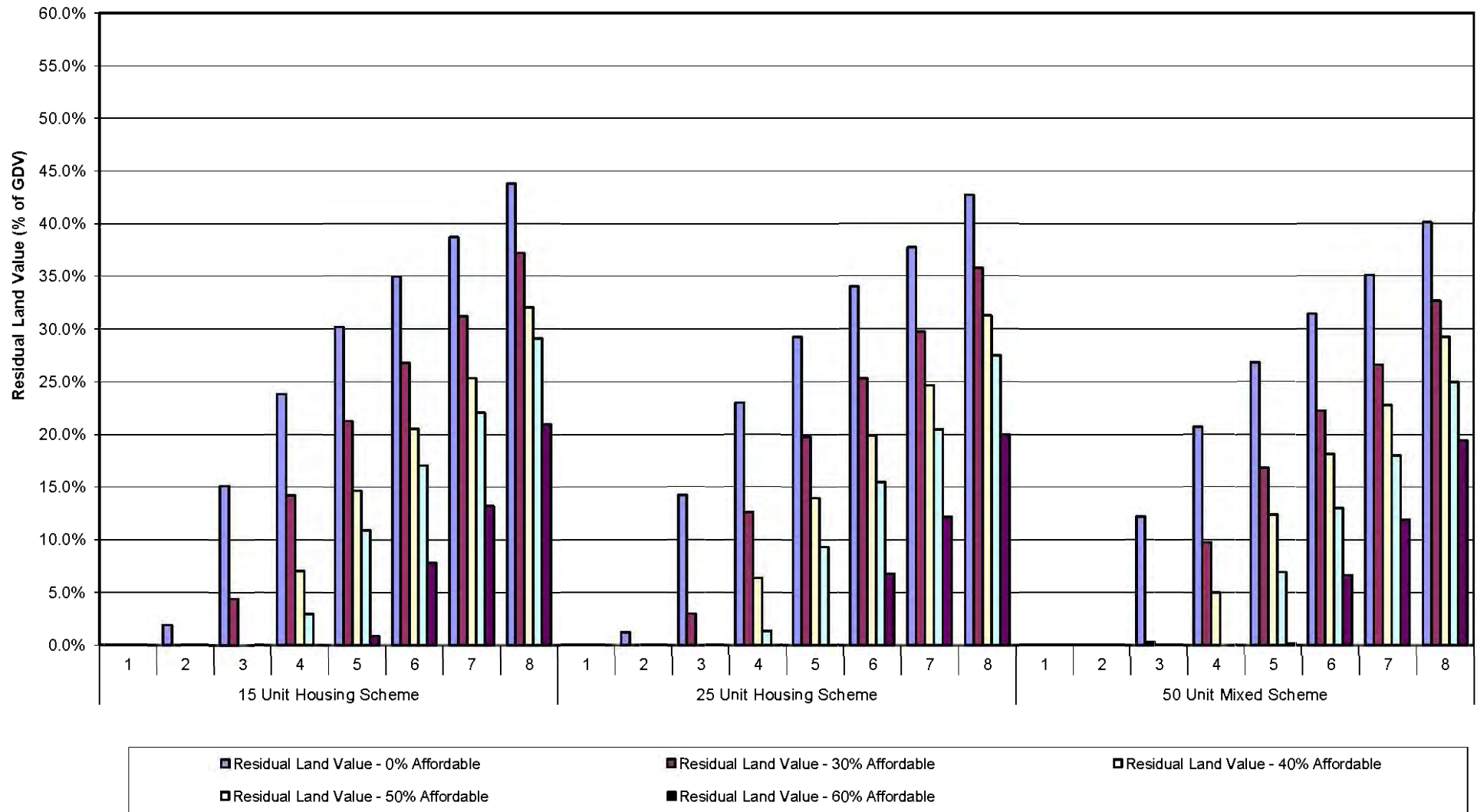


**Table 12a: Summary of Residual Land Value (as % of GDV) Appraisals for
All Value Points
Planning Infrastructure Level £5,000
CfSH Level 4
Without Grant**

Development Scenario / Threshold	Value Point	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable
15 Unit Housing Scheme	1	0.0%	0.0%	0.0%	0.0%	0.0%
	2	1.9%	0.0%	0.0%	0.0%	0.0%
	3	15.1%	4.4%	0.0%	0.0%	0.0%
	4	23.8%	14.2%	7.0%	3.0%	0.0%
	5	30.2%	21.2%	14.7%	10.9%	0.9%
	6	35.0%	26.8%	20.5%	17.0%	7.8%
	7	38.7%	31.2%	25.3%	22.1%	13.2%
	8	43.8%	37.2%	32.0%	29.1%	20.9%
25 Unit Housing Scheme	1	0.0%	0.0%	0.0%	0.0%	0.0%
	2	1.2%	0.0%	0.0%	0.0%	0.0%
	3	14.2%	3.0%	0.0%	0.0%	0.0%
	4	23.0%	12.6%	6.4%	1.4%	0.0%
	5	29.2%	19.8%	13.9%	9.3%	0.1%
	6	34.0%	25.3%	19.9%	15.4%	6.8%
	7	37.7%	29.7%	24.6%	20.5%	12.2%
	8	42.7%	35.7%	31.2%	27.5%	20.0%
50 Unit Mixed Scheme	1	0.0%	0.0%	0.0%	0.0%	0.0%
	2	0.0%	0.0%	0.0%	0.0%	0.0%
	3	12.2%	0.3%	0.0%	0.0%	0.0%
	4	20.7%	9.8%	5.0%	0.0%	0.0%
	5	26.8%	16.8%	12.4%	6.9%	0.2%
	6	31.5%	22.3%	18.1%	13.0%	6.6%
	7	35.1%	26.6%	22.8%	18.0%	11.9%
	8	40.1%	32.7%	29.2%	25.0%	19.4%

Source: Adams Integra, November 2009

**Graph 28a: Summary of Residual Land Values (as % of GDV) at 0%, 30%, 40%, 50% & 60% Affordable Housing
Across all Value Points
Planning Infrastructure Level £5,000
CfSH Level 4
Without Grant**



**Table 12b: Summary of Residual Land Value (£ per Ha) Appraisals for
All Value Points
Planning Infrastructure Level £5,000
CfSH Level 4
Without Grant
(Higher Density)**

Development Scenario / Threshold	Value Point	Site Size	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable
15 Unit Housing Scheme	1	0.38					
	2	0.38	£114,805				
	3	0.38	£1,160,952	£280,141			
	4	0.38	£2,187,754	£1,056,864	£459,830	£182,332	
	5	0.38	£3,226,525	£1,823,001	£1,095,171	£759,509	£51,997
	6	0.38	£4,265,295	£2,600,034	£1,721,866	£1,328,319	£511,179
	7	0.38	£5,304,065	£3,377,067	£2,359,851	£1,904,960	£951,267
	8	0.38	£7,196,936	£4,792,994	£3,522,401	£2,955,726	£1,753,755
25 Unit Housing Scheme	1	0.63					
	2	0.63	£75,487				
	3	0.63	£1,098,154	£188,506			
	4	0.63	£2,123,840	£933,297	£422,488	£83,795	
	5	0.63	£3,149,526	£1,685,628	£1,051,929	£643,463	
	6	0.63	£4,175,213	£2,437,959	£1,685,726	£1,193,216	£445,576
	7	0.63	£5,200,899	£3,190,291	£2,319,523	£1,749,602	£878,835
	8	0.63	£7,069,927	£4,561,205	£3,474,441	£2,763,462	£1,676,698
50 Unit Mixed Scheme	1	0.91					
	2	0.91					
	3	0.91	£1,249,757	£23,863			
	4	0.91	£2,527,061	£942,117	£443,532		
	5	0.91	£3,804,365	£1,861,325	£1,245,881	£630,437	
	6	0.91	£5,081,670	£2,780,534	£2,052,803	£1,325,072	£597,341
	7	0.91	£6,358,974	£3,699,743	£2,859,725	£2,019,707	£1,179,689
	8	0.91	£8,716,249	£5,392,591	£4,342,013	£3,291,434	£2,240,856

Source: Adams Integra, November 2009

Key:

- = Within Range of Indicative VOA Agricultural and Lower Industrial Land Values
- = Within Range of Indicative VOA Industrial Land Values
- = Higher Comparative Indicative VOA Industrial Land Values

**Table 12c: Summary of Residual Land Value (£ per Ha) Appraisals for
All Value Points
Planning Infrastructure Level £5,000
CfSH Level 4
Without Grant
(Lower Density)**

Development Scenario / Threshold	Value Point	Site Size	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable
15 Unit Housing Scheme	1	0.60	£0	£0	£0	£0	£0
	2	0.60	£72,710	£0	£0	£0	£0
	3	0.60	£735,270	£177,422	£0	£0	£0
	4	0.60	£1,385,578	£669,347	£291,226	£115,477	£0
	5	0.60	£2,043,466	£1,154,567	£693,608	£481,022	£32,932
	6	0.60	£2,701,353	£1,646,688	£1,090,515	£841,269	£323,747
	7	0.60	£3,359,241	£2,138,809	£1,494,572	£1,206,474	£602,469
	8	0.60	£4,558,059	£3,035,563	£2,230,854	£1,871,960	£1,110,712
25 Unit Housing Scheme	1	1.00	£0	£0	£0	£0	£0
	2	1.00	£47,557	£0	£0	£0	£0
	3	1.00	£691,837	£118,759	£0	£0	£0
	4	1.00	£1,338,019	£587,977	£266,168	£52,791	£0
	5	1.00	£1,984,202	£1,061,946	£662,716	£405,382	£0
	6	1.00	£2,630,384	£1,535,914	£1,062,007	£751,726	£280,713
	7	1.00	£3,276,566	£2,009,883	£1,461,299	£1,102,250	£553,666
	8	1.00	£4,454,054	£2,873,559	£2,188,898	£1,740,981	£1,056,320
50 Unit Mixed Scheme	1	1.43	£0	£0	£0	£0	£0
	2	1.43	£0	£0	£0	£0	£0
	3	1.43	£795,300	£75,188	£0	£0	£0
	4	1.43	£1,608,130	£599,529	£282,248	£0	£0
	5	1.43	£2,420,960	£1,184,480	£792,834	£401,187	£0
	6	1.43	£3,233,790	£1,769,431	£1,306,329	£843,228	£380,126
	7	1.43	£4,046,620	£2,354,382	£1,819,825	£1,285,268	£750,711
	8	1.43	£5,546,704	£3,431,649	£2,763,099	£2,094,549	£1,425,999

Source: Adams Integra, November 2009

Key:

■ Indicative VOA Agricultural and Lower Industrial Land Values

■ Within Range of Indicative VOA Agricultural and Lower Industrial Land Values

■ Within Range of Indicative VOA Industrial Land Values

■ Higher Comparative Indicative VOA Industrial Land Values

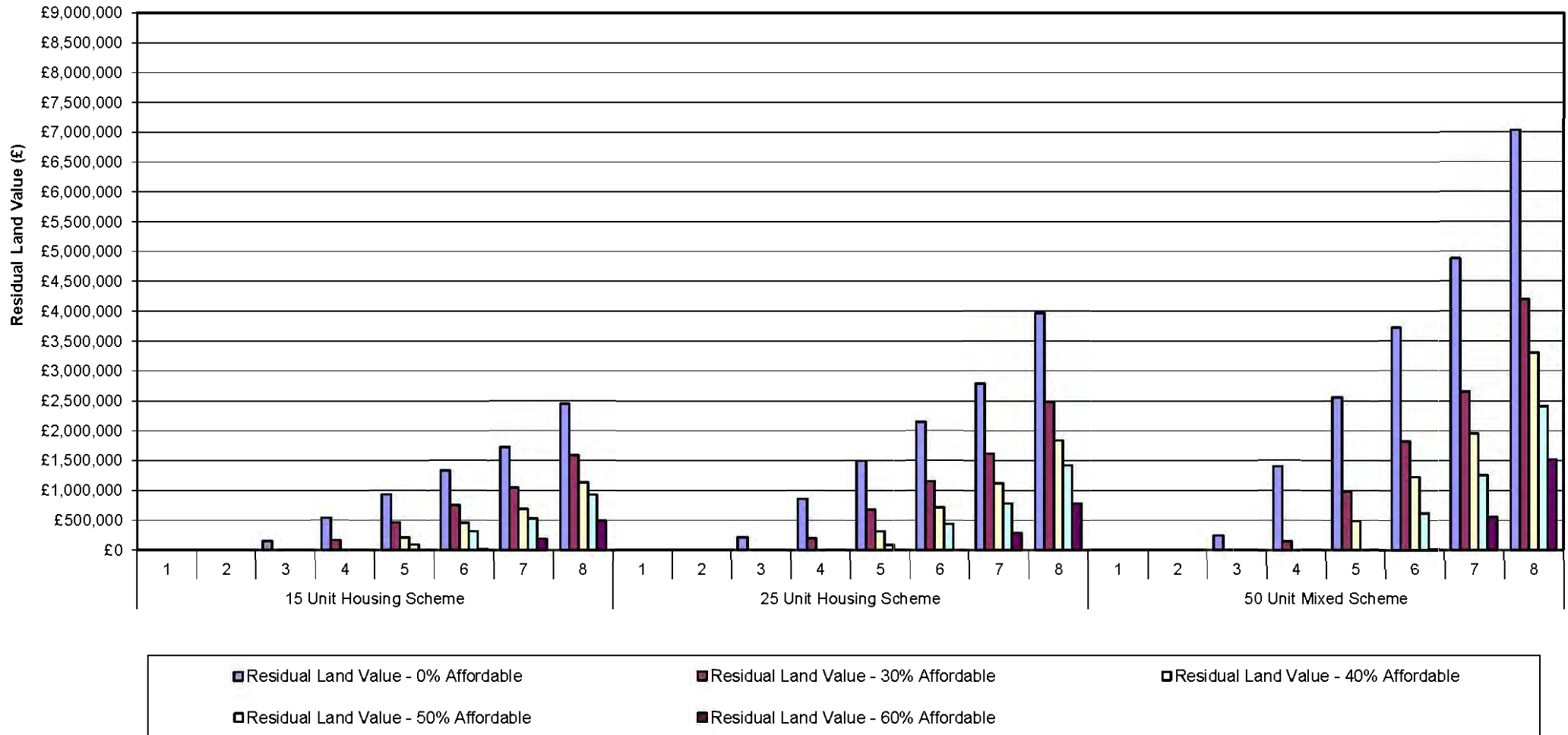
Appendix IIg

**Table 13: Summary of Residual Land Value (£) Appraisals for
All Value Points -
Planning Infrastructure Level £2,500
CfSH Level 6**

Development Scenario / Threshold	Value Point	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable
15 Unit Housing Scheme	1	£0	£0	£0	£0	£0
	2	£0	£0	£0	£0	£0
	3	£147,912	£0	£0	£0	£0
	4	£536,728	£164,950	£0	£0	£0
	5	£931,461	£458,350	£209,514	£93,205	£0
	6	£1,326,194	£748,897	£450,241	£311,814	£20,783
	7	£1,720,926	£1,044,169	£688,034	£527,723	£195,262
	8	£2,440,217	£1,582,222	£1,129,803	£927,014	£498,017
25 Unit Housing Scheme	1	£0	£0	£0	£0	£0
	2	£0	£0	£0	£0	£0
	3	£211,166	£0	£0	£0	£0
	4	£850,949	£203,631	£0	£0	£0
	5	£1,497,132	£671,429	£317,597	£83,359	£0
	6	£2,143,314	£1,145,398	£713,615	£435,033	£0
	7	£2,789,497	£1,619,366	£1,112,906	£781,071	£277,472
	8	£3,966,984	£2,483,042	£1,840,505	£1,419,803	£777,265
50 Unit Mixed Scheme	1	£0	£0	£0	£0	£0
	2	£0	£0	£0	£0	£0
	3	£241,918	£0	£0	£0	£0
	4	£1,396,934	£153,916	£0	£0	£0
	5	£2,559,281	£984,239	£486,195	£0	£0
	6	£3,721,628	£1,820,719	£1,220,494	£620,268	£20,878
	7	£4,883,975	£2,657,199	£1,954,792	£1,252,386	£549,979
	8	£7,029,095	£4,197,691	£3,303,674	£2,409,658	£1,515,641

Source: Adams Integra, November 2009

**Graph 29: Summary of Residual Land Values at 0%, 30%, 40%, 50% & 60% Affordable Housing Across All Value Points
 Planning Infrastructure Level £2,500
 CfSH Level 6**

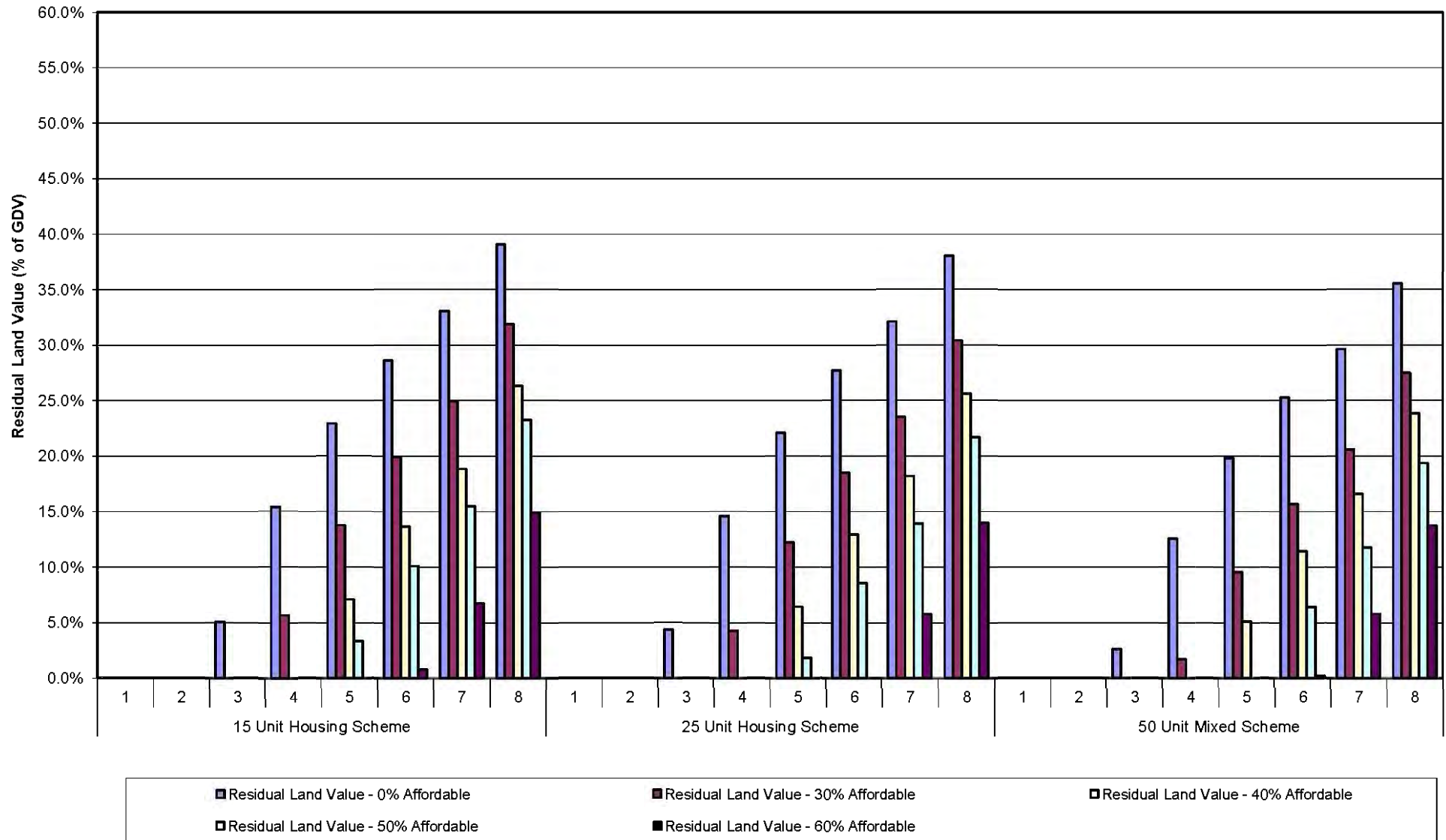


**Table 13a: Summary of Residual Land Value (as % of GDV) Appraisals for
All Value Points
Planning Infrastructure Level £2,500
CfSH Level 6**

Development Scenario / Threshold	Value Point	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable
15 Unit Housing Scheme	1	0.0%	0.0%	0.0%	0.0%	0.0%
	2	0.0%	0.0%	0.0%	0.0%	0.0%
	3	5.1%	0.0%	0.0%	0.0%	0.0%
	4	15.4%	5.7%	0.0%	0.0%	0.0%
	5	22.9%	13.8%	7.1%	3.4%	0.0%
	6	28.6%	19.9%	13.7%	10.1%	0.8%
	7	33.1%	24.9%	18.9%	15.5%	6.7%
	8	39.1%	31.9%	26.4%	23.3%	14.9%
25 Unit Housing Scheme	1	0.0%	0.0%	0.0%	0.0%	0.0%
	2	0.0%	0.0%	0.0%	0.0%	0.0%
	3	4.3%	0.0%	0.0%	0.0%	0.0%
	4	14.6%	4.3%	0.0%	0.0%	0.0%
	5	22.1%	12.2%	6.4%	1.8%	0.0%
	6	27.7%	18.5%	12.9%	8.6%	0.0%
	7	32.1%	23.5%	18.2%	14.0%	5.8%
	8	38.0%	30.4%	25.6%	21.7%	14.0%
50 Unit Mixed Scheme	1	0.0%	0.0%	0.0%	0.0%	0.0%
	2	0.0%	0.0%	0.0%	0.0%	0.0%
	3	2.6%	0.0%	0.0%	0.0%	0.0%
	4	12.6%	1.7%	0.0%	0.0%	0.0%
	5	19.8%	9.5%	5.1%	0.0%	0.0%
	6	25.3%	15.7%	11.5%	6.4%	0.2%
	7	29.6%	20.6%	16.6%	11.8%	5.8%
	8	35.5%	27.5%	23.9%	19.4%	13.8%

Source: Adams Integra, November 2009

**Graph 29a: Summary of Residual Land Values (as % of GDV) at 0%, 30%, 40%, 50% & 60% Affordable Housing
Across all Value Points
Planning Infrastructure Level £2,500
CfSH Level 6**



**Table 13b: Summary of Residual Land Value (£ per Ha) Appraisals for
All Value Points
Planning Infrastructure Level £2,500
CfSH Level 6
(Higher Density)**

Development Scenario / Threshold	Value Point	Site Size	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable
15 Unit Housing Scheme	1	0.38					
	2	0.38					
	3	0.38	£389,242				
	4	0.38	£1,412,443	£434,078			
	5	0.38	£2,451,213	£1,206,183	£551,353	£245,275	
	6	0.38	£3,489,983	£1,970,781	£1,184,846	£820,564	£54,691
	7	0.38	£4,528,754	£2,747,814	£1,810,616	£1,388,745	£513,846
	8	0.38	£6,421,624	£4,163,741	£2,973,166	£2,439,512	£1,310,570
25 Unit Housing Scheme	1	0.63					
	2	0.63					
	3	0.63	£335,184				
	4	0.63	£1,350,713	£323,224			
	5	0.63	£2,376,400	£1,065,760	£504,122	£132,315	
	6	0.63	£3,402,086	£1,818,091	£1,132,721	£690,528	
	7	0.63	£4,427,772	£2,570,423	£1,766,518	£1,239,795	£440,432
	8	0.63	£6,296,801	£3,941,337	£2,921,437	£2,253,655	£1,233,755
50 Unit Mixed Scheme	1	0.91					
	2	0.91					
	3	0.91	£265,844				
	4	0.91	£1,535,092	£169,139			
	5	0.91	£2,812,397	£1,081,582	£534,280		
	6	0.91	£4,089,701	£2,000,790	£1,341,202	£681,613	£22,943
	7	0.91	£5,367,005	£2,919,999	£2,148,124	£1,376,248	£604,373
	8	0.91	£7,724,280	£4,612,847	£3,630,411	£2,647,976	£1,665,540

Source: Adams Integra, November 2009

Key:

< Lower Comparative Indicative VOA Agricultural Land Values

= Within Range of Indicative VOA Agricultural and Lower Industrial Land Values

= Within Range of Indicative VOA Industrial Land Values

> Higher Comparative Indicative VOA Industrial Land Values

**Table 13c: Summary of Residual Land Value (£ per Ha) Appraisals for
All Value Points
Planning Infrastructure Level £2,500
CfSH Level 6
(Lower Density)**

Development Scenario / Threshold	Value Point	Site Size	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable
15 Unit Housing Scheme	1	0.60	£0	£0	£0	£0	£0
	2	0.60	£0	£0	£0	£0	£0
	3	0.60	£246,520	£0	£0	£0	£0
	4	0.60	£894,547	£274,916	£0	£0	£0
	5	0.60	£1,552,435	£763,916	£349,190	£155,341	£0
	6	0.60	£2,210,323	£1,248,161	£750,402	£519,691	£34,638
	7	0.60	£2,868,211	£1,740,282	£1,146,723	£879,538	£325,436
	8	0.60	£4,067,029	£2,637,036	£1,883,005	£1,545,024	£830,028
25 Unit Housing Scheme	1	1.00	£0	£0	£0	£0	£0
	2	1.00	£0	£0	£0	£0	£0
	3	1.00	£211,166	£0	£0	£0	£0
	4	1.00	£850,949	£203,631	£0	£0	£0
	5	1.00	£1,497,132	£671,429	£317,597	£83,359	£0
	6	1.00	£2,143,314	£1,145,398	£713,615	£435,033	£0
	7	1.00	£2,789,497	£1,619,366	£1,112,906	£781,071	£277,472
	8	1.00	£3,966,984	£2,483,042	£1,840,505	£1,419,803	£777,265
50 Unit Mixed Scheme	1	1.43	£0	£0	£0	£0	£0
	2	1.43	£0	£0	£0	£0	£0
	3	1.43	£169,173	£0	£0	£0	£0
	4	1.43	£976,877	£107,634	£0	£0	£0
	5	1.43	£1,789,707	£688,279	£339,996	£0	£0
	6	1.43	£2,602,537	£1,273,230	£853,492	£433,754	£0
	7	1.43	£3,415,367	£1,858,181	£1,366,988	£875,794	£384,601
	8	1.43	£4,915,451	£2,935,448	£2,310,262	£1,685,075	£1,059,889

Source: Adams Integra, November 2009

Key:

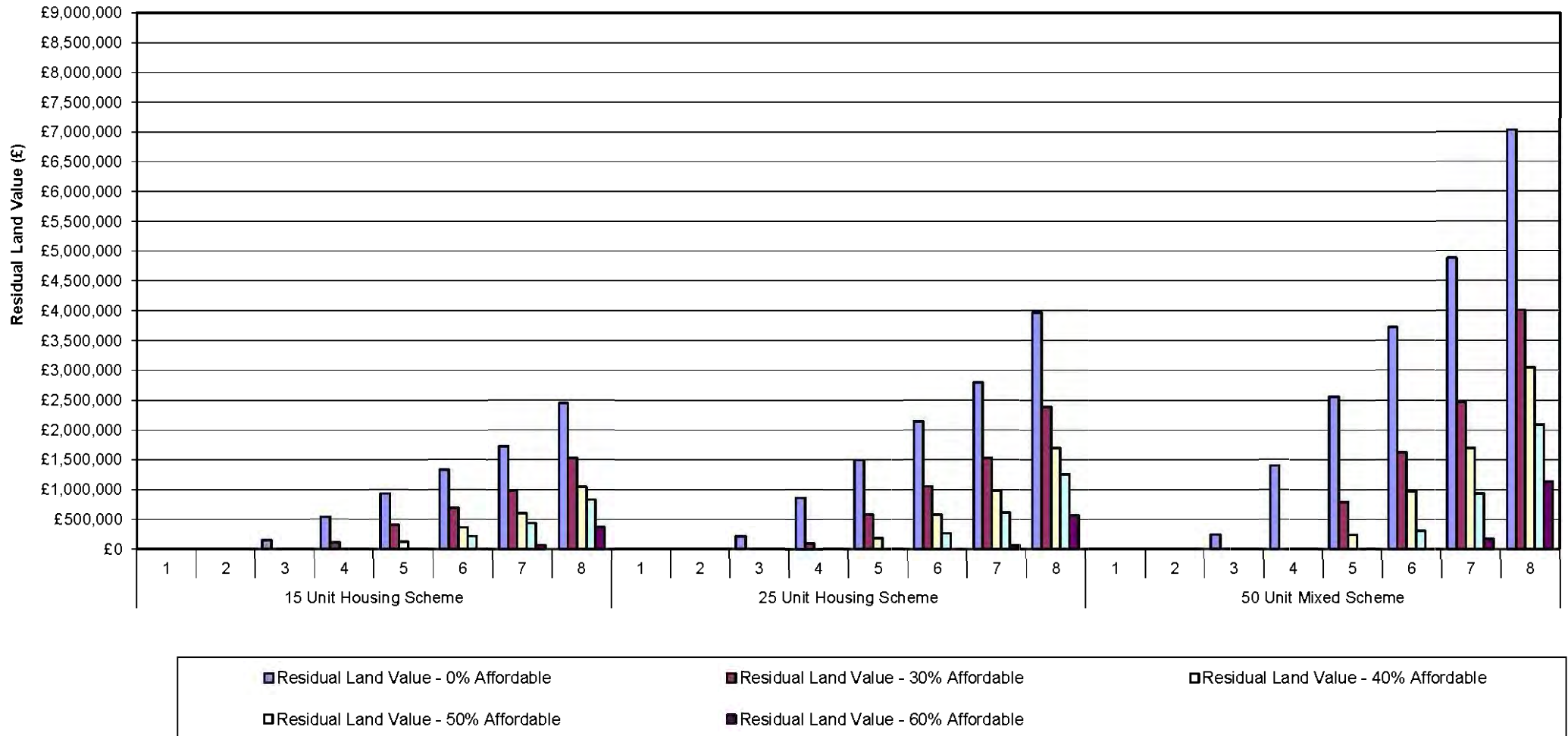
- £0 - Within Range of Indicative VOA Agricultural and Lower Industrial Land Values
- £0 - £200,000 - Within Range of Indicative VOA Industrial Land Values
- > £200,000 - Higher Comparative Indicative VOA Industrial Land Values

**Table 14: Summary of Residual Land Value (£) Appraisals for
All Value Points -
Planning Infrastructure Level £2,500
CfSH Level 6
Without Grant**

Development Scenario / Threshold	Value Point	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable
15 Unit Housing Scheme	1	£0	£0	£0	£0	£0
	2	£0	£0	£0	£0	£0
	3	£147,912	£0	£0	£0	£0
	4	£536,728	£107,135	£0	£0	£0
	5	£931,461	£402,269	£122,142	£0	£0
	6	£1,326,194	£693,395	£363,437	£216,710	£0
	7	£1,720,926	£988,667	£602,125	£433,738	£65,767
	8	£2,440,217	£1,526,719	£1,043,894	£828,558	£375,682
25 Unit Housing Scheme	1	£0	£0	£0	£0	£0
	2	£0	£0	£0	£0	£0
	3	£211,166	£0	£0	£0	£0
	4	£850,949	£105,112	£0	£0	£0
	5	£1,497,132	£574,876	£181,135	£0	£0
	6	£2,143,314	£1,048,845	£574,938	£267,413	£0
	7	£2,789,497	£1,522,813	£974,230	£615,180	£69,371
	8	£3,966,984	£2,386,489	£1,701,828	£1,253,911	£569,250
50 Unit Mixed Scheme	1	£0	£0	£0	£0	£0
	2	£0	£0	£0	£0	£0
	3	£241,918	£0	£0	£0	£0
	4	£1,396,934	£0	£0	£0	£0
	5	£2,559,281	£791,115	£238,281	£0	£0
	6	£3,721,628	£1,627,594	£965,359	£306,282	£0
	7	£4,883,975	£2,464,074	£1,699,658	£935,242	£176,164
	8	£7,029,095	£4,004,566	£3,048,540	£2,092,514	£1,136,488

Source: Adams Integra, November 2009

**Graph 30: Summary of Residual Land Values at 0%, 30%, 40%, 50% & 60% Affordable Housing Across All Value Points
 Planning Infrastructure Level £2,500
 CfSH Level 6
 Without Grant**

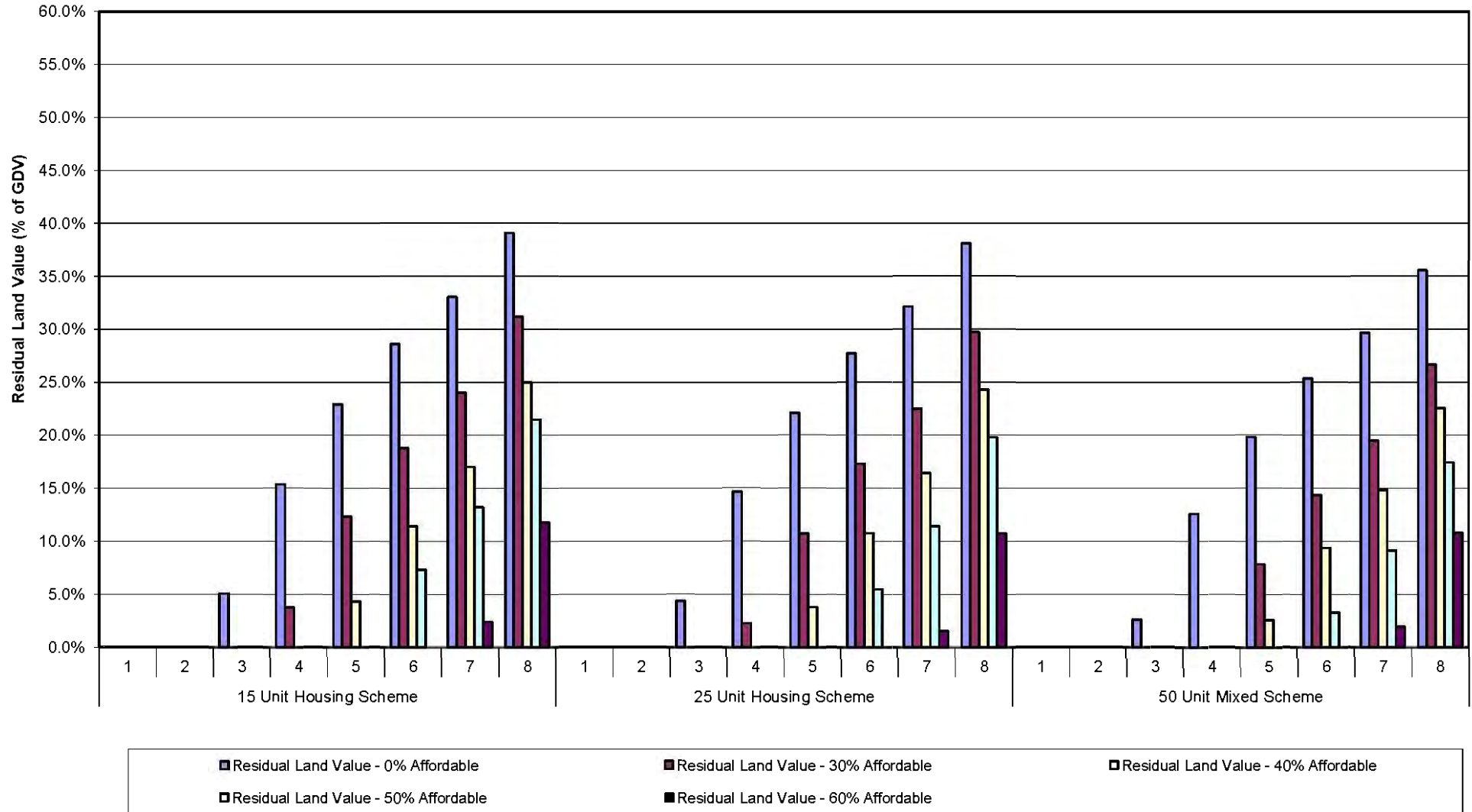


**Table 14a: Summary of Residual Land Value (as % of GDV) Appraisals for
All Value Points
Planning Infrastructure Level £2,500
CfSH Level 6
Without Grant**

Development Scenario / Threshold	Value Point	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable
15 Unit Housing Scheme	1	0.0%	0.0%	0.0%	0.0%	0.0%
	2	0.0%	0.0%	0.0%	0.0%	0.0%
	3	5.1%	0.0%	0.0%	0.0%	0.0%
	4	15.4%	3.8%	0.0%	0.0%	0.0%
	5	22.9%	12.3%	4.3%	0.0%	0.0%
	6	28.6%	18.8%	11.4%	7.3%	0.0%
	7	33.1%	24.0%	17.0%	13.2%	2.4%
	8	39.1%	31.2%	25.0%	21.5%	11.8%
25 Unit Housing Scheme	1	0.0%	0.0%	0.0%	0.0%	0.0%
	2	0.0%	0.0%	0.0%	0.0%	0.0%
	3	4.3%	0.0%	0.0%	0.0%	0.0%
	4	14.6%	2.3%	0.0%	0.0%	0.0%
	5	22.1%	10.7%	3.8%	0.0%	0.0%
	6	27.7%	17.3%	10.8%	5.5%	0.0%
	7	32.1%	22.5%	16.4%	11.4%	1.5%
	8	38.0%	29.7%	24.3%	19.8%	10.8%
50 Unit Mixed Scheme	1	0.0%	0.0%	0.0%	0.0%	0.0%
	2	0.0%	0.0%	0.0%	0.0%	0.0%
	3	2.6%	0.0%	0.0%	0.0%	0.0%
	4	12.6%	0.0%	0.0%	0.0%	0.0%
	5	19.8%	7.9%	2.6%	0.0%	0.0%
	6	25.3%	14.3%	9.4%	3.3%	0.0%
	7	29.6%	19.5%	14.9%	9.1%	2.0%
	8	35.5%	26.7%	22.6%	17.4%	10.8%

Source: Adams Integra, November 2009

**Graph 30a: Summary of Residual Land Values (as % of GDV) at 0%, 30%, 40%, 50% & 60% Affordable Housing
Across all Value Points
Planning Infrastructure Level £2,500
CfSH Level 6
Without Grant**



**Table 14b: Summary of Residual Land Value (£ per Ha) Appraisals for
All Value Points
Planning Infrastructure Level £2,500
CfSH Level 6
Without Grant
(Higher Density)**

Development Scenario / Threshold	Value Point	Site Size	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable
15 Unit Housing Scheme	1	0.38	£0	£0	£0	£0	£0
	2	0.38	£0	£0	£0	£0	£0
	3	0.38	£389,242	£0	£0	£0	£0
	4	0.38	£1,412,443	£281,934	£0	£0	£0
	5	0.38	£2,451,213	£1,058,603	£321,426	£0	£0
	6	0.38	£3,489,983	£1,824,722	£956,414	£570,289	£0
	7	0.38	£4,528,754	£2,601,755	£1,584,539	£1,141,415	£173,072
	8	0.38	£6,421,624	£4,017,682	£2,747,090	£2,180,415	£988,626
25 Unit Housing Scheme	1	0.63	£0	£0	£0	£0	£0
	2	0.63	£0	£0	£0	£0	£0
	3	0.63	£335,184	£0	£0	£0	£0
	4	0.63	£1,350,713	£166,844	£0	£0	£0
	5	0.63	£2,376,400	£912,501	£287,515	£0	£0
	6	0.63	£3,402,086	£1,664,833	£912,600	£424,465	£0
	7	0.63	£4,427,772	£2,417,164	£1,546,396	£976,476	£110,113
	8	0.63	£6,296,801	£3,788,079	£2,701,315	£1,940,336	£603,572
50 Unit Mixed Scheme	1	0.91	£0	£0	£0	£0	£0
	2	0.91	£0	£0	£0	£0	£0
	3	0.91	£265,844	£0	£0	£0	£0
	4	0.91	£1,535,092	£0	£0	£0	£0
	5	0.91	£2,812,397	£869,357	£261,847	£0	£0
	6	0.91	£4,089,701	£1,788,565	£1,060,834	£336,573	£0
	7	0.91	£5,367,005	£2,707,774	£1,867,756	£1,027,738	£193,587
	8	0.91	£7,724,280	£4,400,622	£3,350,044	£2,299,466	£1,248,887

Source: Adams Integra, November 2009

Key:

- Within Range of Indicative VOA Agricultural and Lower Industrial Land Values
- Within Range of Indicative VOA Industrial Land Values
- Higher Comparative, Indicative VOA Industrial Land Values

**Table 14c: Summary of Residual Land Value (£ per Ha) Appraisals for
All Value Points
Planning Infrastructure Level £2,500
CfSH Level 6
Without Grant
(Lower Density)**

Development Scenario / Threshold	Value Point	Site Size	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable
15 Unit Housing Scheme	1	0.60					
	2	0.60					
	3	0.60	£246,520				
	4	0.60	£894,547	£178,558			
	5	0.60	£1,552,435	£670,448	£203,570		
	6	0.60	£2,210,323	£1,155,658	£605,729	£361,183	
	7	0.60	£2,868,211	£1,647,778	£1,003,542	£722,896	£109,612
	8	0.60	£4,067,029	£2,544,532	£1,739,823	£1,380,929	£626,136
25 Unit Housing Scheme	1	1.00					
	2	1.00					
	3	1.00	£211,166				
	4	1.00	£850,949	£105,112			
	5	1.00	£1,497,132	£574,876	£181,135		
	6	1.00	£2,143,314	£1,048,845	£574,938	£267,413	
	7	1.00	£2,789,497	£1,522,813	£974,230	£615,180	£69,371
	8	1.00	£3,966,984	£2,386,489	£1,701,828	£1,253,911	£569,250
50 Unit Mixed Scheme	1	1.43					
	2	1.43					
	3	1.43	£169,173				
	4	1.43	£976,877				
	5	1.43	£1,789,707	£553,227	£166,630		
	6	1.43	£2,602,537	£1,138,178	£675,076	£214,183	
	7	1.43	£3,415,367	£1,723,129	£1,188,572	£654,015	£123,191
	8	1.43	£4,915,451	£2,800,396	£2,131,846	£1,463,296	£794,747

Source: Adams Integra, November 2009

Key:

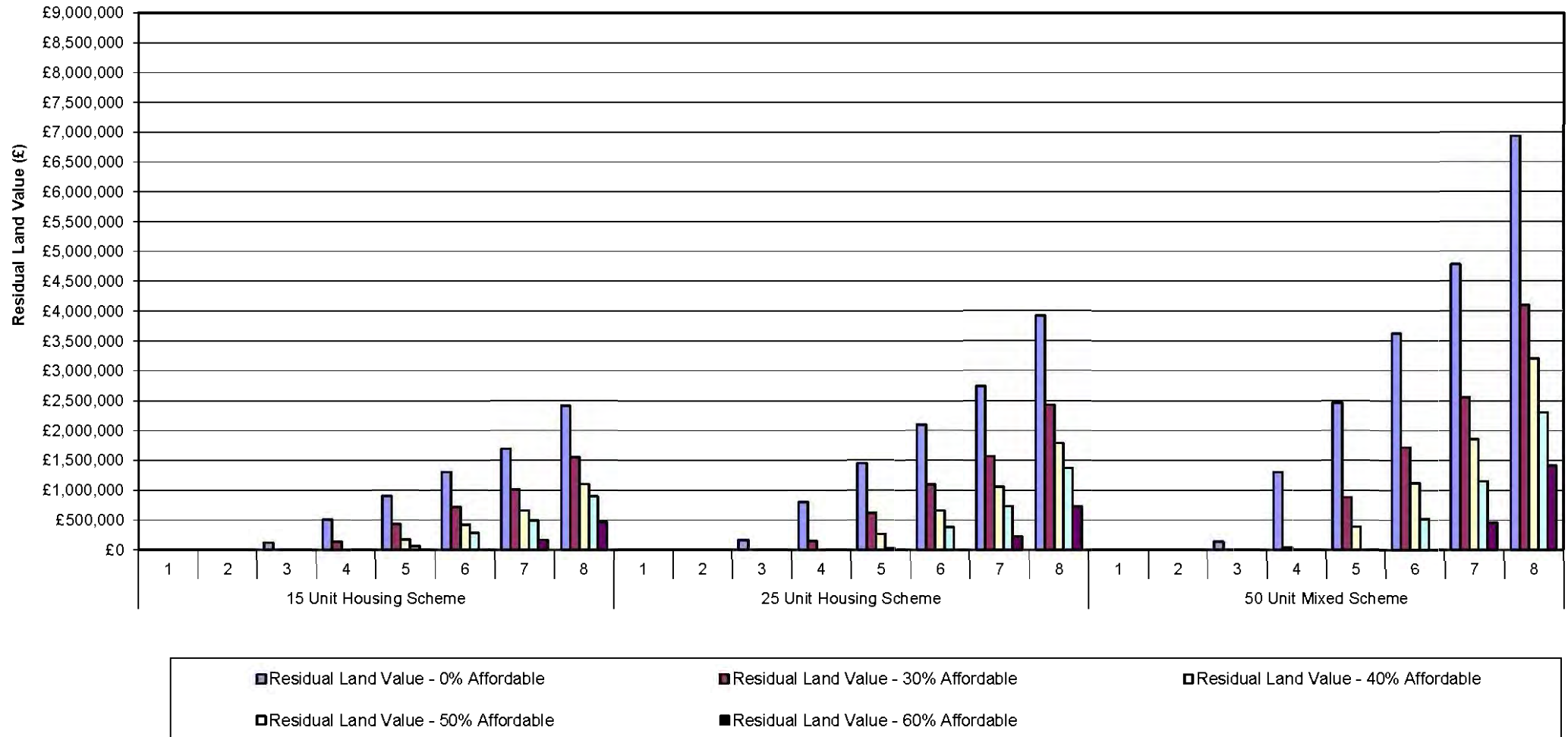
=Within Range of Indicative VOA Agricultural and Lower Industrial Land Values
=Within Range of Indicative VOA Industrial Land Values
= Higher Competitive, Indicative VOA Industrial Land Values

**Table 15: Summary of Residual Land Value (£) Appraisals for
All Value Points -
Planning Infrastructure Level £5,000
CfSH Level 6**

Development Scenario / Threshold	Value Point	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable
15 Unit Housing Scheme	1	£0	£0	£0	£0	£0
	2	£0	£0	£0	£0	£0
	3	£113,974	£0	£0	£0	£0
	4	£504,148	£131,012	£0	£0	£0
	5	£898,881	£425,430	£175,916	£59,267	£0
	6	£1,293,614	£716,317	£417,322	£278,895	£0
	7	£1,688,346	£1,011,589	£655,454	£495,143	£163,296
	8	£2,407,637	£1,549,642	£1,097,223	£894,434	£470,285
25 Unit Housing Scheme	1	£0	£0	£0	£0	£0
	2	£0	£0	£0	£0	£0
	3	£157,830	£0	£0	£0	£0
	4	£797,699	£150,219	£0	£0	£0
	5	£1,443,882	£618,179	£263,792	£27,890	£0
	6	£2,090,064	£1,092,148	£660,365	£381,228	£0
	7	£2,736,247	£1,566,116	£1,059,656	£727,821	£228,279
	8	£3,913,734	£2,429,792	£1,787,255	£1,366,553	£724,015
50 Unit Mixed Scheme	1	£0	£0	£0	£0	£0
	2	£0	£0	£0	£0	£0
	3	£137,799	£0	£0	£0	£0
	4	£1,294,634	£47,354	£0	£0	£0
	5	£2,456,981	£881,939	£387,894	£0	£0
	6	£3,619,328	£1,718,419	£1,118,194	£517,968	£0
	7	£4,781,675	£2,554,899	£1,852,492	£1,150,086	£452,342
	8	£6,926,795	£4,095,391	£3,201,374	£2,307,358	£1,413,341

Source: Adams Integra, November 2009

**Graph 31: Summary of Residual Land Values at 0%, 30%, 40%, 50% & 60% Affordable Housing Across All Value Points
Planning Infrastructure Level £5,000
CfSH Level 6**

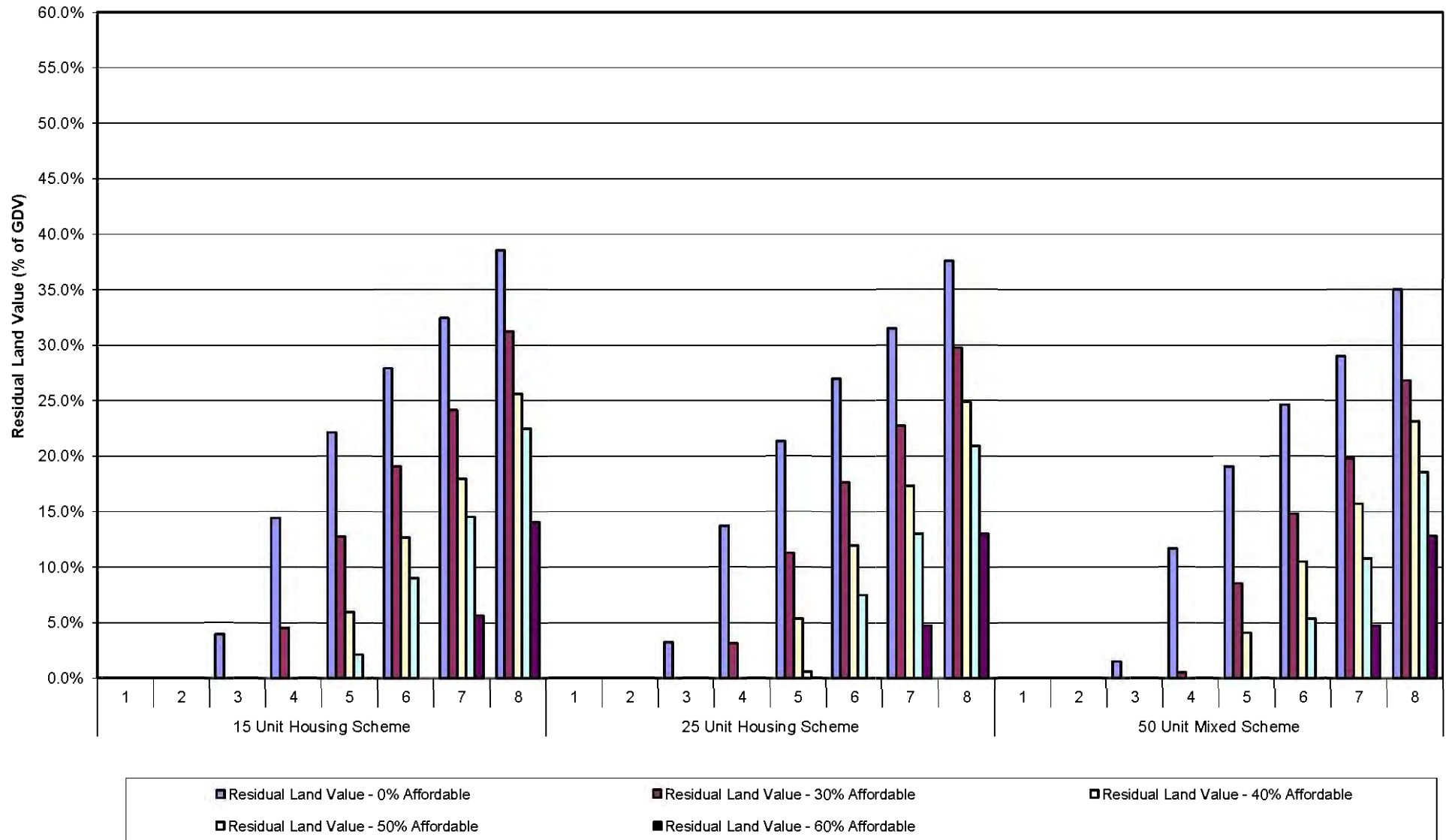


**Table 15a: Summary of Residual Land Value (as % of GDV) Appraisals for
All Value Points
Planning Infrastructure Level £5,000
CfSH Level 6**

Development Scenario / Threshold	Value Point	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable
15 Unit Housing Scheme	1	0.0%	0.0%	0.0%	0.0%	0.0%
	2	0.0%	0.0%	0.0%	0.0%	0.0%
	3	3.9%	0.0%	0.0%	0.0%	0.0%
	4	14.4%	4.5%	0.0%	0.0%	0.0%
	5	22.1%	12.8%	6.0%	2.1%	0.0%
	6	27.9%	19.1%	12.7%	9.0%	0.0%
	7	32.4%	24.2%	18.0%	14.5%	5.6%
	8	38.5%	31.2%	25.6%	22.5%	14.1%
25 Unit Housing Scheme	1	0.0%	0.0%	0.0%	0.0%	0.0%
	2	0.0%	0.0%	0.0%	0.0%	0.0%
	3	3.2%	0.0%	0.0%	0.0%	0.0%
	4	13.7%	3.1%	0.0%	0.0%	0.0%
	5	21.3%	11.3%	5.3%	0.6%	0.0%
	6	27.0%	17.6%	12.0%	7.5%	0.0%
	7	31.5%	22.7%	17.3%	13.0%	4.7%
	8	37.5%	29.8%	24.9%	20.9%	13.0%
50 Unit Mixed Scheme	1	0.0%	0.0%	0.0%	0.0%	0.0%
	2	0.0%	0.0%	0.0%	0.0%	0.0%
	3	1.5%	0.0%	0.0%	0.0%	0.0%
	4	11.6%	0.5%	0.0%	0.0%	0.0%
	5	19.0%	8.5%	4.1%	0.0%	0.0%
	6	24.6%	14.8%	10.5%	5.4%	0.0%
	7	29.0%	19.8%	15.7%	10.8%	4.8%
	8	35.0%	26.8%	23.1%	18.6%	12.8%

Source: Adams Integra, November 2009

**Graph 31a: Summary of Residual Land Values (as % of GDV) at 0%, 30%, 40%, 50% & 60% Affordable Housing
Across all Value Points
Planning Infrastructure Level £5,000
CfSH Level 6**



**Table 15b: Summary of Residual Land Value (£ per Ha) Appraisals for
All Value Points
Planning Infrastructure Level £5,000
CfSH Level 6
(Higher Density)**

Development Scenario / Threshold	Value Point	Site Size	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable
15 Unit Housing Scheme	1	0.38					
	2	0.38					
	3	0.38	£299,933				
	4	0.38	£1,326,706	£344,769			
	5	0.38	£2,365,476	£1,119,553	£462,937	£155,966	
	6	0.38	£3,404,247	£1,885,044	£1,098,216	£733,934	
	7	0.38	£4,443,017	£2,662,077	£1,724,879	£1,303,008	£429,727
	8	0.38	£6,335,888	£4,078,004	£2,887,429	£2,353,775	£1,237,592
25 Unit Housing Scheme	1	0.63					
	2	0.63					
	3	0.63	£250,524				
	4	0.63	£1,266,190	£238,443			
	5	0.63	£2,291,876	£981,236	£418,718	£44,270	
	6	0.63	£3,317,562	£1,733,567	£1,048,198	£605,124	
	7	0.63	£4,343,249	£2,485,899	£1,681,994	£1,155,272	£362,348
	8	0.63	£6,212,277	£3,856,813	£2,836,913	£2,169,131	£1,149,231
50 Unit Mixed Scheme	1	0.91					
	2	0.91					
	3	0.91	£151,427				
	4	0.91	£1,422,675	£52,037			
	5	0.91	£2,699,979	£969,164	£426,257		
	6	0.91	£3,977,283	£1,888,373	£1,228,784	£569,196	
	7	0.91	£5,254,588	£2,807,581	£2,035,706	£1,263,831	£497,080
	8	0.91	£7,611,863	£4,500,430	£3,517,994	£2,535,558	£1,553,122

Source: Adams Integra, November 2009

Key:

Indicative VOA Agricultural and Lower Industrial Land Values
Within Range of Indicative VOA Agricultural and Lower Industrial Land Values
Within Range of Indicative VOA Industrial Land Values
Higher Competitive Indicative VOA Industrial Land Values

**Table 15c: Summary of Residual Land Value (£ per Ha) Appraisals for
All Value Points
Planning Infrastructure Level £5,000
CfSH Level 6
(Lower Density)**

Development Scenario / Threshold	Value Point	Site Size	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable
15 Unit Housing Scheme	1	0.60	£0	£0	£0	£0	£0
	2	0.60	£0	£0	£0	£0	£0
	3	0.60	£189,957	£0	£0	£0	£0
	4	0.60	£840,247	£218,354	£0	£0	£0
	5	0.60	£1,498,135	£709,050	£293,194	£98,779	£0
	6	0.60	£2,156,023	£1,193,861	£695,537	£464,825	£0
	7	0.60	£2,813,911	£1,685,982	£1,092,423	£825,238	£272,161
	8	0.60	£4,012,729	£2,582,736	£1,828,705	£1,490,724	£783,808
25 Unit Housing Scheme	1	1.00	£0	£0	£0	£0	£0
	2	1.00	£0	£0	£0	£0	£0
	3	1.00	£157,830	£0	£0	£0	£0
	4	1.00	£797,699	£150,219	£0	£0	£0
	5	1.00	£1,443,882	£618,179	£263,792	£27,890	£0
	6	1.00	£2,090,064	£1,092,148	£660,365	£381,228	£0
	7	1.00	£2,736,247	£1,566,116	£1,059,656	£727,821	£228,279
	8	1.00	£3,913,734	£2,429,792	£1,787,255	£1,366,553	£724,015
50 Unit Mixed Scheme	1	1.43	£0	£0	£0	£0	£0
	2	1.43	£0	£0	£0	£0	£0
	3	1.43	£96,363	£0	£0	£0	£0
	4	1.43	£905,338	£33,114	£0	£0	£0
	5	1.43	£1,718,168	£616,741	£271,254	£0	£0
	6	1.43	£2,530,998	£1,201,692	£781,954	£362,215	£0
	7	1.43	£3,343,828	£1,786,643	£1,295,449	£804,256	£316,323
	8	1.43	£4,843,913	£2,863,910	£2,238,723	£1,613,537	£988,350

Source: Adams Integra, November 2009

Key:

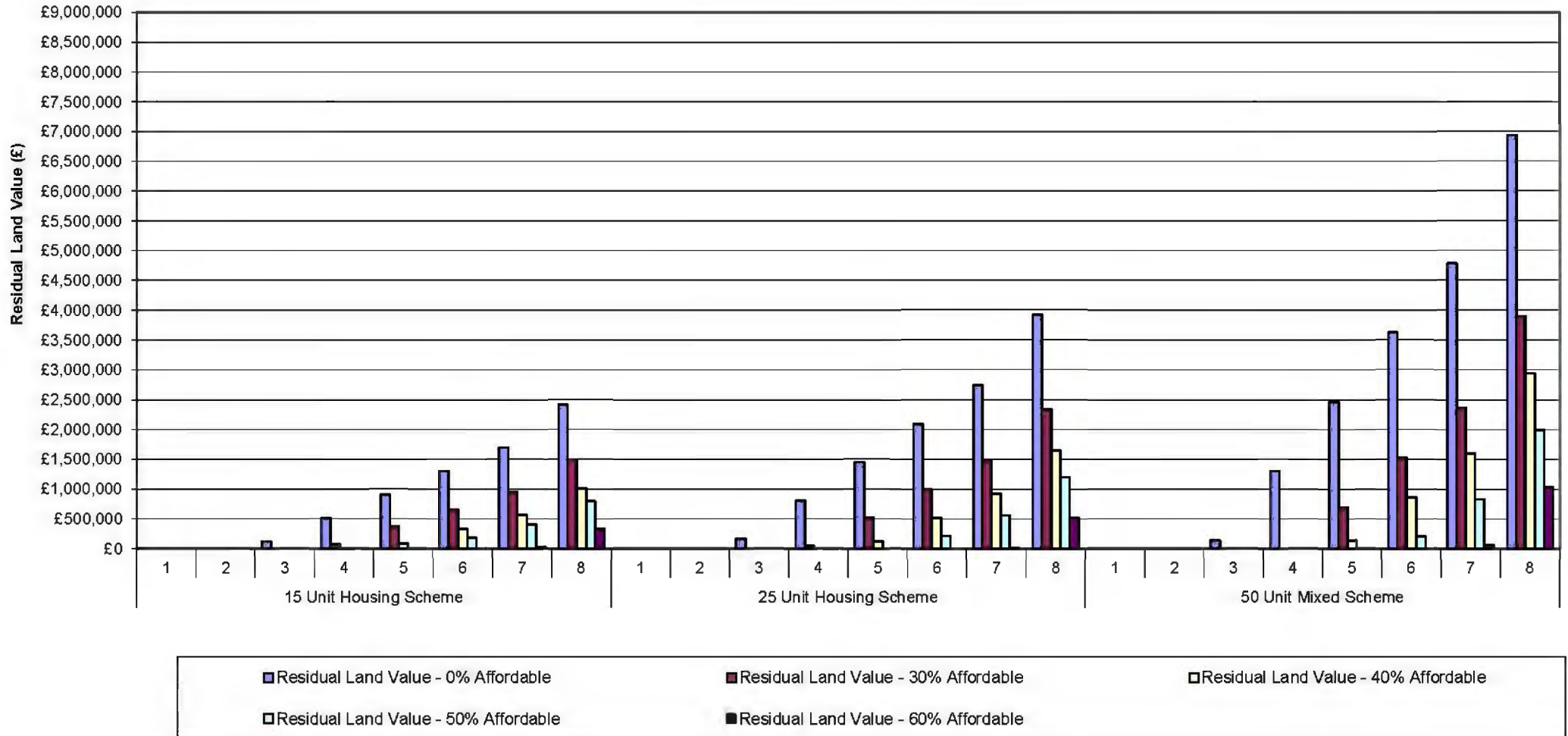
£0	Within Range of Indicative VOA Agricultural and Lower Industrial Land Values
£0 to £189,957	Within Range of Indicative VOA Industrial Land Values
£189,957 to £840,247	Higher Comparative, Indicative VOA Industrial Land Values

**Table 16: Summary of Residual Land Value (£) Appraisals for
All Value Points -
Planning Infrastructure Level £5,000
CfSH Level 6
Without Grant**

Development Scenario / Threshold	Value Point	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable
15 Unit Housing Scheme	1	£0	£0	£0	£0	£0
	2	£0	£0	£0	£0	£0
	3	£113,974	£0	£0	£0	£0
	4	£504,148	£73,197	£0	£0	£0
	5	£898,881	£369,350	£88,205	£0	£0
	6	£1,293,614	£660,815	£330,518	£183,112	£0
	7	£1,688,346	£956,087	£569,545	£400,818	£31,830
	8	£2,407,637	£1,494,139	£1,011,314	£795,978	£342,762
25 Unit Housing Scheme	1	£0	£0	£0	£0	£0
	2	£0	£0	£0	£0	£0
	3	£157,830	£0	£0	£0	£0
	4	£797,699	£49,643	£0	£0	£0
	5	£1,443,882	£521,626	£127,496	£0	£0
	6	£2,090,064	£995,595	£521,688	£218,013	£0
	7	£2,736,247	£1,469,563	£920,980	£561,930	£13,902
	8	£3,913,734	£2,333,239	£1,648,578	£1,200,661	£516,000
50 Unit Mixed Scheme	1	£0	£0	£0	£0	£0
	2	£0	£0	£0	£0	£0
	3	£137,799	£0	£0	£0	£0
	4	£1,294,634	£0	£0	£0	£0
	5	£2,456,981	£688,815	£134,126	£0	£0
	6	£3,619,328	£1,525,294	£863,059	£207,100	£0
	7	£4,781,675	£2,361,774	£1,597,358	£832,942	£71,381
	8	£6,926,795	£3,902,266	£2,946,240	£1,990,214	£1,034,188

Source: Adams Integra, November 2009

Graph 32: Summary of Residual Land Values at 0%, 30%, 40%, 50% & 60% Affordable Housing Across All Value Points
Planning Infrastructure Level £5,000
CfSH Level 6
Without Grant

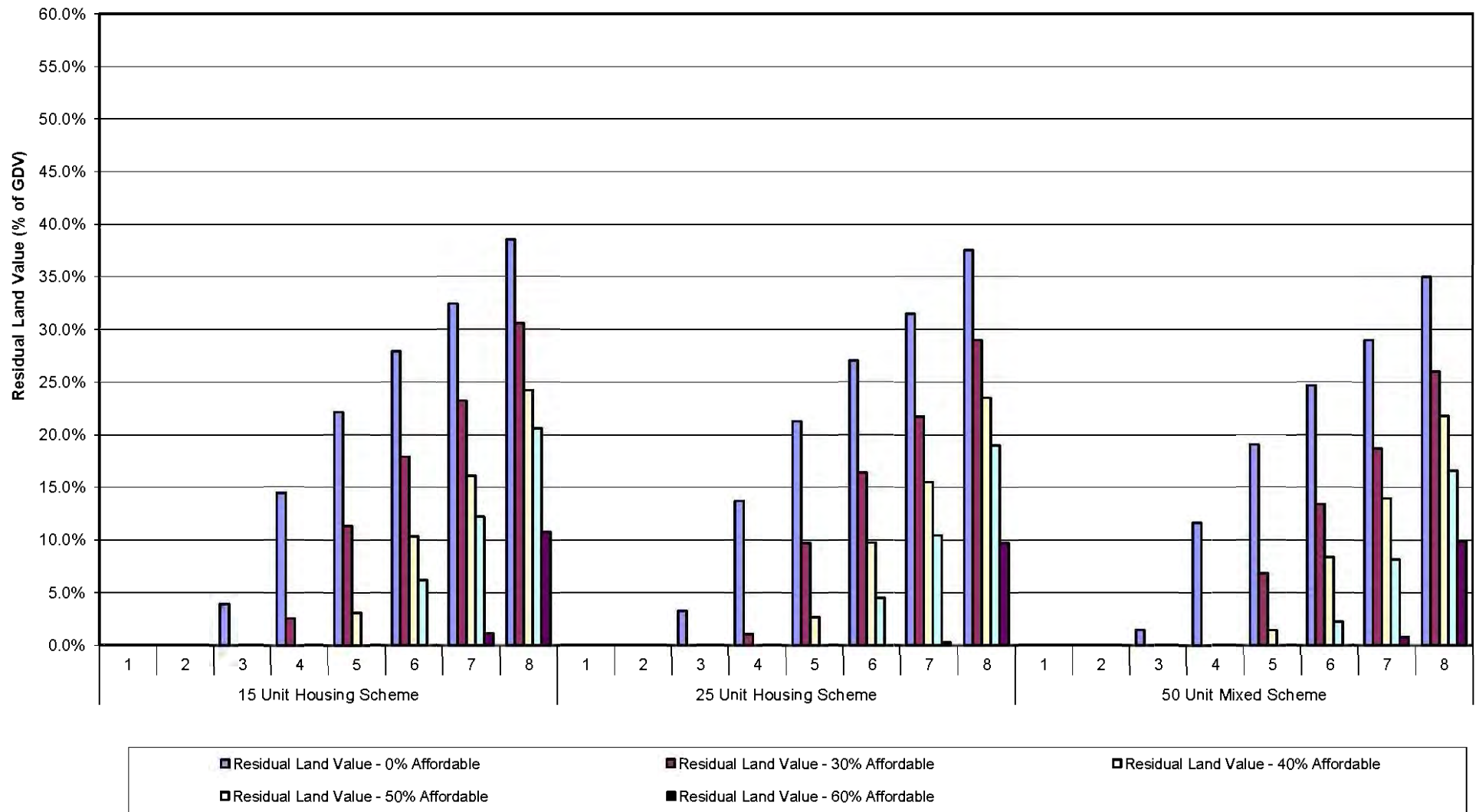


**Table 16a: Summary of Residual Land Value (as % of GDV) Appraisals for
All Value Points
Planning Infrastructure Level £5,000
CfSH Level 6
Without Grant**

Development Scenario / Threshold	Value Point	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable
15 Unit Housing Scheme	1	0.0%	0.0%	0.0%	0.0%	0.0%
	2	0.0%	0.0%	0.0%	0.0%	0.0%
	3	3.9%	0.0%	0.0%	0.0%	0.0%
	4	14.4%	2.6%	0.0%	0.0%	0.0%
	5	22.1%	11.3%	3.1%	0.0%	0.0%
	6	27.9%	17.9%	10.4%	6.2%	0.0%
	7	32.4%	23.2%	16.1%	12.2%	1.2%
	8	38.5%	30.5%	24.2%	20.6%	10.8%
25 Unit Housing Scheme	1	0.0%	0.0%	0.0%	0.0%	0.0%
	2	0.0%	0.0%	0.0%	0.0%	0.0%
	3	3.2%	0.0%	0.0%	0.0%	0.0%
	4	13.7%	1.1%	0.0%	0.0%	0.0%
	5	21.3%	9.7%	2.7%	0.0%	0.0%
	6	27.0%	16.4%	9.8%	4.5%	0.0%
	7	31.5%	21.7%	15.5%	10.4%	0.3%
	8	37.5%	29.0%	23.5%	19.0%	9.7%
50 Unit Mixed Scheme	1	0.0%	0.0%	0.0%	0.0%	0.0%
	2	0.0%	0.0%	0.0%	0.0%	0.0%
	3	1.5%	0.0%	0.0%	0.0%	0.0%
	4	11.6%	0.0%	0.0%	0.0%	0.0%
	5	19.0%	6.8%	1.5%	0.0%	0.0%
	6	24.6%	13.4%	8.4%	2.2%	0.0%
	7	29.0%	18.7%	14.0%	8.1%	0.8%
	8	35.0%	26.0%	21.8%	16.6%	9.9%

Source: Adams Integra, November 2009

**Graph 32a: Summary of Residual Land Values (as % of GDV) at 0%, 30%, 40%, 50% & 60% Affordable Housing
Across all Value Points
Planning Infrastructure Level £5,000
CfSH Level 6
Without Grant**



**Table 16b: Summary of Residual Land Value (£ per Ha) Appraisals for
All Value Points
Planning Infrastructure Level £5,000
CfSH Level 6
Without Grant
(Higher Density)**

Development Scenario / Threshold	Value Point	Site Size	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable
15 Unit Housing Scheme	1	0.38	£0	£0	£0	£0	£0
	2	0.38	£0	£0	£0	£0	£0
	3	0.38	£299,933	£0	£0	£0	£0
	4	0.38	£1,326,706	£192,625	£0	£0	£0
	5	0.38	£2,365,476	£971,973	£232,117	£0	£0
	6	0.38	£3,404,247	£1,738,986	£869,784	£181,873	£0
	7	0.38	£4,443,017	£2,516,019	£1,498,802	£1,054,785	£83,763
	8	0.38	£6,335,888	£3,931,945	£2,661,353	£1,094,678	£902,006
25 Unit Housing Scheme	1	0.63	£0	£0	£0	£0	£0
	2	0.63	£0	£0	£0	£0	£0
	3	0.63	£250,524	£0	£0	£0	£0
	4	0.63	£1,266,190	£78,798	£0	£0	£0
	5	0.63	£2,291,876	£827,978	£202,374	£0	£0
	6	0.63	£3,317,562	£1,580,309	£828,076	£346,052	£0
	7	0.63	£4,343,249	£2,332,640	£1,461,872	£891,952	£22,067
	8	0.63	£6,212,277	£3,703,555	£2,616,791	£1,905,812	£819,048
50 Unit Mixed Scheme	1	0.91	£0	£0	£0	£0	£0
	2	0.91	£0	£0	£0	£0	£0
	3	0.91	£151,427	£0	£0	£0	£0
	4	0.91	£1,422,675	£0	£0	£0	£0
	5	0.91	£2,699,979	£756,939	£147,391	£0	£0
	6	0.91	£3,977,283	£1,676,148	£948,417	£227,582	£0
	7	0.91	£5,254,588	£2,595,356	£1,755,339	£915,321	£78,440
	8	0.91	£7,611,863	£4,288,205	£3,237,626	£2,187,048	£1,136,470

Source: Adams Integra, November 2009

Key:

- £0 - Within Range of Indicative VOA Agricultural and Lower Industrial Land Values
- £0 - £151,427 - Within Range of Indicative VOA Agricultural and Lower Industrial Land Values
- £151,427 - £1,422,675 - Within Range of Indicative VOA Industrial Land Values
- £1,422,675 - £7,611,863 - Higher Competitive, Indicative VOA Industrial Land Values

**Table 16c: Summary of Residual Land Value (£ per Ha) Appraisals for
All Value Points
Planning Infrastructure Level £5,000
CfSH Level 6
Without Grant
(Lower Density)**

Development Scenario / Threshold	Value Point	Site Size	Residual Land Value - 0% Affordable	Residual Land Value - 30% Affordable	Residual Land Value - 40% Affordable	Residual Land Value - 50% Affordable	Residual Land Value - 60% Affordable
15 Unit Housing Scheme	1	0.60	£189,957	£121,996	£147,008	£305,186	£53,050
	2	0.60	£189,957	£121,996	£147,008	£305,186	£53,050
	3	0.60	£189,957	£121,996	£147,008	£305,186	£53,050
	4	0.60	£840,247	£121,996	£147,008	£305,186	£53,050
	5	0.60	£1,498,135	£615,583	£147,008	£305,186	£53,050
	6	0.60	£2,156,023	£1,101,358	£550,863	£305,186	£53,050
	7	0.60	£2,813,911	£1,593,478	£949,242	£668,031	£53,050
	8	0.60	£4,012,729	£2,490,232	£1,685,523	£1,326,629	£571,270
25 Unit Housing Scheme	1	1.00	£157,830	£49,643	£127,496	£218,013	£51,600
	2	1.00	£157,830	£49,643	£127,496	£218,013	£51,600
	3	1.00	£157,830	£49,643	£127,496	£218,013	£51,600
	4	1.00	£797,699	£49,643	£127,496	£218,013	£51,600
	5	1.00	£1,443,882	£521,626	£127,496	£218,013	£51,600
	6	1.00	£2,090,064	£995,595	£521,688	£218,013	£51,600
	7	1.00	£2,736,247	£1,469,563	£920,980	£561,930	£51,600
	8	1.00	£3,913,734	£2,333,239	£1,648,578	£1,200,661	£516,000
50 Unit Mixed Scheme	1	1.43	£96,363	£93,794	£144,825	£582,477	£49,917
	2	1.43	£96,363	£93,794	£144,825	£582,477	£49,917
	3	1.43	£96,363	£93,794	£144,825	£582,477	£49,917
	4	1.43	£905,338	£93,794	£144,825	£582,477	£49,917
	5	1.43	£1,718,168	£481,689	£93,794	£144,825	£49,917
	6	1.43	£2,530,998	£1,066,639	£603,538	£144,825	£49,917
	7	1.43	£3,343,828	£1,651,590	£1,117,034	£582,477	£49,917
	8	1.43	£4,843,913	£2,728,858	£2,060,308	£1,391,758	£723,208

Source: Adams Integra, November 2009

Key:

■ Within Range of Indicative VOA Agricultural and Lower Industrial Land Values

■ Within Range of Indicative VOA Industrial Land Values

■ Higher Comparative Indicative VOA Industrial Land Values

Appendix IIh

Appendix III: Harrogate Borough Council Payments in lieu of on-site provision - Value Points 1 to 8: 0%, 20%, 30%, 40% and 50% Equivalent Affordable Housing Provision

Scheme Size		Mix	Value Point 1																								
			0% Affordable Equivalent					20% Affordable Equivalent					30% Affordable Equivalent					40% Affordable Equivalent					50% Affordable Equivalent				
			RLV (k)	RLV (per Ha)	RLV (% of GDV)	Committed Payment	RLV (k)	RLV (per Ha)	RLV (% of GDV)	Committed Payment	RLV (k)	RLV (per Ha)	RLV (% of GDV)	Committed Payment	RLV (k)	RLV (per Ha)	RLV (% of GDV)	Committed Payment	RLV (k)	RLV (per Ha)	RLV (% of GDV)	Committed Payment	RLV (k)	RLV (per Ha)	RLV (% of GDV)		
1 House	1x 3bed house		0	0	0.0%	£7,178	0	0	0.0%	£10,763	0	0	0.0%	£14,351	0	0	0.0%	£17,939	0	0	0.0%	£21,527	0	0	0.0%		
2 Houses	2x 3bed houses		0	0	0.0%	£14,351	0	0	0.0%	£21,527	0	0	0.0%	£28,703	0	0	0.0%	£35,879	0	0	0.0%	£43,055	0	0	0.0%		
3 Houses	3x 3bed houses		0	0	0.0%	£21,527	0	0	0.0%	£32,290	0	0	0.0%	£43,055	0	0	0.0%	£53,817	0	0	0.0%	£64,579	0	0	0.0%		
4 Houses	4x 3bed houses		0	0	0.0%	£28,703	0	0	0.0%	£43,055	0	0	0.0%	£57,405	0	0	0.0%	£71,756	0	0	0.0%	£86,107	0	0	0.0%		
5 Houses	2x 2bed houses, 3 x 3-bed houses		0	0	0.0%	£37,899	0	0	0.0%	£56,863	0	0	0.0%	£75,827	0	0	0.0%	£94,791	0	0	0.0%	£113,755	0	0	0.0%		
5 Flats	5x 2bed flats		0	0	0.0%	£30,573	0	0	0.0%	£45,860	0	0	0.0%	£61,147	0	0	0.0%	£76,434	0	0	0.0%	£91,721	0	0	0.0%		
10 Houses	3x 2bed houses, 5 x 3-bed houses, 2 x 4-bed houses		0	0	0.0%	£71,756	0	0	0.0%	£107,634	0	0	0.0%	£143,513	0	0	0.0%	£179,391	0	0	0.0%	£215,270	0	0	0.0%		
10 Flats	3x 1bed flats, 7x 2bed flats		0	0	0.0%	£56,492	0	0	0.0%	£84,739	0	0	0.0%	£112,986	0	0	0.0%	£141,231	0	0	0.0%	£169,478	0	0	0.0%		
14 Houses	5x 2bed houses, 6 x 3-bed houses, 3 x 4-bed houses		0	0	0.0%	£100,637	0	0	0.0%	£150,955	0	0	0.0%	£201,273	0	0	0.0%	£251,591	0	0	0.0%	£301,909	0	0	0.0%		
14 Flats	5x 1bed flats, 9x 2bed flats		0	0	0.0%	£77,848	0	0	0.0%	£116,772	0	0	0.0%	£155,696	0	0	0.0%	£194,620	0	0	0.0%	£233,544	0	0	0.0%		

Scheme Size		Mix	Value Point 2																								
			0% Affordable Equivalent					20% Affordable Equivalent					30% Affordable Equivalent					40% Affordable Equivalent					50% Affordable Equivalent				
			RLV (k)	RLV (per Ha)	RLV (% of GDV)	Committed Payment	RLV (k)	RLV (per Ha)	RLV (% of GDV)	Committed Payment	RLV (k)	RLV (per Ha)	RLV (% of GDV)	Committed Payment	RLV (k)	RLV (per Ha)	RLV (% of GDV)	Committed Payment	RLV (k)	RLV (per Ha)	RLV (% of GDV)	Committed Payment	RLV (k)	RLV (per Ha)	RLV (% of GDV)		
1 House	1x 3bed house		£1,145	£269,756	4.5%	£0,970	0	0	0.0%	£1,344	0	0	0.0%	£1,543	0	0	0.0%	£1,742	0	0	0.0%	£1,941	0	0	0.0%		
2 Houses	2x 3bed houses		£14,299	£386,766	4.5%	£12,639	0	0	0.0%	£17,368	0	0	0.0%	£20,437	0	0	0.0%	£23,506	0	0	0.0%	£26,575	0	0	0.0%		
3 Houses	3x 3bed houses		£21,434	£569,766	4.5%	£18,959	0	0	0.0%	£26,002	0	0	0.0%	£31,666	0	0	0.0%	£37,330	0	0	0.0%	£42,994	0	0	0.0%		
4 Houses	4x 3bed houses		£28,579	£752,766	4.5%	£25,814	0	0	0.0%	£35,129	0	0	0.0%	£42,793	0	0	0.0%	£50,657	0	0	0.0%	£58,521	0	0	0.0%		
5 Houses	2x 2bed houses, 3 x 3-bed houses		£26,053	£639,424	3.5%	£41,496	0	0	0.0%	£71,269	0	0	0.0%	£121,042	0	0	0.0%	£170,815	0	0	0.0%	£220,588	0	0	0.0%		
5 Flats	5x 2bed flats		£11,974	£299,891	11.6%	£13,917	0	0	0.0%	£15,860	0	0	0.0%	£17,803	0	0	0.0%	£19,746	0	0	0.0%	£21,689	0	0	0.0%		
10 Houses	3x 2bed houses, 5 x 3-bed houses, 2 x 4-bed houses		£50,261	£1,341,043	3.8%	£89,895	0	0	0.0%	£134,543	0	0	0.0%	£209,191	0	0	0.0%	£283,839	0	0	0.0%	£358,487	0	0	0.0%		
10 Flats	3x 1bed flats, 7x 2bed flats		£13,522	£135,216	11.1%	£10,616	0	0	0.0%	£15,223	0	0	0.0%	£19,824	0	0	0.0%	£24,425	0	0	0.0%	£29,026	0	0	0.0%		
14 Houses	5x 2bed houses, 6 x 3-bed houses, 3 x 4-bed houses		£93,486	£2,381,131	3.6%	£152,048	0	0	0.0%	£267,568	0	0	0.0%	£443,088	0	0	0.0%	£618,608	0	0	0.0%	£794,128	0	0	0.0%		
14 Flats	5x 1bed flats, 9x 2bed flats		£116,150	£115,955	0.9%	£30,310	0	0	0.0%	£42,422	0	0	0.0%	£54,534	0	0	0.0%	£66,646	0	0	0.0%	£78,758	0	0	0.0%		

Scheme Size		Mix	Value Point 3																								
			0% Affordable Equivalent					20% Affordable Equivalent					30% Affordable Equivalent					40% Affordable Equivalent					50% Affordable Equivalent				
			RLV (k)	RLV (per Ha)	RLV (% of GDV)	Committed Payment	RLV (k)	RLV (per Ha)	RLV (% of GDV)	Committed Payment	RLV (k)	RLV (per Ha)	RLV (% of GDV)	Committed Payment	RLV (k)	RLV (per Ha)	RLV (% of GDV)	Committed Payment	RLV (k)	RLV (per Ha)	RLV (% of GDV)	Committed Payment	RLV (k)	RLV (per Ha)	RLV (% of GDV)		
1 House	1x 3bed house		£35,197	£1,407,899	19.0%	£11,151	£42,370	£974,783	12.5%	£15,727	£18,956	£759,239	9.7%	£22,303	£25,532	£954,696	6.9%	£28,879	£32,108	£1,000,103	4.2%	£35,455	£38,684	£1,095,518	1.4%		
2 Houses	2x 3bed houses		£70,393	£1,407,899	18.0%	£22,303	£84,739	£974,783	12.5%	£31,454	£37,912	£1,518,478	9.7%	£44,606	£51,064	£2,009,392	6.9%	£57,717	£64,176	£2,039,806	4.2%	£70,910	£77,368	£2,070,036	1.4%		
3 Houses	3x 3bed houses		£105,590	£1,407,899	18.0%	£33,454	£127,109	£974,783	12.5%	£46,901	£56,868	£2,292,917	9.7%	£63,908	£73,875	£2,547,911	6.9%	£86,024	£95,991	£2,805,819	4.2%	£121,013	£130,980	£2,836,761	1.4%		
4 Houses	4x 3bed houses		£140,787	£1,407,899	18.0%	£44,606	£170,478	£974,783	12.5%	£60,208	£70,175	£2,585,438	9.7%	£84,115	£93,942	£2,840,915	6.9%	£109,127	£118,954	£3,049,819	4.2%	£156,116	£165,943	£3,080,661	1.4%		
5 Houses	2x 2bed houses, 3 x 3-bed houses		£141,777	£1,407,899	17.1%	£45,596	£169,427	£974,783	10.7%	£61,199	£70,971	£2,585,438	7.8%	£84,115	£93,942	£2,840,915	4.9%	£109,127	£118,954	£3,049,819	2.3%	£156,116	£165,943	£3,080,661	0.7%		
5 Flats	5x 2bed flats		£108,394	£2,167,874	13.5%	£45,860	£63,812	£1,272,238	7.5%	£68,790	£41,226	£824,519	5.1%	£91,720	£18,840	£379,801	2.5%	£114,850	0	0	0.0%	£140,900	0	0	0.0%		
10 Houses	3x 2bed houses, 5 x 3-bed houses, 2 x 4-bed houses		£325,396	£1,301,595	16.6%	£111,613	£224,327	£997,309	11.5%	£167,470	£172,160	£868,639	8.6%	£223,026	£171,746	£470,905	6.2%	£278,583	£63,293	£1,233,172	3.2%	£334,140	£103,850	£1,607,022	0.7%		
10 Flats	3x 1bed flats, 7x 2bed flats		£189,747	£1,897,740	12.8%	£94,739	£108,436	£1,089,360	7.3%	£127,108	£67,572	£675,721	4.5%	£169,477	£26,208	£262,083	1.8%	£211,847	0	0	0.0%	£254,000	0	0	0.0%		
14 Houses	5x 2bed houses, 6 x 3-bed houses, 3 x 4-bed houses		£457,886	£1,394,752	16.2%	£155,863	£308,776	£873,645	11.2%	£238,553	£305,776	£873,645	8.7%	£319,626	£163,459	£467,027	6.0%	£398,699	£87,873	£1,050,208	3.2%	£477,772	£132,886	£1,230,664	0.9%		
14 Flats	5x 1bed flats, 9x 2bed flats		£253,788	£1,817,755	12.4%	£119,772	£147,634	£1,054,236	7.4%	£175,186	£30,833	£94,379	4.4%	£233,544	£33,832	£240,239	1.6%	£291,931	0	0	0.0%	£349,880	0	0	0.0%		

Scheme Size		Mix	Value Point 4																								
			0% Affordable Equivalent					20% Affordable Equivalent					30% Affordable Equivalent					40% Affordable Equivalent					50% Affordable Equivalent				
			RLV (k)	RLV (per Ha)	RLV (% of GDV)	Committed Payment	RLV (k)	RLV (per Ha)	RLV (% of GDV)	Committed Payment	RLV (k)	RLV (per Ha)	RLV (% of GDV)	Committed Payment	RLV (k)	RLV (per Ha)	RLV (% of GDV)	Committed Payment	RLV (k)	RLV (per Ha)	RLV (% of GDV)	Committed Payment	RLV (k)	RLV (per Ha)	RLV (% of GDV)		
1 House	1x 3bed house		£52,429	£2,529,452	27.1%	£13,323	£50,301	£2,012,131	21.5%	£20,722	£60,706	£2,749,202	25.3%	£31,009	£81,179	£3,486,505	22.2%	£41,298	£101,368	£4,261,976	19.0%	£51,587	£121,657	£4,947,447	16.0%		
2 Houses	2x 3bed houses		£104,858	£2,529,452	27.1%	£26,646	£100,602	£4,024,262	21.5%	£39,999	£121,412	£5,498,404	25.3%	£62,516	£162,358	£6,973,010	22.2%	£82,596	£202,736	£8,523,952	19.0%	£103,174	£243,314	£9,894,894	16.0%		
3 Houses	3x 3bed houses		£157,287	£2,529,452	26.8%	£39,999	£150,910	£6,036,393	21.5%	£59,999	£181,616	£8,247,606	25.3%	£93,774	£243,474	£11,224,516	22.2%	£124,774	£304,516	£13,974,016	19.0%	£164,774	£405,556	£15,724,516	16.0%		
4 Houses	4x 3bed houses		£210,716	£2,529,452	26.2%	£53,322	£199,201	£8,044,522	21.3%	£79,999	£242,569	£10,797,169	25.3%	£118,658	£314,616	£14,341,103	22.2%	£157,538	£395,658	£18,791,603	19.0%	£206,418	£506,698	£21,797,103	16.0%		
5 Houses	2x 2bed houses, 3 x 3-bed houses		£279,653	£2,529,452	25.1%	£70,697	£211,186	£10,121,311	21.5%	£105,881	£313,085	£14,456,876	25.3%	£157,414	£394,468	£19,010,222	22.2%	£206,248	£497,630	£23,120,842	19.0%	£285,008	£678,790	£25,451,542	16.0%		
5 Flats	5x 2bed flats		£202,745	£4,054,904	21.8%	£53,504	£152,560	£3,051,191	16.3%	£80,255	£126,443	£5,258,853	13.5%	£107,007	£160,326	£6,036,515	10.7%	£133,759	£197,209	£7,424,124	7.8%	£160,509	£233,959	£8,798,603	5.2%		
10 Houses	3x 2bed houses, 5 x 3-bed houses, 2 x 4-bed houses		£598,233	£2,344,931	25.1%	£133,331	£468,078	£1,866,310	19.9%	£199,997	£402,947	£1,611,786	17.6%	£266,862	£539,816	£1,359,263	14.5%	£333,326	£676,695	£1							

**Average Residual Land Value as Percentage of GDV on Sites of 0% Affordable Housing -
Harrogate Borough Council Viability Study**

	Value Point 1	Value Point 2	Value Point 3	Value Point 4	Value Point 5	Value Point 6	Value Point 7	Value Point 8	Housing Mix
1 House	0.0%	4.5%	18.0%	27.1%	33.6%	38.5%	42.3%	47.0%	1 x 3-bed house
2 Houses	0.0%	4.5%	18.0%	27.1%	33.2%	38.1%	41.0%	46.0%	2 x 3-bed houses
3 Houses	0.0%	4.5%	18.0%	26.8%	32.6%	37.3%	41.0%	45.6%	3 x 3-bed houses
4 Houses	0.0%	4.5%	18.0%	26.2%	32.6%	37.3%	40.6%	45.6%	4 x 3-bed houses
5 Houses	0.0%	3.5%	16.9%	25.1%	31.4%	35.8%	39.4%	44.4%	2 x 2-bed houses, 3 x 3-bed houses
5 Flats	0.0%	1.8%	13.5%	21.6%	27.3%	32.0%	35.8%	41.0%	5 x 2-bed flats
10 Houses	0.0%	3.8%	16.6%	25.1%	31.3%	35.9%	39.6%	44.5%	3 x 2-bed houses, 5 x 3-bed houses, 2 x 4-bed houses
10 Flats	0.0%	1.1%	12.8%	20.7%	26.6%	31.3%	35.1%	40.7%	3 x 1-bed flats, 7 x 2-bed flats
14 Houses	0.0%	3.8%	16.6%	25.1%	31.2%	35.9%	39.6%	44.5%	5 x 2-bed houses, 6 x 3-bed houses, 3 x 4-bed houses
14 Flats	0.0%	0.9%	12.4%	20.4%	26.5%	31.2%	35.0%	40.7%	5 x 1-bed flats, 9 x 2-bed flats
Average	0.0%	3.3%	16.1%	24.5%	30.6%	35.3%	38.9%	44.0%	
Overall Average								24.8%	

Unit	Value Point	Value Point 1	Value Point 2	Value Point 3	Value Point 4	Value Point 5	Value Point 6	Value Point 7	Value Point 8
1-Bed Flat		£80,000	£100,000	£120,000	£140,000	£160,000	£180,000	£200,000	£240,000
2-Bed Flat		£107,200	£134,000	£160,800	£187,600	£214,400	£241,200	£268,000	£321,600
2-Bed House		£111,000	£138,750	£172,500	£206,250	£240,000	£273,750	£307,500	£369,000
3-Bed House		£125,800	£157,250	£195,500	£233,750	£272,000	£310,250	£348,500	£418,200
4-Bed House		£148,000	£185,000	£230,000	£275,000	£320,000	£365,000	£410,000	£492,000

Appendix III

Appendix III

Property Values Report Harrogate Borough Council

Affordable Housing Economic Viability Assessment 2009/10 - Background (Completed September 2010)

Introduction

Adams Integra was asked to prepare an economic viability assessment on behalf of Harrogate Borough Council. The purpose of this was to explore and inform the scope for suitable and locally relevant policies on affordable housing thresholds and target proportions (%s) to underpin the Council's LDF approach to this key area of policy development. This meant making an informed strategic overview of the financial viability of a range of notional market housing development scenarios, as impacted by a variety of potential affordable housing requirements (alongside other planning obligations and development costs).

To inform the wide range of viability appraisals and as a key part of our methodology, research was required to determine the level of new build housing values within the district – in this strategic context of looking longer-term (as per the LDF timeframe) and at a range of scenarios relevant across the district. As context for the viability study work, we needed to understand the level and range of values as seen at present, and that may be seen as we move ahead through varied market conditions. The range of information considered is outlined here, and informed our judgements as to the spread of value levels most appropriate to use in our appraisal modelling. We use our established Value Points methodology. This looks at how residual land values (RLVs) and therefore likely scheme viability alter as the key driver of the new build property value levels varies – by location (or scheme type) and/or with time (i.e. as potentially influenced by varying market conditions).

As part of the review, so that we could better understand the value patterns locally that might also be relevant to new builds, desktop research was also undertaken to enable us to consider the overall housing (resales dominated) market in the district - through considering house prices and their variation by area. Values trends are considered by reference to the Land Registry House Prices Index so that trends can be considered – in the context of the national and regional pictures as well.

The initial desktop research involved looking at an overview of values in different locations across the district using property search websites (for example Rightmove). Adams Integra's interpretation of the data is shown below, indicating the variation in values across the area. This process enabled us to develop a wider understanding of the local market, to verify and supplement the new build property values research and consider alongside that. It is acknowledged that much of this information is marketing price based. The key here is that we have to make judgements on an appropriate range of values to consider at this strategic level of review – what particular schemes with specific characteristics have sold for at a given point in time is less useful for this purpose and could only form part of a wider information set. We seek to add to our research by contacting and visiting local agents and others active in the market. We make appropriate allowances in arriving at

the range of values we apply and, our experience is that this process, overall, gives us a more up-to-date and dynamic picture than we get through relying on historic data which often does not clearly reflect property types and sizes, or latest knowledge and experience of market conditions. The objective is to select an appropriate range of values at which to study viability.

Stakeholder consultation was also carried out but information is not included here – see Appendix IV for details.

Wider market overview information has also been included, as drawn from market reports provided by the organisations such as the RICS and Land Registry.

The study process involved reviewing and fixing assumptions in the period September to December 2009 (Quarter of 2009), so those were necessarily supported by such information as was available up to that date. Market reporting is included as available at that time, which is set out first – see below. However, Adams Integra has been aware of market conditions throughout the study period. On closing the study, therefore, we have provided updated general market information and comment as well (the later information follows that related to the assumptions fixing stage, for further market context).

As this part of the work was kept open while the study proceeded, this Appendix may contain some incomplete information where details were incomplete, not available or not received following enquiries we made. This is not an exhaustive piece of property market research, but aimed to sweep up information as was readily available in the process of informing a suitable range of values assumptions.

Housing Market Overview

In this section the italic text is attributed to a range of sources – as stated in each case. Accompanying notes or comments by Adams Integra are not in italics. Any emphasis using bold text is by Adams Integra.

Royal Institution of Chartered Surveyors (RICS)

In December 2009 The Royal Institution of Chartered Surveyors (RICS) published a **Housing Market Survey for November 2009**; its monthly update and the latest one available prior to timing of fixing our assumptions for this study. The headline they ran with read: ***‘Buyer interest continues to outstrip the fresh supply of property’***.

Beneath this headline it reported:

- *‘The new buyer enquiries net balance slipped back a little further but still remains firmly in positive territory.*
- *New instructions rose for the sixth consecutive month but are still lagging behind the increase in buyer interest.*
- *The sales to stock ratio continues to edge up as do price and sales expectations although the latter two series increased at a more modest pace in November compared with October.*

It found that *'the seasonally adjusted net balance of surveyors reporting rising rather than falling prices over the last three months rose to 35% in November from 34%. This was the best reading since November 2006.*

The latest survey provides further evidence that most housing market activity indicators continue to improve, albeit at a more modest pace than in recent months.'

At this stage the survey information suggested that prices were continuing to rise most rapidly in London and the South East, with trends lagging behind in most other regions when considered as a whole. Looking at the similar indications for Yorkshire and Humberside, a relatively small proportion of surveyors were reporting house price rises through the period February to August 2009, so there was something of a lag behind the London and South East trend, with an increasing number of surveyors (rising from 15% to 64% reporting stable (same) prices). Between August and November 2009 the proportion reporting rising prices had increased from 2% to 17%; a significant switch. Over that same period February to November 2009, those reporting price falls had reduced from 84% to 19%. This meant the seasonally adjusted net balance of surveyors reporting rising prices moving quite quickly into positive figures by the end of that period.

The survey also includes local market comments by surveyors' (involved in residential estate agency). The following were examples provided by firms operating in the area:

'Reduced stock of property to sell, particularly upper end (over £500,000) giving rise to upward pressure on prices in short term, especially with increased buyer registration.' (Knight Frank, Harrogate).

'Demand increasing, but supply of new instructions down.' (Beadnall Copley, Harrogate).

'There is uncertainty creeping back into everyday lives in respect of the availability of mortgage funding. This has been emphasised by covert support of the banking sector which is only just coming to light.' (Lister Haigh, Knaresborough).

'There is still demand for sensibly priced property, despite Christmas looming. Affordability is still key but confidence is there for good stock.' (Verity Frearson, Harrogate).

Source: RICS Economics – November 2009 RICS Housing Market Survey

Land Registry - House Price Index October 2009 (released November 2009)

England & Wales – Monthly change 0.6%; annual change -3.4%; average price £159,546

Yorkshire & Humber - Monthly change 0.2%; annual change -5.6%; average price £124,517

North Yorkshire - Monthly change 0.9%; annual change -8.8%; average price £169,650

The more local line of information above points to the lag behind the national trend in rising house prices, however with later 2009 prices picking up more notably, as indicated by the RICS survey outcomes. What we also see here is confirmation of more local average house price levels being significantly higher than those for the region, and above the national level rather than well below it.

'The Land Registry data for October shows a positive monthly house price change of 0.6 per cent, which is the fifth month in a row in which the movement has been above 0 per cent.

The annual change now stands at -3.4 per cent. This is the sixth month in a row in which the fall in annual change has eased....'

'Sales volumes averaged 52,608 per month from May to August 2009. In comparison to this, during the same months last year, the figure stood at 56,107.'

The trend graph produced by the Land Registry with the latest index data at this stage clearly shows the steep dip in England and Wales prices from around 2 years previous (October 2007) to mid-way during the last year (October 2008 – 09) with a defined "trough" at the mid-point (Spring 2009) and a significant level of recovery in prices since.

Source: Land Registry – House Price Index October 2009

Other Housing Market Information Sources

Interest rates:

The Bank of England Base Rate remained at a historically low 0.5% through the study period. Despite this, finance for property (mortgages for purchase, and development finance) remains constrained and is not generally available on favourable terms relative to this interest rates backdrop.

Mortgage approvals:

As at 19 November 2009, the Council of Mortgage Lender's mortgage 'Lending for house purchase and remortgage'¹ web-site page stated as a headline:

'Gross Mortgage Lending up 5% in October'

'October gross mortgage lending was an estimated £13.5 billion, a 5% rise from £12.9 billion in September but down 27% on £18.5 billion in October 2008, according to the Council of Mortgage Lenders. This is typical seasonal activity between September and October - the average monthly rise over the last decade has been 5%.

The annual comparison should start to improve a little in the coming months as underlying lending volumes dropped sharply in the latter part of 2008 and early 2009.

The October outcome is in line with our updated forecast for gross lending of around £141 billion for 2009 as a whole. We expect some seasonal slowdown over the remainder of this year.

"There has been a significant change in the type of lending taking place from the start of the year. House purchase activity has picked up significantly. In contrast, remortgaging has dropped to decade-low levels as many borrowers have little incentive to refinance when they move onto low reversion rates, and others find themselves unable to do so due to equity constraints.

"The coming months are likely to be dominated by seasonal factors rather than underlying change."

Source: Council of Mortgage Lenders web-site – 19 November 2009: www.cml.org.uk

¹ <http://www.cml.org.uk/cml/media/press/2468>

Housing Market Overview – Updated

July 2010

Mortgage approvals:

As at 12 July 2010, the Council of Mortgage Lender's mortgage 'Lending for house purchase and remortgage'² web-site page stated as a headline:

'Movers spend lowest ever average proportion of income on their mortgages'

'Borrowers moving home in May saw their mortgage interest payments accounting for the lowest proportion of their income in 35 years, according to new data from the Council of Mortgage Lenders, and house purchase lending rose from a year ago for the 11th consecutive month. But with the challenging economic backdrop, government spending cuts and forthcoming tax increases the positive trend is likely to tail off in the second half of this year. Monthly comparisons with a year earlier will probably be near zero or modestly negative over the coming months. This is because we had an improving market in the second half of 2009 as the stamp duty holiday came to an end.'

House purchase lending rose modestly in May. The 42,000 loans (worth £6 billion) were up 2% in volume and 3% in value on April and 15% in volume and 28% in value from a year earlier.

CML director general Michael Coogan commented:

"House purchase lending continues its recovery but positive comparisons with equivalent months a year ago look unlikely to continue. Activity picked up in the second half of 2009 due to the stamp duty holiday but with the government's austerity drive picking up momentum we are unlikely to see a repeat of those buoyant numbers this year. Our forecast for gross lending in 2010 may now be looking a little optimistic".

Source: Council of Mortgage Lenders web-site – 12th July 2010: www.cml.org.uk

August 2010

Royal Institution of Chartered Surveyors (RICS)

In August 2010 the RICS published its Housing Market Survey for July 2010. The headline they ran with read ***'Prices fall for the first time since July 2009.'***

- ***Supply increases but demand falls.***
- ***Price expectations deteriorate further, though the outlook for sales remains positive.***
- ***Only London and the North West are still seeing material price rises.***

The July RICS Housing Market Survey shows more surveyors are now seeing falling rather than rising prices, with the headline price balance slipping from +8 to -8, the first negative reading since July 2009. The weaker trend in prices is being driven by increasing new vendor instructions (supply) and falling new buyer enquiries (demand). Indeed, the new instructions balance increased from +28 to +33, the highest reading since May 2007. Anecdotal evidence from surveyors

² <http://www.cml.org.uk/cml/media/press/2468>

suggests the rise in new instructions is primarily related to homeowners testing the market following the abolishment of HIPs in late May, rather than due to distressed selling.'

.....and local agent's comment contributions to the survey:

'Dacre Son & Hartley, Harrogate: 01423 877200 - There has been increased activity from March - June. However, the last month has seen a slowdown due to the holiday season, and a dip in confidence, possibly due to the national debt and impending redundancies in the public sector.'

'Lister Haigh, Knaresborough: 01423 860322 - The looming public sector cuts are likely to give rise to a reduced level of confidence.'

Source: RICS Economics – July 2010 RICS Housing Market Survey

September 2010

Royal Institution of Chartered Surveyors (RICS)

In September 2010 the RICS published its Housing Market Survey for August 2010 – the latest available prior to publication of this study. The headline this survey ran with read **'Prices slip back but sales expectations pick up.'**

- A further increase in supply pushes the net price balance deeper into negative territory.
- Transaction activity remains steady albeit at relatively low levels.
- Despite a further drop in buyer enquiries, sales expectations rebound.

The August RICS Housing Market Survey shows more surveyors continued to see falling rather than rising prices, with the headline price net balance declining from -8 to -32, the lowest reading since May 2009.

The weaker trend in prices is being driven by a combination of increasing new vendor instructions and falling new buyer enquiries. The new instructions net balance of +12 is lower than last month's reading of +33. This suggests however, that the initial surge in supply following the abolition of HIPs has started to fade. Meanwhile, the new buyer enquiries net balance fell from -10 to -17. Significantly the gap between these two series, which is the best lead indicator of future price behaviour, has narrowed for two successive months.

The average number of sales per surveyor increased by 1% on the month to 16.7, and has been broadly stable for the past four months. Meanwhile, the average number of properties on surveyors' books fell by 1.6% on the month, to 67.8. As a result, the sales to stock ratio - an indicator of market slack - actually edged up from 24% to 24.7%. Price expectations continued to deteriorate, with the net balance falling from -28 to -38. However, the softer trend in prices does appear to be fuelling a pick up in sales expectations; the net balance for this series rebounded from +8 to +18, its best level since May. In terms of the regional picture, respondents are now reporting price falls across all regions covered by the survey apart from Scotland.'

.....and again local agent's comment contributions to the survey:

'Lister Haigh, Knaresborough: 01423 860 322 - The last six weeks has been a quiet period due to, in part, the summer holidays. Buyer confidence remaining low and lending is still being too restrictive.'

'Dacre Son & Hartley, Harrogate: 01423 877200 - July and August have shown a reduction in activity, presumably due to the summer holidays. It is hoped that enquiries and sales will increase in September although this may be hampered by the constant negative reports on the housing market, the economy and unemployment which we are bombarded with on a daily basis by the media.'

Source: RICS Economics – August 2010 RICS Housing Market Survey

Land Registry - House Price Index August 2010 (released 28 September 2010)

England & Wales – Monthly change 0.3%; annual change 6.7%; average price £167,423

Yorkshire & Humber - Monthly change -1.4%; annual change 2.6%; average price £126,458

North Yorkshire - Monthly change 0.4%; annual change 6.1%; average price £179,180

(So, the latest more local house prices movements trend indicated to be comparable to the overall England and Wales trend; notably more positive than the wider regional picture beyond the locality indicates).

'August's monthly house price change of 0.3 per cent is the fifth month in a row in which the movement has been positive. It is, however, a fall from last month's figure.....Annual housed price change has remained positive for 10 consecutive months, with a movement of 6.7% in August. This is a slight decrease from last month's figure (indicating the price rises to be slowing).'

'Sales volumes have increased from last year (i.e. the same period a year ago). In March to June 2009, transaction volumes averaged 43,825 per month, while in the same period this year the average was 53,089.'

Source: Land Registry – House Price Index August 2010

Resale Property Values in Harrogate – September 2009

The tables below show the marketing (or, where available, subject to contract sale) price of various types of property within the Harrogate district area. The information was collected from www.rightmove.co.uk. It is likely that actual sales values were lower than the figures set out below, however this exercise served to add to our understanding of local value levels and patterns.

For each location reviewed there are two tables. The first table shows the average price of each dwelling type. The second table shows the information in terms of average, minimum, 1st quartile, median (2nd quartile), 3rd quartile and maximum price. This is so that the range of values, as well as typical value levels, can be better understood.

Central Harrogate

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		-	£407,475	£482,475
Semi-Detached		£225,000	£274,950	£361,667
Terraced		£169,317	£263,713	£279,656
Flats	£130,671	£196,773		
High Value Houses		-	£795,000	£700,000
High Value Flats	-	£325,707		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	£130,671	£94,950	£114,950	£119,950	£144,950	£189,950
2-Bed Flats	£196,773	£115,000	£159,950	£184,950	£245,000	£298,000
2-Bed Houses	£183,238	£138,000	£165,713	£184,975	£202,500	£225,000
3-Bed Houses	£302,463	£199,950	£244,950	£274,950	£375,000	£439,950
4-Bed Houses	£329,785	£199,999	£229,950	£287,500	£450,000	£499,950
High Value Houses	£747,500	£700,000	£723,750	£747,500	£771,250	£795,000
High Value Flats	£325,707	£315,000	£322,500	£325,000	£327,475	£340,000

September 2009, www.rightmove.co.uk

Oatlands

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		-	£331,399	£458,147
Semi-Detached		-	£265,694	£293,970
Terraced		£177,467	£213,750	£359,950
Flats	£122,467	£193,841		
High Value Houses		-	£599,950	£802,500
High Value Flats	215,000	£407,483		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	£122,467	£94,950	£113,725	£132,500	£136,225	£139,950
2-Bed Flats	£193,841	£139,950	£152,475	£162,500	£229,975	£295,000
2-Bed Houses	£177,467	£169,950	£174,963	£175,000	£178,713	£189,950
3-Bed Houses	£279,936	£175,000	£245,000	£279,950	£325,000	£375,000
4-Bed Houses	£421,384	£249,950	£345,000	£425,000	£495,000	£599,950
High Value Houses	£761,990	£599,950	£695,000	£725,000	£795,000	£995,000
High Value Flats	£379,986	£215,000	£322,475	£340,000	£382,475	£695,000

September 2009, www.rightmove.co.uk

Woodlands

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		-	£268,725	£427,980
Semi-Detached		£164,950	£205,663	£289,738
Terraced		£179,966	£164,236	£279,950
Flats	£139,950	£147,850		
High Value Houses		-	-	-
High Value Flats	-	-		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	£139,950	£139,950	£139,950	£139,950	£139,950	£139,950
2-Bed Flats	£147,850	£129,950	£143,113	£150,750	£155,488	£159,950
2-Bed Houses	£172,458	£159,950	£161,200	£167,450	£177,450	£199,999
3-Bed Houses	£199,679	£135,000	£159,961	£196,000	£229,950	£285,000
4-Bed Houses	£335,166	£197,950	£279,950	£329,950	£362,473	£550,000
High Value Houses	-	-	-	-	-	-
High Value Flats	-	-	-	-	-	-

September 2009, www.rightmove.co.uk

Bilton

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		£175,000	£247,463	-
Semi-Detached		£152,500	£179,083	£245,960
Terraced		£154,947	£197,459	£224,967
Flats	£100,600	£145,243		
High Value Houses		-	-	-
High Value Flats	-	-		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	£100,600	£95,000	£98,713	£99,950	£101,838	£107,500
2-Bed Flats	£145,243	£129,950	£134,975	£136,950	£149,950	£179,950
2-Bed Houses	£155,789	£132,000	£146,238	£155,000	£168,713	£175,000
3-Bed Houses	£196,838	£144,950	£169,950	£179,950	£199,950	£375,000
4-Bed Houses	£234,509	£169,950	£199,950	£235,000	£257,475	£315,000
High Value Houses	-	-	-	-	-	-
High Value Flats	-	-	-	-	-	-

September 2009, www.rightmove.co.uk

Jennyfields

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		-	£216,119	£299,970
Semi-Detached		£157,788	£185,877	£181,950
Terraced		£154,957	£134,950	-
Flats	£101,964	£124,975		
High Value Houses		-	-	-
High Value Flats	-	-		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	£101,964	£94,950	£97,000	£99,950	£107,450	£109,950
2-Bed Flats	£124,975	£119,950	£122,463	£124,975	£127,488	£130,000
2-Bed Houses	£156,467	£139,950	£149,950	£155,000	£162,750	£179,950
3-Bed Houses	£198,552	£134,950	£179,950	£189,950	£214,975	£329,950
4-Bed Houses	£280,300	£181,950	£259,950	£294,975	£307,500	£349,950
High Value Houses	-	-	-	-	-	-
High Value Flats	-	-	-	-	-	-

September 2009, www.rightmove.co.uk

Starbeck

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		-	-	-
Semi-Detached		-	£195,000	-
Terraced		£134,482	£172,300	-
Flats	-	£132,000		
High Value Houses		-	-	-
High Value Flats	-	-		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	-	-	-	-	-	-
2-Bed Flats	£132,000	£132,000	£132,000	£132,000	£132,000	£132,000
2-Bed Houses	£134,482	£109,950	£118,725	£127,500	£146,748	£165,995
3-Bed Houses	£177,975	£157,000	£166,713	£179,950	£191,213	£195,000
4-Bed Houses	-	-	-	-	-	-
High Value Houses	-	-	-	-	-	-
High Value Flats	-	-	-	-	-	-

September 2009, www.rightmove.co.uk

High Harrogate

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		-	-	-
Semi-Detached		£149,950	£115,000	-
Terraced		£150,317	£159,950	£359,950
Flats	-	£173,083		
High Value Houses		-	-	-
High Value Flats	-	-		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	-	-	-	-	-	-
2-Bed Flats	£173,083	£129,950	£148,000	£165,000	£179,950	£289,950
2-Bed Houses	£150,225	£132,000	£142,500	£147,475	£154,950	£174,950
3-Bed Houses	£137,475	£115,000	£126,238	£137,475	£148,713	£159,950
4-Bed Houses	£359,950	£219,950	£219,950	£359,950	£499,950	£499,950
High Value Houses	-	-	-	-	-	-
High Value Flats	-	-	-	-	-	-

September 2009, www.rightmove.co.uk

Low Harrogate

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		-	-	-
Semi-Detached		-	£225,000	-
Terraced		-	-	-
Flats	-	£173,960		
High Value Houses		-	£595,000	£665,000
High Value Flats	-	£316,300		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	-	-	-	-	-	-
2-Bed Flats	£173,960	£149,950	£159,950	£165,000	£194,950	£199,950
2-Bed Houses	-	-	-	-	-	-
3-Bed Houses	£225,000	£225,000	£225,000	£225,000	£225,000	£225,000
4-Bed Houses	-	-	-	-	-	-
High Value Houses	£630,000	£595,000	£612,500	£630,000	£647,500	£665,000
High Value Flats	£316,300	£299,950	£309,475	£319,000	£324,475	£329,950

September 2009, www.rightmove.co.uk

Harlow Hill

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		-	£288,333	£419,993
Semi-Detached		-	£282,054	£357,475
Terraced		£148,300	-	£248,300
Flats	-	£199,411		
High Value Houses		-	-	-
High Value Flats	#DIV/0!	£395,000		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	-	-	-	-	-	-
2-Bed Flats	£199,411	£139,950	£159,950	£159,950	£250,000	£295,000
2-Bed Houses	£148,300	£145,000	£147,475	£149,950	£149,950	£149,950
3-Bed Houses	£283,231	£219,950	£243,000	£282,475	£325,000	£370,000
4-Bed Houses	£365,339	£235,000	£272,450	£342,500	£427,488	£550,000
High Value Houses	-	-	-	-	-	-
High Value Flats	£395,000	£395,000	£395,000	£395,000	£395,000	£395,000

September 2009, www.rightmove.co.uk

New Park

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		-	£349,950	£396,667
Semi-Detached		£169,950	£225,000	£377,250
Terraced		-	-	-
Flats	-	£173,213		
High Value Houses		-	£595,000	£665,000
High Value Flats	-	£299,950		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	-	-	-	-	-	-
2-Bed Flats	£173,213	£148,000	£156,963	£172,450	£188,700	£199,950
2-Bed Houses	£169,950	£169,950	£169,950	£169,950	£169,950	£169,950
3-Bed Houses	£308,300	£225,000	£262,475	£299,950	£349,950	£399,950
4-Bed Houses	£388,900	£325,000	£330,000	£385,000	£429,500	£475,000
High Value Houses	£641,667	£595,000	£630,000	£665,000	£665,000	£665,000
High Value Flats	£299,950	£299,950	£299,950	£299,950	£299,950	£299,950

September 2009, www.rightmove.co.uk

Knox

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		-	£248,725	£309,347
Semi-Detached		-	£192,802	£231,225
Terraced		£156,950	£174,883	£164,950
Flats	£156,950	-		
High Value Houses		-	-	-
High Value Flats	-	-		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	£156,950	£139,950	£154,950	£159,950	£159,950	£169,950
2-Bed Flats	-	-	-	-	-	-
2-Bed Houses	£156,950	£139,950	£154,950	£159,950	£159,950	£169,950
3-Bed Houses	£195,635	£154,950	£179,950	£189,950	£205,000	£269,950
4-Bed Houses	£293,524	£164,950	£249,950	£289,950	£327,475	£425,000
High Value Houses	-	-	-	-	-	-
High Value Flats	-	-	-	-	-	-

September 2009, www.rightmove.co.uk

Knarborough

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		£262,500	£264,973	£385,247
Semi-Detached		£154,133	£202,095	£241,083
Terraced		£180,196	£207,673	£244,121
Flats	£110,685	£159,907		
High Value Houses		£550,000	£469,950	£680,000
High Value Flats	-	-		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	£110,685	£99,950	£104,950	£114,995	£115,000	£119,950
2-Bed Flats	£159,907	£129,950	£132,475	£149,500	£179,975	£215,000
2-Bed Houses	£180,745	£120,000	£149,963	£166,250	£183,750	£295,000
3-Bed Houses	£216,513	£129,950	£180,000	£215,000	£239,950	£440,000
4-Bed Houses	£335,565	£165,000	£249,950	£312,500	£399,950	£625,000
High Value Houses	£566,650	£469,950	£509,975	£550,000	£615,000	£680,000
High Value Flats	-	-	-	-	-	-

September 2009, www.rightmove.co.uk

Ripon

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		£299,950	£295,567	£348,213
Semi-Detached		£145,866	£186,138	£222,408
Terraced		£145,260	£179,758	£264,519
Flats	£111,500	£164,941		
High Value Houses		-	£660,000	£875,000
High Value Flats	-	£312,475		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	£111,500	£79,950	£99,950	£114,950	£124,950	£145,500
2-Bed Flats	£164,941	£118,000	£133,725	£149,500	£197,475	£249,950
2-Bed Houses	£149,475	£99,995	£129,950	£143,975	£160,000	£299,950
3-Bed Houses	£202,029	£120,000	£159,950	£185,000	£225,000	£399,950
4-Bed Houses	£313,472	£180,000	£239,500	£275,000	£335,000	£625,000
High Value Houses	£731,667	£595,000	£660,000	£725,000	£800,000	£875,000
High Value Flats	£312,475	£289,950	£301,213	£312,475	£323,738	£335,000

September 2009, www.rightmove.co.uk

Boroughbridge

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		-	£254,030	£355,544
Semi-Detached		£163,960	£212,094	£261,650
Terraced		£159,957	£188,633	£275,000
Flats	£108,600	£176,484		
High Value Houses		-	-	-
High Value Flats	-	-		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	£108,600	£99,500	£103,588	£107,450	£112,463	£120,000
2-Bed Flats	£176,484	£119,950	£129,950	£175,000	£217,500	£250,000
2-Bed Houses	£161,625	£119,950	£152,488	£164,975	£176,200	£189,950
3-Bed Houses	£228,712	£179,950	£198,000	£220,000	£235,000	£349,950
4-Bed Houses	£325,358	£209,950	£282,500	£322,475	£356,250	£475,000
High Value Houses	-	-	-	-	-	-
High Value Flats	-	-	-	-	-	-

September 2009, www.rightmove.co.uk

Masham

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		-	£385,000	£451,667
Semi-Detached		£179,950	£222,475	£374,950
Terraced		£199,950	£295,000	-
Flats	£115,000	£149,950		
High Value Houses		-	-	-
High Value Flats	-	-		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	£115,000	£115,000	£115,000	£115,000	£115,000	£115,000
2-Bed Flats	£149,950	£149,950	£149,950	£149,950	£149,950	£149,950
2-Bed Houses	£189,950	£179,950	£184,950	£189,950	£194,950	£199,950
3-Bed Houses	£281,238	£159,950	£253,738	£290,000	£317,500	£385,000
4-Bed Houses	£420,980	£349,950	£399,950	£405,000	£455,000	£495,000
High Value Houses	-	-	-	-	-	-
High Value Flats	-	-	-	-	-	-

September 2009, www.rightmove.co.uk

Pateley Bridge

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		-	£374,983	£340,790
Semi-Detached		£169,817	£269,967	£297,475
Terraced		£169,500	-	£295,000
Flats	-	£168,150		
High Value Houses		-	-	-
High Value Flats	-	-		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	-	-	-	-	-	-
2-Bed Flats	£168,150	£159,500	£162,225	£164,950	£172,475	£180,000
2-Bed Houses	£169,738	£159,450	£166,988	£172,250	£175,000	£175,000
3-Bed Houses	£322,475	£200,000	£267,463	£359,975	£377,450	£395,000
4-Bed Houses	£324,238	£199,950	£292,500	£312,475	£383,000	£415,000
High Value Houses	-	-	-	-	-	-
High Value Flats	-	-	-	-	-	-

September 2009, www.rightmove.co.uk

Birstwith

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		-	-	£399,950
Semi-Detached		-	-	-
Terraced		-	-	-
Flats	-	-		
High Value Houses		-	£675,000	-
High Value Flats	-	-		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	-	-	-	-	-	-
2-Bed Flats	-	-	-	-	-	-
2-Bed Houses	-	-	-	-	-	-
3-Bed Houses	-	-	-	-	-	-
4-Bed Houses	£399,950	£399,950	£399,950	£399,950	£399,950	£399,950
High Value Houses	£675,000	£675,000	£675,000	£675,000	£675,000	£675,000
High Value Flats	-	-	-	-	-	-

September 2009, www.rightmove.co.uk

Burton Leonard

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		-	-	-
Semi-Detached		-	-	-
Terraced		-	-	-
Flats	-	-		
High Value Houses		-	-	£850,000
High Value Flats	-	-		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	-	-	-	-	-	-
2-Bed Flats	-	-	-	-	-	-
2-Bed Houses	-	-	-	-	-	-
3-Bed Houses	-	-	-	-	-	-
4-Bed Houses	-	-	-	-	-	-
High Value Houses	£850,000	£850,000	£850,000	£850,000	£850,000	£850,000
High Value Flats	-	-	-	-	-	-

September 2009, www.rightmove.co.uk

Darley

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		-	£225,000	£327,238
Semi-Detached		-	£196,238	-
Terraced		£189,950	£172,983	-
Flats	-	-		
High Value Houses		-	-	£749,950
High Value Flats	-	-		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	-	-	-	-	-	-
2-Bed Flats	-	-	-	-	-	-
2-Bed Houses	£189,950	£189,950	£189,950	£189,950	£189,950	£189,950
3-Bed Houses	£191,113	£160,000	£171,750	£184,950	£210,000	£230,000
4-Bed Houses	£327,238	£230,000	£244,963	£264,475	£346,750	£550,000
High Value Houses	£749,950	£749,950	£749,950	£749,950	£749,950	£749,950
High Value Flats	-	-	-	-	-	-

September 2009, www.rightmove.co.uk

Follifoot

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		-	-	£390,000
Semi-Detached		-	£287,475	-
Terraced		-	-	-
Flats	-	-		
High Value Houses		-	-	-
High Value Flats	-	-		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	-	-	-	-	-	-
2-Bed Flats	-	-	-	-	-	-
2-Bed Houses	-	-	-	-	-	-
3-Bed Houses	£287,475	£275,000	£281,238	£287,475	£293,713	£299,950
4-Bed Houses	£390,000	£390,000	£390,000	£390,000	£390,000	£390,000
High Value Houses	-	-	-	-	-	-
High Value Flats	-	-	-	-	-	-

September 2009, www.rightmove.co.uk

Great Ouseburn

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		-	£282,500	£412,500
Semi-Detached		-	£285,000	£479,000
Terraced		-	£184,950	-
Flats	-	-		
High Value Houses		-	-	£750,000
High Value Flats	-	-		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	-	-	-	-	-	-
2-Bed Flats	-	-	-	-	-	-
2-Bed Houses	-	-	-	-	-	-
3-Bed Houses	£234,350	£169,950	£192,450	£241,225	£283,125	£285,000
4-Bed Houses	£434,667	£375,000	£412,500	£450,000	£464,500	£479,000
High Value Houses	£750,000	£750,000	£750,000	£750,000	£750,000	£750,000
High Value Flats	-	-	-	-	-	-

September 2009, www.rightmove.co.uk

Hampsthwaite

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		-	£269,950	£299,950
Semi-Detached		-	£337,000	-
Terraced		-	-	£275,000
Flats	-	-		
High Value Houses		-	-	-
High Value Flats	-	-		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	-	-	-	-	-	-
2-Bed Flats	-	-	-	-	-	-
2-Bed Houses	-	-	-	-	-	-
3-Bed Houses	£303,475	£249,950	£279,950	£309,475	£333,000	£345,000
4-Bed Houses	£291,633	£275,000	£287,475	£299,950	£299,950	£299,950
High Value Houses	-	-	-	-	-	-
High Value Flats	-	-	-	-	-	-

September 2009, www.rightmove.co.uk

Killinghall

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		£264,975	£313,983	£337,058
Semi-Detached		£174,975	£217,469	£279,950
Terraced		£129,950	-	-
Flats	-	-		
High Value Houses		-	£650,000	-
High Value Flats	-	£279,950		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	-	-	-	-	-	-
2-Bed Flats	-	-	-	-	-	-
2-Bed Houses	£201,970	£129,950	£165,000	£184,950	£250,000	£279,950
3-Bed Houses	£258,832	£175,000	£213,713	£254,475	£279,250	£465,000
4-Bed Houses	£332,665	£279,950	£315,000	£339,950	£349,950	£375,000
High Value Houses	£650,000	£650,000	£650,000	£650,000	£650,000	£650,000
High Value Flats	£279,950	£279,950	£279,950	£279,950	£279,950	£279,950

September 2009, www.rightmove.co.uk

Kirkby Malzeard

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		£275,000	£362,500	£319,950
Semi-Detached		-	£264,950	£292,500
Terraced		-	£239,950	-
Flats	-	-		
High Value Houses		-	£499,950	-
High Value Flats	-	-		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	-	-	-	-	-	-
2-Bed Flats	-	-	-	-	-	-
2-Bed Houses	£275,000	£275,000	£275,000	£275,000	£275,000	£275,000
3-Bed Houses	£298,970	£189,950	£239,950	£325,000	£339,950	£400,000
4-Bed Houses	£301,650	£290,000	£292,500	£295,000	£307,475	£319,950
High Value Houses	£499,950	£499,950	£499,950	£499,950	£499,950	£499,950
High Value Flats	-	-	-	-	-	-

September 2009, www.rightmove.co.uk

Marton cum Grafton

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		-	-	-
Semi-Detached		-	-	-
Terraced		-	-	-
Flats	-	-		
High Value Houses		-	-	£1,400,000
High Value Flats	-	-		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	-	-	-	-	-	-
2-Bed Flats	-	-	-	-	-	-
2-Bed Houses	-	-	-	-	-	-
3-Bed Houses	-	-	-	-	-	-
4-Bed Houses	-	-	-	-	-	-
High Value Houses	£1,400,000	£1,400,000	£1,400,000	£1,400,000	£1,400,000	£1,400,000
High Value Flats	-	-	-	-	-	-

September 2009, www.rightmove.co.uk

Pannal

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		-	£362,475	£468,206
Semi-Detached		-	-	£350,000
Terraced		-	£242,475	-
Flats	-	-		
High Value Houses		-	-	£950,000
High Value Flats	-	-		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	-	-	-	-	-	-
2-Bed Flats	-	-	-	-	-	-
2-Bed Houses	-	-	-	-	-	-
3-Bed Houses	£302,475	£210,000	£258,713	£287,450	£331,213	£425,000
4-Bed Houses	£456,385	£325,000	£408,713	£459,475	£493,713	£635,000
High Value Houses	£950,000	£950,000	£950,000	£950,000	£950,000	£950,000
High Value Flats	-	-	-	-	-	-

September 2009, www.rightmove.co.uk

Ripley

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		-	-	-
Semi-Detached		-	£399,999	£485,000
Terraced		-	£349,950	-
Flats	-	-		
High Value Houses		-	-	£825,000
High Value Flats	-	-		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	-	-	-	-	-	-
2-Bed Flats	-	-	-	-	-	-
2-Bed Houses	-	-	-	-	-	-
3-Bed Houses	£374,975	£349,950	£362,462	£374,975	£387,487	£399,999
4-Bed Houses	£485,000	£485,000	£485,000	£485,000	£485,000	£485,000
High Value Houses	£825,000	£825,000	£825,000	£825,000	£825,000	£825,000
High Value Flats	-	-	-	-	-	-

September 2009, www.rightmove.co.uk

Spofforth

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		-	-	£468,317
Semi-Detached		£244,998	£275,000	-
Terraced		£212,250	£299,950	-
Flats	-	-		
High Value Houses		-	£650,000	-
High Value Flats	-	-		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	-	-	-	-	-	-
2-Bed Flats	-	-	-	-	-	-
2-Bed Houses	£228,624	£199,500	£218,625	£232,500	£242,499	£249,995
3-Bed Houses	£287,475	£275,000	£281,238	£287,475	£293,713	£299,950
4-Bed Houses	£468,317	£375,000	£377,475	£379,950	£514,975	£650,000
High Value Houses	£650,000	£650,000	£650,000	£650,000	£650,000	£650,000
High Value Flats	-	-	-	-	-	-

September 2009, www.rightmove.co.uk

Summerbridge

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		£295,000	-	£612,500
Semi-Detached		-	-	£199,950
Terraced		-	£249,500	£255,000
Flats	-	£145,000		
High Value Houses		-	-	£885,000
High Value Flats	-	-		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	-	-	-	-	-	-
2-Bed Flats	£145,000	£145,000	£145,000	£145,000	£145,000	£145,000
2-Bed Houses	£295,000	£295,000	£295,000	£295,000	£295,000	£295,000
3-Bed Houses	£249,500	£249,500	£249,500	£249,500	£249,500	£249,500
4-Bed Houses	£419,988	£199,950	£241,238	£402,500	£581,250	£675,000
High Value Houses	£885,000	£885,000	£885,000	£885,000	£885,000	£885,000
High Value Flats	-	-	-	-	-	-

September 2009, www.rightmove.co.uk

Tockwith

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		-	£242,475	£348,493
Semi-Detached		£187,463	£199,975	£583,475
Terraced		-	-	-
Flats	-	-		
High Value Houses		-	-	-
High Value Flats	-	-		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	-	-	-	-	-	-
2-Bed Flats	-	-	-	-	-	-
2-Bed Houses	£187,463	£164,950	£172,450	£174,950	£189,963	£235,000
3-Bed Houses	£214,142	£157,500	£196,863	£227,450	£229,950	£255,000
4-Bed Houses	£400,711	£239,950	£265,000	£335,000	£567,000	£649,500
High Value Houses	-	-	-	-	-	-
High Value Flats	-	-	-	-	-	-

September 2009, www.rightmove.co.uk

Aldborough

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		-	-	-
Semi-Detached		-	-	-
Terraced		£199,950	-	-
Flats	-	-		
High Value Houses		-	-	-
High Value Flats	-	-		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	-	-	-	-	-	-
2-Bed Flats	-	-	-	-	-	-
2-Bed Houses	£199,950	£199,950	£199,950	£199,950	£199,950	£199,950
3-Bed Houses	-	-	-	-	-	-
4-Bed Houses	-	-	-	-	-	-
High Value Houses	-	-	-	-	-	-
High Value Flats	-	-	-	-	-	-

September 2009, www.rightmove.co.uk

Beckwithshaw

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		-	-	-
Semi-Detached		£279,950	-	£629,725
Terraced		-	-	-
Flats	-	£215,000		
High Value Houses		-	-	£1,600,000
High Value Flats	285,000	-		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	-	-	-	-	-	-
2-Bed Flats	£215,000	£215,000	£215,000	£215,000	£215,000	£215,000
2-Bed Houses	£279,950	£279,950	£279,950	£279,950	£279,950	£279,950
3-Bed Houses	-	-	-	-	-	-
4-Bed Houses	£629,725	£599,950	£614,838	£629,725	£644,613	£659,500
High Value Houses	£1,600,000	£1,600,000	£1,600,000	£1,600,000	£1,600,000	£1,600,000
High Value Flats	£285,000	£285,000	£285,000	£285,000	£285,000	£285,000

September 2009, www.rightmove.co.uk

Bishop Monkton

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		£300,000	£387,475	-
Semi-Detached		-	£214,950	-
Terraced		-	£229,950	-
Flats	-	-		
High Value Houses		-	-	-
High Value Flats	-	-		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	-	-	-	-	-	-
2-Bed Flats	-	-	-	-	-	-
2-Bed Houses	£300,000	£300,000	£300,000	£300,000	£300,000	£300,000
3-Bed Houses	£304,963	£214,950	£226,200	£289,950	£368,713	£425,000
4-Bed Houses	-	-	-	-	-	-
High Value Houses	-	-	-	-	-	-
High Value Flats	-	-	-	-	-	-

September 2009, www.rightmove.co.uk

Bishop Thornton

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		-	-	-
Semi-Detached		-	-	-
Terraced		-	-	£395,000
Flats	-	-		
High Value Houses		-	£595,000	£1,387,500
High Value Flats	-	-		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	-	-	-	-	-	-
2-Bed Flats	-	-	-	-	-	-
2-Bed Houses	-	-	-	-	-	-
3-Bed Houses	-	-	-	-	-	-
4-Bed Houses	£395,000	£365,000	£380,000	£395,000	£410,000	£425,000
High Value Houses	£1,123,333	£595,000	£985,000	£1,375,000	£1,387,500	£1,400,000
High Value Flats	-	-	-	-	-	-

September 2009, www.rightmove.co.uk

Burnt Yates

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		-	-	£450,000
Semi-Detached		-	£185,000	-
Terraced		-	-	-
Flats	-	-		
High Value Houses		-	-	£1,300,000
High Value Flats	-	-		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	-	-	-	-	-	-
2-Bed Flats	-	-	-	-	-	-
2-Bed Houses	-	-	-	-	-	-
3-Bed Houses	£185,000	£185,000	£185,000	£185,000	£185,000	£185,000
4-Bed Houses	£450,000	£450,000	£450,000	£450,000	£450,000	£450,000
High Value Houses	£1,300,000	£1,300,000	£1,300,000	£1,300,000	£1,300,000	£1,300,000
High Value Flats	-	-	-	-	-	-

September 2009, www.rightmove.co.uk

Dacre

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		-	-	-
Semi-Detached		-	-	-
Terraced		£249,950	-	-
Flats	-	-		
High Value Houses		-	-	£825,000
High Value Flats	-	-		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	-	-	-	-	-	-
2-Bed Flats	-	-	-	-	-	-
2-Bed Houses	£249,950	£249,950	£249,950	£249,950	£249,950	£249,950
3-Bed Houses	-	-	-	-	-	-
4-Bed Houses	-	-	-	-	-	-
High Value Houses	£825,000	£825,000	£825,000	£825,000	£825,000	£825,000
High Value Flats	-	-	-	-	-	-

September 2009, www.rightmove.co.uk

Dacre Banks

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		-	-	-
Semi-Detached		-	-	£300,000
Terraced		£149,833	£194,750	-
Flats	-	£249,995		
High Value Houses		-	-	-
High Value Flats	-	-		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	-	-	-	-	-	-
2-Bed Flats	£249,995	£249,995	£249,995	£249,995	£249,995	£249,995
2-Bed Houses	£149,833	£120,000	£130,000	£140,000	£164,750	£189,500
3-Bed Houses	£194,750	£190,000	£192,375	£194,750	£197,125	£199,500
4-Bed Houses	£300,000	£300,000	£300,000	£300,000	£300,000	£300,000
High Value Houses	-	-	-	-	-	-
High Value Flats	-	-	-	-	-	-

September 2009, www.rightmove.co.uk

Dishforth

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		-	£299,986	£518,317
Semi-Detached		-	-	-
Terraced		£174,988	-	-
Flats	-	-		
High Value Houses		-	-	-
High Value Flats	-	-		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	-	-	-	-	-	-
2-Bed Flats	-	-	-	-	-	-
2-Bed Houses	£174,988	£160,000	£171,250	£177,475	£181,213	£185,000
3-Bed Houses	£299,986	£214,950	£259,984	£284,998	£325,000	£415,000
4-Bed Houses	£518,317	£325,000	£452,475	£579,950	£614,975	£650,000
High Value Houses	-	-	-	-	-	-
High Value Flats	-	-	-	-	-	-

September 2009, www.rightmove.co.uk

Glasshouses

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		-	-	£325,000
Semi-Detached		-	-	-
Terraced		£210,000	£248,000	-
Flats	-	-		
High Value Houses		-	-	-
High Value Flats	-	-		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	-	-	-	-	-	-
2-Bed Flats	-	-	-	-	-	-
2-Bed Houses	£210,000	£210,000	£210,000	£210,000	£210,000	£210,000
3-Bed Houses	£248,000	£248,000	£248,000	£248,000	£248,000	£248,000
4-Bed Houses	£325,000	£325,000	£325,000	£325,000	£325,000	£325,000
High Value Houses	-	-	-	-	-	-
High Value Flats	-	-	-	-	-	-

September 2009, www.rightmove.co.uk

Goldsborough

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		-	-	-
Semi-Detached		-	£289,950	-
Terraced		-	-	-
Flats	-	-		
High Value Houses		-	-	£975,000
High Value Flats	-	-		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	-	-	-	-	-	-
2-Bed Flats	-	-	-	-	-	-
2-Bed Houses	-	-	-	-	-	-
3-Bed Houses	£289,950	£279,950	£284,950	£289,950	£294,950	£299,950
4-Bed Houses	-	-	-	-	-	-
High Value Houses	£975,000	£850,000	£912,500	£975,000	£1,037,500	£1,100,000
High Value Flats	-	-	-	-	-	-

September 2009, www.rightmove.co.uk

Grantley

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		-	£345,000	£625,000
Semi-Detached		-	-	-
Terraced		-	-	-
Flats	-	-		
High Value Houses		-	-	-
High Value Flats	-	-		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	-	-	-	-	-	-
2-Bed Flats	-	-	-	-	-	-
2-Bed Houses	-	-	-	-	-	-
3-Bed Houses	£345,000	£345,000	£345,000	£345,000	£345,000	£345,000
4-Bed Houses	£625,000	£625,000	£625,000	£625,000	£625,000	£625,000
High Value Houses	-	-	-	-	-	-
High Value Flats	-	-	-	-	-	-

September 2009, www.rightmove.co.uk

Grewelthorpe

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		-	-	£599,950
Semi-Detached		-	£289,950	£249,950
Terraced		-	-	-
Flats	-	-		
High Value Houses		-	-	-
High Value Flats	-	-		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	-	-	-	-	-	-
2-Bed Flats	-	-	-	-	-	-
2-Bed Houses	-	-	-	-	-	-
3-Bed Houses	£289,950	£289,950	£289,950	£289,950	£289,950	£289,950
4-Bed Houses	£424,950	£249,950	£337,450	£424,950	£512,450	£599,950
High Value Houses	-	-	-	-	-	-
High Value Flats	-	-	-	-	-	-

September 2009, www.rightmove.co.uk

Kirby Hill

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		-	-	£326,213
Semi-Detached		-	£349,950	-
Terraced		-	-	-
Flats	-	-		
High Value Houses		-	-	-
High Value Flats	-	-		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	-	-	-	-	-	-
2-Bed Flats	-	-	-	-	-	-
2-Bed Houses	-	-	-	-	-	-
3-Bed Houses	£349,950	£349,950	£349,950	£349,950	£349,950	£349,950
4-Bed Houses	£326,213	£285,000	£296,213	£309,950	£339,950	£399,950
High Value Houses	-	-	-	-	-	-
High Value Flats	-	-	-	-	-	-

September 2009, www.rightmove.co.uk

Kirk Deighton

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		-	-	£395,000
Semi-Detached		-	-	-
Terraced		£239,950	-	-
Flats	-	-		
High Value Houses		-	-	£695,000
High Value Flats	-	-		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	-	-	-	-	-	-
2-Bed Flats	-	-	-	-	-	-
2-Bed Houses	£239,950	£239,950	£239,950	£239,950	£239,950	£239,950
3-Bed Houses	-	-	-	-	-	-
4-Bed Houses	£395,000	£395,000	£395,000	£395,000	£395,000	£395,000
High Value Houses	£695,000	£695,000	£695,000	£695,000	£695,000	£695,000
High Value Flats	-	-	-	-	-	-

September 2009, www.rightmove.co.uk

Kirk Hammerton

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		-	-	£540,000
Semi-Detached		-	£249,000	-
Terraced		£175,000	£249,950	-
Flats	-	-		
High Value Houses		-	-	-
High Value Flats	-	-		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	-	-	-	-	-	-
2-Bed Flats	-	-	-	-	-	-
2-Bed Houses	£175,000	£175,000	£175,000	£175,000	£175,000	£175,000
3-Bed Houses	£249,475	£249,000	£249,238	£249,475	£249,713	£249,950
4-Bed Houses	£540,000	£530,000	£535,000	£540,000	£545,000	£550,000
High Value Houses	-	-	-	-	-	-
High Value Flats	-	-	-	-	-	-

September 2009, www.rightmove.co.uk

Kirkby Overblow

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		-	-	£525,000
Semi-Detached		-	-	-
Terraced		-	-	-
Flats	-	-		
High Value Houses		-	-	-
High Value Flats	-	-		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	-	-	-	-	-	-
2-Bed Flats	-	-	-	-	-	-
2-Bed Houses	-	-	-	-	-	-
3-Bed Houses	-	-	-	-	-	-
4-Bed Houses	£525,000	£525,000	£525,000	£525,000	£525,000	£525,000
High Value Houses	-	-	-	-	-	-
High Value Flats	-	-	-	-	-	-

September 2009, www.rightmove.co.uk

Little Ouseburn

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		-	£229,950	-
Semi-Detached		-	-	-
Terraced		-	-	-
Flats	-	-		
High Value Houses		-	-	-
High Value Flats	-	-		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	-	-	-	-	-	-
2-Bed Flats	-	-	-	-	-	-
2-Bed Houses	-	-	-	-	-	-
3-Bed Houses	£229,950	£229,950	£229,950	£229,950	£229,950	£229,950
4-Bed Houses	-	-	-	-	-	-
High Value Houses	-	-	-	-	-	-
High Value Flats	-	-	-	-	-	-

September 2009, www.rightmove.co.uk

Lofthouse

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		-	-	£625,000
Semi-Detached		-	-	-
Terraced		-	-	-
Flats	-	-		
High Value Houses		-	-	-
High Value Flats	-	-		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	-	-	-	-	-	-
2-Bed Flats	-	-	-	-	-	-
2-Bed Houses	-	-	-	-	-	-
3-Bed Houses	-	-	-	-	-	-
4-Bed Houses	£625,000	£625,000	£625,000	£625,000	£625,000	£625,000
High Value Houses	-	-	-	-	-	-
High Value Flats	-	-	-	-	-	-

September 2009, www.rightmove.co.uk

Long Marston

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		-	£399,950	-
Semi-Detached		-	-	-
Terraced		£174,950	-	-
Flats	-	-		
High Value Houses		-	-	-
High Value Flats	-	-		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	-	-	-	-	-	-
2-Bed Flats	-	-	-	-	-	-
2-Bed Houses	£174,950	£174,950	£174,950	£174,950	£174,950	£174,950
3-Bed Houses	£399,950	£399,950	£399,950	£399,950	£399,950	£399,950
4-Bed Houses	-	-	-	-	-	-
High Value Houses	-	-	-	-	-	-
High Value Flats	-	-	-	-	-	-

September 2009, www.rightmove.co.uk

Markington

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		-	£229,950	£569,950
Semi-Detached		-	£199,450	-
Terraced		£175,000	£179,950	-
Flats	-	-		
High Value Houses		-	-	-
High Value Flats	-	-		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	-	-	-	-	-	-
2-Bed Flats	-	-	-	-	-	-
2-Bed Houses	£175,000	£175,000	£175,000	£175,000	£175,000	£175,000
3-Bed Houses	£203,117	£179,950	£189,700	£199,450	£214,700	£229,950
4-Bed Houses	£569,950	£569,950	£569,950	£569,950	£569,950	£569,950
High Value Houses	-	-	-	-	-	-
High Value Flats	-	-	-	-	-	-

September 2009, www.rightmove.co.uk

Melmerby

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		-	-	-
Semi-Detached		£125,000	£219,000	-
Terraced		-	£233,283	-
Flats	-	-		
High Value Houses		-	-	-
High Value Flats	-	-		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	-	-	-	-	-	-
2-Bed Flats	-	-	-	-	-	-
2-Bed Houses	£125,000	£125,000	£125,000	£125,000	£125,000	£125,000
3-Bed Houses	£229,713	£179,950	£209,238	£219,475	£239,950	£299,950
4-Bed Houses	-	-	-	-	-	-
High Value Houses	-	-	-	-	-	-
High Value Flats	-	-	-	-	-	-

September 2009, www.rightmove.co.uk

Minskip

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		-	£375,000	£285,000
Semi-Detached		-	-	-
Terraced		£159,000	£175,000	-
Flats	-	-		
High Value Houses		-	-	-
High Value Flats	-	-		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	-	-	-	-	-	-
2-Bed Flats	-	-	-	-	-	-
2-Bed Houses	£159,000	£159,000	£159,000	£159,000	£159,000	£159,000
3-Bed Houses	£275,000	£175,000	£225,000	£275,000	£325,000	£375,000
4-Bed Houses	£285,000	£285,000	£285,000	£285,000	£285,000	£285,000
High Value Houses	-	-	-	-	-	-
High Value Flats	-	-	-	-	-	-

September 2009, www.rightmove.co.uk

North Stainley

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		-	£325,000	£359,950
Semi-Detached		£194,950	£185,000	-
Terraced		-	-	-
Flats	-	-		
High Value Houses		-	-	-
High Value Flats	-	-		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	-	-	-	-	-	-
2-Bed Flats	-	-	-	-	-	-
2-Bed Houses	£194,950	£194,950	£194,950	£194,950	£194,950	£194,950
3-Bed Houses	£255,000	£185,000	£220,000	£255,000	£290,000	£325,000
4-Bed Houses	£359,950	£299,950	£329,950	£359,950	£389,950	£419,950
High Value Houses	-	-	-	-	-	-
High Value Flats	-	-	-	-	-	-

September 2009, www.rightmove.co.uk

Rainton

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		-	£252,475	-
Semi-Detached		-	£299,950	-
Terraced		-	£299,000	-
Flats	-	-		
High Value Houses		-	-	-
High Value Flats	-	-		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	-	-	-	-	-	-
2-Bed Flats	-	-	-	-	-	-
2-Bed Houses	-	-	-	-	-	-
3-Bed Houses	£275,975	£215,000	£271,213	£294,475	£299,238	£299,950
4-Bed Houses	-	-	-	-	-	-
High Value Houses	-	-	-	-	-	-
High Value Flats	-	-	-	-	-	-

September 2009, www.rightmove.co.uk

Sawley

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		-	-	-
Semi-Detached		-	£174,950	-
Terraced		-	-	-
Flats	-	-		
High Value Houses		-	-	-
High Value Flats	-	-		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	-	-	-	-	-	-
2-Bed Flats	-	-	-	-	-	-
2-Bed Houses	-	-	-	-	-	-
3-Bed Houses	£174,950	£174,950	£174,950	£174,950	£174,950	£174,950
4-Bed Houses	-	-	-	-	-	-
High Value Houses	-	-	-	-	-	-
High Value Flats	-	-	-	-	-	-

September 2009, www.rightmove.co.uk

Scotton

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		-	£385,000	£412,475
Semi-Detached		£209,950	-	-
Terraced		-	£199,967	£350,000
Flats	-	-		
High Value Houses		-	-	£735,000
High Value Flats	-	-		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	-	-	-	-	-	-
2-Bed Flats	-	-	-	-	-	-
2-Bed Houses	£209,950	£209,950	£209,950	£209,950	£209,950	£209,950
3-Bed Houses	£246,225	£174,950	£174,988	£212,475	£283,713	£385,000
4-Bed Houses	£391,650	£350,000	£374,975	£399,950	£412,475	£425,000
High Value Houses	£735,000	£735,000	£735,000	£735,000	£735,000	£735,000
High Value Flats	-	-	-	-	-	-

September 2009, www.rightmove.co.uk

Sharow

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		-	-	£315,000
Semi-Detached		-	-	-
Terraced		-	-	-
Flats	-	-		
High Value Houses		-	£600,000	-
High Value Flats	-	-		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	-	-	-	-	-	-
2-Bed Flats	-	-	-	-	-	-
2-Bed Houses	-	-	-	-	-	-
3-Bed Houses	-	-	-	-	-	-
4-Bed Houses	£315,000	£315,000	£315,000	£315,000	£315,000	£315,000
High Value Houses	£600,000	£600,000	£600,000	£600,000	£600,000	£600,000
High Value Flats	-	-	-	-	-	-

September 2009, www.rightmove.co.uk

Sicklinghall

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		-	-	£499,950
Semi-Detached		-	-	-
Terraced		£238,000	£349,500	-
Flats	-	-		
High Value Houses		-	-	-
High Value Flats	-	-		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	-	-	-	-	-	-
2-Bed Flats	-	-	-	-	-	-
2-Bed Houses	£238,000	£238,000	£238,000	£238,000	£238,000	£238,000
3-Bed Houses	£349,500	£349,500	£349,500	£349,500	£349,500	£349,500
4-Bed Houses	£499,950	£499,950	£499,950	£499,950	£499,950	£499,950
High Value Houses	-	-	-	-	-	-
High Value Flats	-	-	-	-	-	-

September 2009, www.rightmove.co.uk

Skelton on Ure

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		-	-	£399,995
Semi-Detached		-	-	-
Terraced		-	-	-
Flats	-	-		
High Value Houses		-	-	-
High Value Flats	-	-		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	-	-	-	-	-	-
2-Bed Flats	-	-	-	-	-	-
2-Bed Houses	-	-	-	-	-	-
3-Bed Houses	-	-	-	-	-	-
4-Bed Houses	£399,995	£399,995	£399,995	£399,995	£399,995	£399,995
High Value Houses	-	-	-	-	-	-
High Value Flats	-	-	-	-	-	-

September 2009, www.rightmove.co.uk

Staveley

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		-	-	£300,000
Semi-Detached		-	-	-
Terraced		-	-	-
Flats	-	-		
High Value Houses		-	-	-
High Value Flats	-	-		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	-	-	-	-	-	-
2-Bed Flats	-	-	-	-	-	-
2-Bed Houses	-	-	-	-	-	-
3-Bed Houses	-	-	-	-	-	-
4-Bed Houses	£300,000	£300,000	£300,000	£300,000	£300,000	£300,000
High Value Houses	-	-	-	-	-	-
High Value Flats	-	-	-	-	-	-

September 2009, www.rightmove.co.uk

Whixley

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		£190,000	-	£475,000
Semi-Detached		£179,950	£222,475	-
Terraced		£179,950	-	£525,000
Flats	-	-		
High Value Houses		-	-	-
High Value Flats	-	-		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	-	-	-	-	-	-
2-Bed Flats	-	-	-	-	-	-
2-Bed Houses	£183,300	£179,950	£179,950	£179,950	£184,975	£190,000
3-Bed Houses	£222,475	£199,950	£211,213	£222,475	£233,738	£245,000
4-Bed Houses	£500,000	£475,000	£487,500	£500,000	£512,500	£525,000
High Value Houses	-	-	-	-	-	-
High Value Flats	-	-	-	-	-	-

September 2009, www.rightmove.co.uk

Combined Areas Data

Harrogate Town

(including Central Harrogate, Oatlands, Woodlands, Bilton, Jennyfields, Starbeck, High Harrogate, Low Harrogate, Harlow Hill, New Park & Knox)

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		£175,000	£270,996	£392,789
Semi-Detached		£162,176	£215,250	£297,455
Terraced		£157,971	£189,041	£274,025
Flats	£125,126	£185,501		
High Value Houses		#DIV/0!	£646,238	£738,125
High Value Flats	215,000	£353,817		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	£125,126	£94,950	£99,950	£115,950	£139,950	£189,950
2-Bed Flats	£185,501	£115,000	£149,950	£165,000	£219,988	£298,000
2-Bed Houses	£159,254	£109,950	£149,950	£159,950	£169,950	£225,000
3-Bed Houses	£220,378	£115,000	£179,950	£199,950	£249,950	£439,950
4-Bed Houses	£340,953	£164,950	£249,950	£327,475	£413,750	£599,950
High Value Houses	£707,496	£595,000	£648,738	£680,000	£742,500	£995,000
High Value Flats	£346,511	£215,000	£319,475	£325,000	£340,000	£695,000

September 2009, www.rightmove.co.uk

Group B Villages

(including Birstwith, Burton Leonard, Darley, Follifoot, Great Ouseburn, Hampsthwaite, Killinghall, Kirkby Malzeard, Marton cum Grafton, Pannal, Ripley, Spofforth, Summerbridge & Tockwith)

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		£274,988	£304,138	£390,266
Semi-Detached		£198,724	£242,538	£393,983
Terraced		£186,100	£228,468	£265,000
Flats	-	£145,000		
High Value Houses		-	£618,738	£915,707
High Value Flats	-	£279,950		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	-	-	-	-	-	-
2-Bed Flats	£145,000	£145,000	£145,000	£145,000	£145,000	£145,000
2-Bed Houses	£214,634	£129,950	£174,950	£212,250	£249,996	£295,000
3-Bed Houses	£258,515	£157,500	£203,738	£249,950	£292,450	£465,000
4-Bed Houses	£386,319	£199,950	£299,950	£349,950	£459,975	£675,000
High Value Houses	£807,718	£499,950	£662,500	£750,000	£867,500	£1,400,000
High Value Flats	£279,950	£279,950	£279,950	£279,950	£279,950	£279,950

September 2009, www.rightmove.co.uk

Group C Villages

(including Aldborough, Beckwithshaw, Bishop Monkton, Bishop Thornton, Burnt Yates, Dacre, Dacre Banks, Dishforth, Glasshouses, Goldsborough, Grantley, Grewelthorpe, Kirby Hill, Kirk Deighton, Kirk Hammerton, Kirkby Overblow, Little Ouseburn, Lofthouse, Long Marston, Markington, Melmerby, Minskip, North Stanley, Rainton, Sawley, Scotton, Sharow, Sicklinghall, Skelton on Ure, Staveley & Whixley)

	1 Bed	2 Bed	3 Bed	4 Bed
Detached		£245,000	£317,980	£439,796
Semi-Detached		£197,960	£242,289	£452,350
Terraced		£185,365	£228,040	£416,250
Flats	-	£232,498		
High Value Houses		-	£597,500	£1,097,778
High Value Flats	285,000	-		

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flat	-	-	-	-	-	-
2-Bed Flats	£232,498	£215,000	£223,749	£232,498	£241,246	£249,995
2-Bed Houses	£192,958	£120,000	£174,988	£182,475	£209,963	£300,000
3-Bed Houses	£263,235	£174,950	£199,838	£248,500	£299,950	£425,000
4-Bed Houses	£438,540	£249,950	£322,475	£419,950	£540,000	£659,500
High Value Houses	£1,006,818	£595,000	£715,000	£850,000	£1,337,500	£1,600,000
High Value Flats	£285,000	£285,000	£285,000	£285,000	£285,000	£285,000

September 2009, www.rightmove.co.uk

Average Asking Prices Analysis							
Rank	Settlement	1 Bed Flats	2 Bed Flats	2 Bed House	3 Bed House	4 Bed House	All Properties
1	Pannal	-	-	-	£302,475	£456,385	£412,411
2	Spofforth	-	-	£228,624	£287,475	£468,317	£321,599
3	Dishforth	-	-	£174,988	£299,986	£518,317	£314,077
4	Oatlands	£122,467	£193,841	£177,467	£279,936	£421,384	£301,392
5	Masham	£115,000	£149,950	£189,950	£281,238	£420,980	£298,054
6	Kirkby Malzeard	-	-	£275,000	£298,970	£301,650	£297,200
7	Tockwith	-	-	£187,463	£214,142	£400,711	£296,900
8	New Park	-	£173,213	£169,950	£308,300	£388,900	£287,092
9	Harlow Hill	-	£199,411	£148,300	£283,231	£365,339	£283,001
10	Killinghall	-	-	£201,970	£258,832	£332,665	£279,942
11	Pateley Bridge	-	£168,150	£169,738	£322,475	£324,238	£272,007
12	Knaresborough	£110,685	£159,907	£180,745	£216,513	£335,565	£239,355
13	Darley	-	-	£189,950	£191,113	£327,238	£232,908
14	Woodlands	£139,950	£147,850	£172,458	£199,679	£335,166	£226,378
15	Knox	£156,950	-	£156,950	£195,635	£293,524	£216,679
16	Boroughbridge	£108,600	£176,484	£161,625	£228,712	£325,358	£215,733
17	Central Harrogate	£130,671	£196,773	£183,238	£302,463	£329,785	£211,323
18	Ripon	£111,500	£164,941	£149,475	£202,029	£313,472	£204,080
19	High Harrogate	-	£173,083	£150,225	£137,475	£359,950	£194,535
20	Low Harrogate	-	£173,960	-	£225,000	-	£182,467
21	Bilton	£100,600	£145,243	£155,789	£196,838	£234,509	£182,172
22	Jennyfields	£101,964	£124,975	£156,467	£198,552	£280,300	£181,639
23	Starbeck	-	£132,000	£134,482	£177,975	-	£155,918
-	Overall	£119,409	£179,520	£166,255	£222,732	£344,784	£232,026

Average Asking Prices Analysis - High Value Properties				
Rank	Settlement	Flats	Houses	All Properties
1	Pannal	-	£950,000	£950,000
2	Darley	-	£749,950	£749,950
3	Spofforth	-	£650,000	£650,000
4	Knaresborough	-	£566,650	£566,650
5	Ripon	£312,475	£731,667	£563,990
6	New Park	£299,950	£641,667	£556,238
7	Oatlands	£379,986	£761,990	£539,154
8	Kirkby Malzeard	-	£499,950	£499,950
9	Killinghall	£279,950	£650,000	£464,975
10	Low Harrogate	£316,300	£630,000	£441,780
11	Central Harrogate	£325,707	£747,500	£419,439
12	Harlow Hill	£395,000	-	£395,000
-	Overall	£340,391	£690,643	£519,409

Note: Settlements with very little resale activity have not been included in the average tables.

Combined Areas Data

Average Asking Prices Analysis							
Rank	Settlement	1 Bed Flats	2 Bed Flats	2 Bed House	3 Bed House	4 Bed House	All Properties
1	Group B Villages	-	£145,000	£214,634	£258,515	£386,319	£308,625
2	Group C Villages	-	£232,498	£192,958	£263,235	£438,540	£305,021
3	Masham	£115,000	£149,950	£189,950	£281,238	£420,980	£298,054
4	Pateley Bridge	-	£168,150	£169,738	£322,475	£324,238	£272,007
5	Knaresborough	£110,685	£159,907	£180,745	£216,513	£335,565	£239,355
6	Harrogate Town	£125,126	£185,501	£159,254	£220,378	£340,953	£224,365
7	Boroughbridge	£108,600	£176,484	£161,625	£228,712	£325,358	£215,733
8	Ripon	£111,500	£164,941	£149,475	£202,029	£313,472	£204,080
-	Overall	£119,409	£179,966	£170,023	£227,885	£355,652	£240,145

Average Asking Prices Analysis - High Value Properties				
Rank	Settlement	Flats	Houses	All Properties
1	Group C Villages	£285,000	£1,006,818	£946,667
2	Group B Villages	£279,950	£807,718	£763,738
3	Ripon	£312,475	£731,667	£563,990
4	Harrogate Town	£346,511	£707,496	£486,247
5	Knaresborough	-	£566,650	£566,650
6	Masham	-	-	-
7	Boroughbridge	-	-	-
8	Pateley Bridge	-	-	-
-	Overall	£337,983	£808,620	£636,800

The tables above collate the average prices of the different property types for each of the locations considered.

Average Asking Price Analysis		
1 Bed Flat	-	£119,409
2 Bed Flat	-	£179,520
2 Bed House	Terraced	£159,819
	Semi-Detached	£163,971
	Detached	£258,878
3 Bed House	Terraced	£192,747
	Semi-Detached	£209,166
	Detached	£283,057
4 Bed House	Terraced	£267,600
	Semi-Detached	£292,152
	Detached	£381,883

Average Asking Price Analysis - High Value Properties		
1 Bed Flat	-	£215,000
2 Bed Flat	-	£346,362
2 Bed House	-	£550,000
3 Bed House	-	£617,485
4 Bed House	-	£763,329

Combined Areas Data

Average Asking Price Analysis		
1 Bed Flat	-	£119,409
2 Bed Flat	-	£179,966
2 Bed House	Terraced	£162,856
	Semi-Detached	£166,803
	Detached	£259,575
3 Bed House	Terraced	£199,245
	Semi-Detached	£214,178
	Detached	£287,070
4 Bed House	Terraced	£280,140
	Semi-Detached	£306,217
	Detached	£389,540

Average Asking Price Analysis - High Value Properties		
1 Bed Flat	-	£250,000
2 Bed Flat	-	£346,362
2 Bed House	-	£550,000
3 Bed House	-	£618,835
4 Bed House	-	£913,460

New Build property being marketed in Harrogate – September 2009

The new build pricing information was collated through on the ground (local area visits) and desktop (web-based and phone calls) research. The local research involved travelling throughout the area to view new developments as far as those were seen and, where on-site selling was occurring, speaking to those sales agents wherever possible. Where this was not possible and we felt further information was needed, we contacted agents and where possible house builders' sales staff by telephone or email, or reviewed their web-sites further, to supplement the information gathered where necessary.

We requested opinions from estate agents in the district with regard to the local market, together with any comments on new build schemes and sales values.

Information on new developments was also collected through desktop research using websites such as www.rightmove.co.uk, www.primelocation.com and www.smartnewhomes.com.

This review of new build pricing - of all advertised available properties at the time of the study research phase – helped us understand the various value levels (range of 'Value Points') to be assumed for the variety of dwelling types applied within our appraisal modelling.

Notes to accompany the following new builds information table:

The price information obtained (at Column 5) was usually an asking (marketing) price. This in our view currently represents the likely market sale price level plus 10% (assuming approximately 10% gap between marketing and sale prices currently). This cannot be definitive, and generally the gap between asking and sale prices has been narrowing in the recent period (at the time of study completion a gap of 5-10%, or perhaps less, might be expected – but only as a very general theme – with highly variable specific outcomes).

That asking price level has been adjusted in columns 6, 7 and 8 to represent:

- Less 20% (i.e. estimated market at the time less 10%) – Column 6.
- Less 10% (estimated sale price at the time; i.e. approximately marketing price less 10%) – Column 7.
- Plus 10% (estimated current market plus 20%; i.e. approximately marketing price plus 10%) – Column 8.

In this way, we can consider how pricing might vary as the market does. We develop a scale of values which helps us to see how wide our range of Values Points could be.

In all cases the average prices expressed in £s in this particular table should be treated with caution – high values properties have not been excluded from these calculations (like they were for the overall resale dominated market data above).

We look at the £ per m² (sq m) pricing, which smoothes out distortions from property types and sizes more effectively, and becomes a key driver for considering the Values Points. When reviewing the table below, those £ per m² figures and their range should be the focus.

New Builds being marketed in Harrogate – September 2009

1	2	3	4	5	6	7	8	9	10
Address	Description	Price	Size (m2)	Price per m2	Less 20%	Less 10%	Plus 10%	Developer/ Agent	Incentives
Harrogate Central									
Flats									
West Park, Harrogate, North Yorkshire	2 bed flat (from)	£277,500						Strutt & Parker	
Trafalgar Road, Harrogate	2 bed flat	£155,000						Beadnall & Copley	
Average		£216,250							
Houses									
Harrogate, North Yorkshire	3 bed town house (from)	£365,000						Strutt & Parker	
Oatlands									
Flats									
Thornholme, St Mark's Avenue, Harrogate, HG2	3 bed duplex (Guide Price)	£275,000						Nicholls Tyreman	Part exchange considered
Houses									
Hornbeam Crescent, Harrogate	4 bed detached	£795,000						Beadnall & Copley	
Thornholme, St Mark's Avenue, Harrogate, HG2	5 bed terrace (from)	£475,000	130.2	£3,647	£2,918	£3,283	£4,012	Nicholls Tyreman	
Average		£635,000							
Woodlands									
Houses									
Fairfax Avenue, Harrogate, North Yorkshire	2 bed terrace	£132,500	72.6	£1,826	£1,460	£1,643	£2,008	Dacre Son & Hartley Residential	
Pannal Ash									
Houses									
Brinklow Way, Harrogate	5 bed detached	£525,000						Beadnall & Copley	
Jennyfields									
Houses									
Saltergate Drive, Harrogate, North Yorkshire	3 bed detached (Offers in Excess of)	£300,000	172.0	£1,744	£1,395	£1,570	£1,919	Hunters	
Starbeck									
Houses									
The Park, Bogs Lane, Harrogate,	4 bed detached	£314,995	141.2	£2,232	£1,785	£2,008	£2,455	Barratt Homes	Part exchange

North Yorkshire, HG1 4EB	4 bed detached	£317,995	141.2	£2,253	£1,802	£2,028	£2,478	available on selected plots	
	4 bed house	£319,995							
	4 bed house	£319,995							
	4 bed detached	£474,995	132.4	£3,586	£2,869	£3,228	£3,945		
	4 bed detached	£474,995							
Average		£370,495	138.2	£2,690	£2,152	£2,421	£2,959		
Low Harrogate									
Houses									
Cornwall Road, Harrogate, North Yorkshire	5 bed detached (Offers in excess of)	£1,400,000	401.0	£3,491	£2,793	£3,142	£3,840	Strutt & Parker	
Harlow Hill									
Houses									
Plantation Road, Harrogate	3 bed semi detached	£249,950						Beadnall & Copley	
Hutton Gate, Harrogate	4 bed terrace	£365,000						Beadnall & Copley	
Average		£307,475							
Knaresborough									
Houses									
Lands Lane, Knaresborough	4 bed detached (Offers in excess of)	£600,000						Strutt & Parker	
Hay-a-park, Old Penny Gate, Off Halfpenny Lane, Knaresborough, North Yorkshire, HG5 0SL	3 bed terrace	£239,995	102.5	£2,341	£1,873	£2,107	£2,575	Barratt Homes	
	4 bed terrace	£261,995	103.9	£2,521	£2,017	£2,269	£2,773		
	4 bed terrace	£261,995							
	4 bed terrace	£261,995							
	4 bed terrace	£261,995							
	3 bed house	£274,995							
	4 bed house	£369,995							
	4 bed house	£369,995							
	4 bed house	£399,995							
	4 bed house	£399,995							
	5 bed detached	£434,995	163.9	£2,655	£2,124	£2,389	£2,920		
	4 bed detached	£439,995							
Average		£352,149	123.44	£2,506	£2,004	£2,255	£2,756		
Ripon									
Flats									
Pine View, Harrogate Road, Ripon, North Yorkshire	3 bed flat	£249,995						Dacre Son & Hartley Residential	
	2 bed flat	£249,995							
	2 bed flat	£244,995							
	2 bed flat	£244,995							
	3 bed flat	£239,995							
	2 bed flat	£239,995							
	2 bed flat	£224,995							

	2 bed flat	£219,995							
	2 bed flat (from)	£199,995							
	2 bed flat	£199,995							
Borrage Hall, Borrage Lane, Ripon, North Yorkshire	2 bed flat	£249,950							Rentons
Average		£233,173							
Water Skellgate, Ripon, HG4	1 bed apartment	£115,000							Home Group 50% New Build Homebuy
Houses									
Hawksmoor Court, Little Studley Road, Ripon, North Yorkshire	5 bed detached	£599,950							Dacre Son & Hartley Residential
	5 bed detached	£579,950							
Ure Bank Terrace, Ripon, North Yorkshire	4 bed detached	£485,000							Dacre Son & Hartley Residential
	4 bed detached	£485,000							
Cathedral Court, Low St. Agnesgate, Ripon, North Yorkshire	4 bed detached	£399,950							Dacre Son & Hartley Residential
	4 bed detached	£469,950							Part exchange considered
Field View, Clotherholme Road, Ripon, North Yorkshire	3 bed detached	£249,950	104.3	£2,396	£1,917	£2,156	£2,636		Dacre Son & Hartley Residential
Yordale, Princess Road, Ripon	3 bed terrace	£199,950	77.9	£2,567	£2,053	£2,310	£2,823		Beadnall & Copley
	3 bed terrace	£189,950	77.9	£2,438	£1,951	£2,195	£2,682		
	3 bed semi detached	£195,000	80.0	£2,438	£1,950	£2,194	£2,681		Dacre Son & Hartley Residential
Ripon, North Yorkshire, HG4	2 bed terrace (from)	£142,000							Stamp duty free
Clotherholme Road, Ripon, North Yorkshire	4 bed detached	£415,000	150.5	£2,757	£2,206	£2,482	£3,033		Dacre Son & Hartley Residential
	4 bed detached	£425,000	150.5	£2,824	£2,259	£2,542	£3,106		
Average		£372,050	106.9	£2,570	£2,056	£2,313	£2,827		
Boroughbridge									
Houses									
Langthorpe, Boroughbridge	5 bed detached	£599,950							Beadnall & Copley
Masham									
Houses									
Rodney Terrace, Masham	4 bed detached	£495,000							Beadnall & Copley
The Oaks, Masham, Ripon	6 bed detached	£475,000	223.4	£2,126	£1,701	£1,914	£2,339		Dacre Son & Hartley Residential
	4 bed detached	£350,000	115.1	£3,041	£2,433	£2,737	£3,345		
Average		£440,000	169.2	£2,584	£2,067	£2,325	£2,842		

Spofforth									
Houses									
Church Hill, Spofforth, Harrogate, North Yorkshire	3 bed semi detached (Guide Price)	£275,000	78.9	£3,487	£2,790	£3,138	£3,836	Dacre Son & Hartley Residential	
	3 bed semi detached (Guide Price)	£275,000							
Average		£275,000	78.9	£3,487	£2,790	£3,138	£3,836		
Tockwith									
Houses									
Prince Rupert Drive, Tockwith, York, North Yorkshire	4 bed detached	£340,000	156.8	£2,168	£1,735	£1,952	£2,385	Hunters	
Long Marston									
Houses									
Hall Farm Court, Tockwith Road, Long Marston, York	6 bed detached (Guide Price)	£695,000	279.0	£2,491	£1,993	£2,242	£2,740	Dacre Son & Hartley Residential	Part exchange considered
	6 bed detached (Guide Price)	£695,000	279.0	£2,491	£1,993	£2,242	£2,740		
	6 bed detached (Guide Price)	£595,000	316.4	£1,880	£1,504	£1,692	£2,069		
Average		£661,667	291.48	£2,287	£1,830	£2,059	£2,516		
North Stainley									
Houses									
Watermill Lane, North Stainley, Ripon, North Yorkshire	5 bed detached	£495,000						Dacre Son & Hartley Residential	
	4 bed terrace	£425,000	166.1	£2,558	£2,047	£2,303	£2,814		
	5 bed terrace	£425,000	193.0	£2,202	£1,762	£1,982	£2,422		
	3 bed terrace	£315,000							
	4 bed mews	£375,000						Yorvik Homes	
Average		£407,000	179.56	£2,380	£1,904	£2,142	£2,618		
Whixley									
Houses									
Longland Lane, Whixley	4 bed detached	£450,000	172.3	£2,612	£2,089	£2,351	£2,873	Beadnall & Copley	Part exchange considered

	3	4	5	6	7	8
Overall Averages - indicative	£373,783	160.85	£2,568	£2,055	£2,311	£2,825
Minimum	£115,000	73	£1,744	£1,395	£1,570	£1,919
Maximum	£1,400,000	401	£3,647	£2,918	£3,283	£4,012

Further local research – including agents' and developers' sales office comments:

Harrogate Borough Council

Previous, initial, visits to local agents 14 August 2009 had yielded very limited information.

Further visits were carried out in September, as follows:

Dacre, Son & - Ripon Office – T 01765 605151 – ripon@dacres.co.uk (or same format for their other offices)

- Commented that Ripon has now more or less caught up with Harrogate values. Thought that traditionally Harrogate would have fairly consistently seen best values in the area, but has seen more of a correction.
- Ripon in demand – values can be as high as anywhere locally.
- Knaresborough – similar – values can be highest of all there (proximity to Harrogate whilst being a pretty market town with good facilities, etc).
- Pateley Bridge has become very popular – rural but still quite convenient (we noted that Dacres have signs up in that area too).
- People are moving in from Leeds/ Bradford areas.
- Overall – thought very little difference between those settlements and that values unlikely to be too far away from £250/sq ft generally.
- Demand is for modest family houses with gardens – not small footprints (a theme we are hearing a lot, generally)
- We also saw other agents' boards – informed later desktop research "targets".

Signs we saw (unknown developers at this point) included for:

"Thorneholme"

"The Crescent", "Cathedral Court" and "Kensington Mews" – all in Ripon.

"The Park" and "Waterside" – at "Hay-a-Park", Starbeck area (eastern fringe of Harrogate built-up area).

The Dacre's web-site and advertising includes various new builds – some outside the Harrogate Borough Council area. newhomes@dacres.co.uk.

Example details that Dacre in Ripon gave us:

St Marys House, Cathedral Court, Ripon (on Low St Agnes Gate):

A 3 storey 4 bed det house offered at £469,950 (but its size unclear)

Osprey House, Little Studley Rd, Ripon:

A detached 5/6 bed house, high spec, offered at £579,950 (again size unclear)

Plots 1 & 2 Clotholme Rd, Ripon:

Pair of 4 bed det houses of about 1620 sq ft each – offered at £415,000 & £425,000 – indicates around £260/sq ft asking.

Plot 1, The Oaks, Masham, Ripon – 4 bed det house of 1239 sq ft – offered at £350,000 – indicates £282/sq ft asking.

1 Yoredale, Princess Rd, Ripon:

A “standard” looking 3 bed semi of about 80 sq m (AI estimate) – offered at £195,000 – indicates around £230/sq ft (circa £2475/m sq).

Laxton House, Ure Bank Terrace, Ripon:

Attractive period style new build 4 bed det house – size unclear, but offered at £485,000 (guide price).

“The Grange”, Watermill Lane, North Stainley, Ripon:

3, 4 & 5 bed houses by www.yorvikhomes.co.uk . 2 sold; 4 remaining. (Sale prices not available?)

3 bed asking £315,000

4 bed asking £375,000

5 bed asking £425,000 (mews) and £495,000 (det)

“Pine View”, Ripon

9 x 2 and 3 bed apartments by www.century-homes.co.uk

Priced at £229,995 to £279,995 depending on size, floor and orientation.

Sizes unclear but estimating the smaller ones could be around 80 sq m which could point to about £2,800 / sq m – around the £250 sq ft mark (tbc).

Advertising material includes schemes by other developers, but beyond our direct area of interest in the main:

- www.haltonhomes.co.uk
- www.antlerhomes.co.uk
- www.parklanehomes.co.uk
- www.kassapians.co.uk
- Kelly Developments
- Burley Developments
- Square Feet
- Bramelyhomes.co.uk

Background – from further Estate Agent (desktop based) research October 2009

Estate Agent Conversations (reported as recorded by Adams Integra):

Harrogate:

Dacre Son and Hartley, New Homes Office Wells Road, Ilkley, LS29 9JD
01943 885404

www.dacres.co.uk

enquires@dacres.co.uk

New homes office - directed there after speaking to the residential office at Harrogate. Commented that there were only a few sites in the Harrogate Borough Council area and he was not involved in the sale of these: 2 in Ripon and one in Harrogate which halted because the company owning went into liquidation.

He commented generally: Supply was difficult before the collapse. The planning process is very difficult – S106 requirements create a difficulty for clients; numbers, affects the bottom line, affects the saleability of the outright sale properties.

With the property market crash land deals have fallen apart. Funding from banks is a nightmare – they are just not lending. People are holding onto land to see what is going to happen – but how long do they wait before going ahead? Land values have fallen disproportionately more than property values.

But optimistic as generally stated the market was getting better – property was moving.

In Ripon the middle market was moving – family houses 3/4/5 bed homes at a cost £300 - £350k are selling. Buyers are those who have equity already and are either trading up or down in size. 1st Time buyers are not in the market. Mortgage situation is still a problem, as is getting a sizeable deposit together. Banks are not lending.

They do not give out average price information. Buyers are making more realistic offers although they remain lower than asking, but not silly offers like before. Sellers are considering them.

Carter Jonas, Albert St, Harrogate, HG1 1JX
01423 523423

www.carterjonas.co.uk

Harrogate@carterjonas.co.uk

Not successful with contact at the time.

Rentons Countrywide, Albert Street, Harrogate, HG1 1JP
01423 561531

www.rentonscountrywide.co.uk

Enquiry directed to the central Countrywide office which deals with all new build homes. Spoke in general terms rather than necessarily Harrogate area specific. The biggest issue is that the various LAs in N. Yorks area all have different thresholds for affordable housing, and developers find this very frustrating. Harrogate is more stringent than other LAs and this causes great difficulties for developers. Harrogate also insist in pepper-potting which creates its own problems. Off-site

provision has been accepted in some instances e.g. renovation/refurbishment projects. Affordable housing does have an impact on private sales and on land values. Smaller builder/developer can just about break even, but the deal has to stack up. Understands there is a proposal to reduce thresholds. This will obviously impact on land values and this will knock on. Knows of a number of developments that have been moth-balled, but sellers are now slowly bringing land to the market with a view to completing the homes in the next year or so. Developers need to be encouraged to build and come back into the market. Social renting does present a problem for developers – the requirement for releasing housing for affordable rent early in the developing process.

The one size fits all approach is not very helpful – need to consider the variety of locations and areas within their boroughs. Locations are different and lend themselves to different approaches to affordable e.g. affordable housing tenants and residents require a close location to services. Harrogate has interesting areas within the borough.

Rural locations – these tend to be much smaller developments of single plots or sites for 2-3 properties. These are generally infill, within the village envelope. Where the linear feel of a village is not compromised and that feel continues generally development proposals have been supported. Small pockets have changed from commercial to residential but the loss of the commercial has to be justified. Need to prove that the site has no commercial use as they do not like to lose employment opportunities. These sites generally have a demolition need before rebuild.

Ripon

Rentons Countrywide, Ripon Office, Queens Street, Ripon, HG4 1ED
01765 602332

www.rentonscountrywide.co.uk

Busy office at the time of contact. Comments very general on the market. It has picked up and they are selling properties within 8 weeks. Property is moving if it is in the right location and is of good quality.

A lot of investors are coming into the market. There are 1st time buyers about as parents are helping with deposits. They have a lot of bungalows on their books – a month ago they were not selling but they had sold 4 in 8 weeks. The market is not consistent at the moment – what does not sell one month does so the next. 5 bed property has an asking price of c £360k.

Beadnall & Copley, Fishergate, Ripon, HG4 1DY
01765 698100

www.beadnallcopley.net

ripon@beadnallcopley.co.uk

Market is gently improving – it is a confidence thing. A year ago very low offers but these are gradually building up: there is confidence in the economy, money is available, house prices have come down – houses are worth less than they were a year ago.

Sellers are biding their time to see if the prices improve. Ripon as an area is very different from Harrogate; there they deal mainly with traditional family homes – 3/4/5 bed houses.

Harrogate has more flats available as it attracts a much younger buyer; also it is very easy to commute to York and Bradford from there.

There is not much land available. Knows of developments which should have started but have not. Rural areas are generally smaller developments and property covers the spectrum – 1 bed cottages to larger family houses.

Did not give out any actual property prices, but the following available from their website:

- 4bed 3recep - c111sqm £525,000 asking price – eco friendly home
- 5bed 4 recep - c185sqm £469,950 asking price
- 4bed 2recep - c88sqm £259,950 asking price
- 4bed 2recep - c90sqm £249,950 asking price
- 4bed 3recep - c91sqm £229,950 asking price
- 2bed 1recep - flat c75sqm £229,950 asking price
- Plot 2&3 3bed 1recep c62sqm £199,950 asking price (note 3bed 2r in need of renovation £149,950)
- 2bed 1recep flat - c52sqm £154,995 asking price

Masham

Joplings, North Street, Ripon, HG4 1JY

01765 694800

www.joplings.com

sales@joplings-ripon.co.uk

They have no new build opportunities on their books.

Knew of two small plots for sale – these have not sold – details not available. There are two 2 new build sites in the Ripon area – The Cedar Grange in Ripon by Quicksilver Homes and The Oaks in Masham.

The Cedar Grange Ripon

Size	sqm	Asking price	Asking £ per sqm
Plot 1 4bed	142	£525,000	3,697
Plot 2 6bed	224	£695,000	3,103
Plot 3 5bed	155	£550,000	3,548
Plot 4 3bed	75	(Sold price not stated)	
Plot 5 4bed	98	£495,000	5,051

Since the viability of some schemes will also be affected by existing/alternative use values (where ready markets or purchasers exist for uses other than residential development) we also reflect on the commercial property market conditions.

Key points extracted from the **RICS Commercial Market Survey – Second Quarter 2009:**

'Demand:

Occupier demand continued to decline although the pace of decline is starting to stabilise with overall net balance the least negative since the onset of the downturn in Q3 2007. The improvement was driven to a lesser extent by the office and industrial sectors with the retail sector continuing to record moderate declines in demand (i.e. a slowed pace in the decline in demand).

Confidence:

Confidence in the outlook for lettings activity improved notably in Q2, having hit a near all time low at the end of last year. The improvement in confidence was most apparent in the office sector followed by the industrial market. The retail market continues to show the greatest level of pessimism as has been the case since the downturn got underway although declines in activity are expected to be milder into Q3.

New occupier enquiries:

Enquiries to occupy business space were relatively flat after the net balance fell to a series low in Q4 2008. There was a marginal increase in enquiries in the office and industrial markets. Enquiries for retail continued to fall back albeit at the least pronounced pace in close to 2 years.

Floorspace availability:

The amount of available floorspace rose at a lesser pace having picked up at a record clip in the previous quarter. Rising available space continues to be reported across all regions.....

Expected rents:

Confidence in the outlook for rents was marginally less pessimistic having fallen to a record low (since 1998) in the previous quarter. The most negative rental outlook continues to be reported in the office sector followed by the retail and then industrial market.In the retail market rental confidence remains subdued although it has improved since hitting a series low in Q4 2008 across all regions.

Lease length/Inducements:

The value of inducements (incentives to occupy – e.g. rent discounts/rent free periods, fit-out funding, etc) continued to pick up in Q2 2009 although at a marginally lesser pace than the series high in Q1 2009.....Lease lengths fell fastest in the retail sector, followed by offices and then industrials.'

Agents Feather Smailes & Scales (Harrogate) offered a market comment to this survey:

'The market has shown an increase in the level of enquires and take up for smaller retail units although the demand for and take up of offices continues to be virtually non existent. There are a number of investors waiting on the sidelines hoping to pick up a bargain and take advantage of other people's misfortunes although funding is still a problem unless the property is of lowish value and an effective cash purchase. Confidence overall however does seem to have improved slightly although it remains to be see if this will be sustainable over the medium term.'

Source: RICS Economics –RICS Commercial Market Survey Second Quarter 2009

Residential & Commercial Land:

For commercial land information a range of web-site searches were also carried out using, for example:

Primelocation; Land and New Homes Countrywide; uklanddirectory; propertysearch.evolutive.

None of the estate agents spoken to had any comments to make about commercial land opportunities in the Borough Council's area. We gathered some information from the web and have included it in the schedule below to accompany our research. Very wide range indications are seen.

Harrogate Borough Council				
Residential				
Location	Existing Use / Planning Permission	Site Size (Ha)	Asking Price	£ per Ha Indication
Knareborough Road Ripon	Outline PP for single house and garage.	0.0405	£80,000	£1,975,309
Kingsley Park Road Harrogate	Outline PP for single house and garage.	0.02	£70,000	£3,500,000
Melmerly Ripon	Selfbuild plot Planning not clear.	0.304	£350,000	£1,151,316
Melmerly Ripon	Full PP single house and garage.	0.036	£150,000	£4,166,667
Melmerly Ripon	Garden plot no planning.	0.036	£50,000	£1,388,889
Harrogate Building plot	Detailed PP dwelling.	0.081	£55,000	£679,012
North Yorks	Plot for 2 houses unclear of planning position.	0.1012	£285,000	£2,816,206
Industrial/ Commercial opportunities				
Harrogate arable land		47.4	£640,000	£13,502
Hambleton Grove Knareborough	Industrial plot HDC looking for employment opportunity; light industrial and residential surrounding.	0.27	£600,000	£2,222,222
St James Business Park Knareborough	Full planning consent.	0.907	Not quoted	
Rudgate Business Park Tockwith York	Light industrial has a restrictive covenant for add £5k payment to beneficiary on planning.	0.028	£30,000	£1,071,429

Note: When it comes to site specifics, care should be taken with any per Ha analysis of land values, particularly for very small land areas.

Summary and Outcomes

The results of the values research led to the formation of 8 'Value Points'. We consider that, when viewed overall, these points cover the range within which most new build values are seen currently, and would be likely to be seen given foreseeable future market movements. As most areas have a variety of property values, the results of this research can be used independently of location where approximate sales values can be estimated – so that the variations within the overall range might be seen through scheme type and/or location and/or with time.

The Value Points are based on our dwelling type and size assumptions, but can also be applied to other dwelling types/sizes through use of the overall range of per m² (sq m) values. Intermediate points, between value points, can also be considered through viewing appraisal outcomes for the points either side.

Considering all the information our judgements resulted in the following range of Value Points being settled and used in the appraisals for this study:

Value Point	Values						
	1-Bed Flats	2-Bed Flats	2-Bed Houses	3-Bed Houses	4-Bed Houses	£ / sq m Houses (Guide)	£ / sq m Flats (Guide)
1	£80,000	£107,200	£111,000	£125,800	£148,000	£1,480	£1,600
2	£100,000	£134,000	£138,750	£157,250	£185,000	£1,850	£2,000
3	£120,000	£160,800	£172,500	£195,500	£230,000	£2,300	£2,400
4	£140,000	£187,600	£206,250	£233,750	£275,000	£2,750	£2,800
5	£160,000	£214,400	£240,000	£272,000	£320,000	£3,200	£3,200
6	£180,000	£241,200	£273,750	£310,250	£365,000	£3,650	£3,600
7	£200,000	£268,000	£307,500	£348,500	£410,000	£4,100	£4,000
8	£240,000	£321,600	£369,000	£418,200	£492,000	£4,920	£4,800

Acknowledgement:

Adams Integra would like to thank those companies and individuals who have taken the time to respond to us, help with our enquiries and provide information – greatly appreciated.

Appendix IV

Appendix IV

Harrogate Borough Council Viability Study Background

Early study stages consultation process – Summary

Affordable Housing Economic Viability Assessment (EVA) Consultation Event - - SUMMARY MEETING NOTE -

Crescent Gardens, Harrogate

Wednesday 2nd September 2009

Attendees (representatives of):

Property Services, Harrogate Borough Council	David Holmes Properties
Housing, Harrogate Borough Council	Nathanial Lichfield
Planning, Harrogate Borough Council	Carter Jonas
Councillors (2), Harrogate Borough Council	Wildblood Macdonald
Commercial Estates Group	Miller Homes Ltd
York House Leisure	Persimmon Homes
Caddick Developments	Barratt & David Wilson Homes
Lister Haigh	Harrogate Civic Society
Arrowsmith Associates	Signet Planning
Peter Greenwood & Co	Accent Group
Strutt & Parker	Home Group
	Harrogate Families HA

1. Introduction by Harrogate Borough Council – including purpose of study.
2. Brief introduction to the Affordable Housing Economic Viability Study 2009 by Adams Integra including:
 - a. Scope/Context
 - b. Methodology/Key assumptions
3. Adams Integra lead discussion with the purpose of gaining an understanding of key stakeholders' perspective on development issues in the Borough, and the key assumptions used to inform the study.

Main items for discussion are listed below followed by brief outline of key points made by participants.

General:

- Recent/current experiences/impressions of the local market – future direction – values and costs? Variance across the Borough?
- Current experiences with delivery – market and affordable homes/Experiences related to current affordable housing approach of Harrogate Borough Council.
- Any particular site type patterns within/distinctions across the Borough - e.g. urban/rural, etc? Landowner expectation/existing/alternative use values?
- Housing market variations (by area) in the Borough – is there a case for variable targets recognising that viability reflects (generally) differences in house prices?

Appraisal Assumptions:

- Residential development costs – approximate/average figures? Local variations/particular local issues?
- Finance availability/cost?
- Code for Sustainable Homes/Lifetime Homes Standard – experience/additional costs/direction of travel?
- Climate for RSLs – again finance, costs – also success (suitability and deliverability) or otherwise of varying tenure forms locally? Current practice given the impact on shared ownership of the current “credit crunch”?
- Availability of social housing grant – recent/current and anticipated?
- Smaller sites – pros and cons of affordable housing delivery on small sites?
- Role of tenure locally – housing needs/tenure balance issues.

4. Any items not covered above.

Meeting Notes:

1. Various questions were asked and statements given as fact were provided - and answers were given where possible by Adams Integra or Harrogate Borough Council Officers. The following attempts to briefly outline those questions, answers or statements without attributing those to any individual or organisation.
2. Mentioned that the success of the Council's affordable housing policies to date had been aided by level of public subsidy made available rather than solely through a nil grant route.

3. There was a shared view that there are now some more signs of optimism in the market – recent months better. Amongst current experiences of the local land market it was mentioned that where land was purchased prior to the downturn, there were now development viability issues. Now trying to negotiate deals for land at lower prices reflecting the current market conditions.
4. Noted that the price paid for land does not always reflect the “mathematics” – i.e. although it was generally understood that site selection is an issue and that land is really “worth what you can do with it” and that should reflect the planning policy requirements, there is often an element of land value expectation. Examples given of “landed estates” where a value was expected and it was quite possible that land would not come forward for development in the hope, instead, that a change of policy occurs - leading to increased value of land eventually. An owner might sit on the land and not bring it forward for residential development.
5. Linked to above, noted that land values were volatile at present and although there have been downward price adjustment, the likelihood was that those would rise again. Expectation of value would therefore continue to be a problem. Noted that viability and value needs to be linked back to existing/possible alternative use of a site.
6. Issues raised regarding the Government's and Council's policies on density, linked to high density often supporting higher land values in the past - that would not now be workable based on reworked (often lower density) schemes. Comments that high density, small footprint homes were no longer popular – not in demand.
7. Mentioned that HBF should be a consultee on appraisal assumptions.
8. Code for Sustainable Homes – mentioned that although volume housebuilders may find that there is a premium attached to the cost of building to Code Level 3 or 4, some RSLs are able to build to Code Level 4 at “Code Level 3” costs. Opinions and experiences vary. There were points made about the variety of approaches and reactions – from designing-in to having to add expensive “bolt-ons” (e.g. re renewable energy) to buildings.
9. Adams Integra were asked about profit levels and confirmed that it would be modelling minimum of 17.5% through to 20% (confirmed that this % is of revenue - GDV).
10. Question asked as whether there was a record of profit levels achieved by the development industry in relation to affordable housing, etc, that had been delivered – what range of profits had developers made after delivering various schemes. Adams Integra responded that not that it is aware of. Likely to be

sensitive information on a site by site basis. In any event Adams Integra works on fixing developer's profit for risk reward, as part of the scheme costs, so that varying land value is the key output.

11. It was asked whether, and then confirmed that, the Council intend (regardless of the outcome of the viability study) to continue to negotiate with developers as they do now. Comment later that flexibility was required in negotiation – not just with the proportion of affordable housing required but over the tenure mix as well.
12. It was confirmed that varying site thresholds and a “sliding scale” approach (i.e. potentially lower proportion of affordable housing on smaller sites) together with the possible future role of financial contributions) would be part of the review carried out by this study.
13. Noted that it was thought that shared ownership form of intermediate tenure was close to being “dead” at present essentially due to lack of suitable mortgage availability. RSLs concentrating on affordable rent and other intermediate forms of tenure including looking at intermediate rent. Later it was mentioned that shared ownership was working in places but only with much reduced equity share and at lower overall values. It will be down to a site-specific approach, with a variety of potential models kept in mind. The fact that some developer's own schemes (e.g. 80/20) are effectively competing with the RSL offer was noted.
14. The Council applies a guide payment table approach to affordable housing (i.e. there is a predetermined amount that an RSL pays the developer for an affordable home). It was remarked that it was difficult to get this to balance but the principle is working. However, there needs to be a pragmatic approach to the mix of tenure.
15. Question asked on how often the payment table would be updated. Harrogate Borough Council confirmed that it was based on local incomes and affordability, and includes an amount of grant. If grant is not forthcoming then the proportion of affordable housing will typically reduce rather than the shortfall being made up by other means such as increased developer subsidy.
16. In general mentioned that residential property market was slightly better than recent past but more in terms of the volume of properties sold rather than their value. Discussed again that townhouses/apartments not popular at present.
17. Mentioned that mortgage availability is still an issue and is likely to be for the next 10 -15 years.

18. Rural/urban delivery – comment on the role of landowners in the rural areas providing their own “affordable housing”, albeit not as per PPS3 definition. Should not have to have RSLs imposed on them as they are already providing a valuable local service providing homes for local workers. Limited monetary value in exception site policy cases – owners needed to be incentivised.
19. Discussion over smallest sites policies (requirement for affordable housing on potentially all sites). Barn conversions potentially unviable (refuted by Harrogate Borough Council who mentioned examples of where affordable housing had been successfully integrated into these schemes). 1 for 1 policy sits uncomfortably with some. Idea of accepting financial contributions on these smallest sites was put forward (i.e. in lieu of on-site provision). Harrogate Borough Council stated that was not really acceptable as there wasn't the land available to spend the money on. Quite a bit of dialogue on this including the suggestion that the money could be spent on buying existing properties rather than having to find land for new homes. Adams Integra will be looking at financial contributions in lieu of on-site affordable housing as part of the study parameters.
20. Asked whether Adams Integra will be taking into account the Council's policies to date and the Inspector's Report into the Core Strategy. Adams Integra agreed that they would do as it forms part of the context for the study, although its role was to take a fresh independent view.
21. Adams Integra asked for any available help from stakeholders – by them providing any information which could help Adams Integra in making its assumptions and judgements. It was agreed that Adams Integra would provide Harrogate Borough Council with a pro-forma/list of assumptions to be sent to attendees to review and provide comments. It was made clear that Adams Integra under time pressure to complete this study so a quick turnaround was necessary. Also pointed out that, given there could be wide ranging views on the assumptions and other study aspects, Adams Integra would still need to maintain its independent role by taking into account any feedback received, weighing everything up and deciding how best to proceed.
22. General point made regarding Code for Sustainable Homes combined with affordable housing policies (moving potentially to Level 6) – development/land values cannot take all of those burdens based on the view we have to take on costs and technologies, etc, today – at some point something would have to give – priorities. Noted that potentially CFSH Levels 5 and 6 may be reviewed/replaced by 2016 but that attainment of Code Level 4 could well become the new more widely accepted benchmark, short-term at least.

23. It was confirmed that Adams Integra were also looking at other S106 costs including a range of increased costs to reflect the potential direction of travel on those. In this context Community Infrastructure Levy (CIL) was mentioned.

Meeting Note Ends

Next stage: Form of Adams Integra request for information/comments:

Harrogate Borough Council

Affordable Housing Economic Viability Appraisal – Judgements on Assumptions

Assistance is sought with information to help with views on assumptions, as below, please – together with any comments.

(NB: any clarification needed with planning policy/obligations assumptions are being provided by the Council)

Base development appraisal assumptions to be used in the Study (for comment). If you wish to suggest alternatives please state either a range of alternatives in absolute (value/£, etc) or % terms (where a factor of another appraisal element) and the reasons for the variance. We are not going in to every area of detail here, but aim to seek views on those which the outcomes are likely to be most sensitive to.

- Sales Values – Potentially looking at a range in the order of £150-£350/sq ft (so, about £1,600 to £3,500 +/-sq m), bearing in mind that we have to make an overview and consider how varying market conditions might affect values and thus viability as we move forward.
- Build costs (based on GIA including externals and prelims – but no abnormal as those affect our ability to compare outcomes > site specifics).

- Houses - £1,000/m²
- Apartments - £1,100/m² (assuming low rise development no more than 3 storey)

(In every area costs vary, and from site to site, but any universal issues etc with local materials/typical sites?)

- Professional Fees, Contingencies and Insurances – 15.5% of build cost.
- Legal Fees on Sale - £600 per unit.
- Sales Fees - 3% of sales values.
- Finance - 7.0%.
- Legal fees on land purchase - 0.75% of land value.
- Stamp Duty Land Tax - between 0% and 4% depending on land value.
- Code for Sustainable Homes uplift in build costs:
 - Level 3 - base plus £50/m²
 - Level 4 - base plus £100/m²
- Lifetime Homes - views sought on this please. At present we allow £545 per unit average in above base costs. Top end of the range of likely costs as set out by www.lifetimehomes.org.uk (Habinteg Housing Association). In practice, site by site, a wide range of views and experiences exists.

- Developer Profit - between 17.5% and 20% of gross development value for private units; 6% on affordable units.
- Survey costs - variable depending on site size and type being appraised. Any locally relevant issues/examples please?

Other assumptions where views are sought (no particular order):

- Grant availability - on a per person basis what levels of grant have been achieved? Has this married well with the Council's approach to and guide figures for completed affordable homes payments made by RSLs to developers?
- Development typologies - common/predominant development types across the Borough (e.g. family housing, apartments, townhouses, occurrence of large/high value properties, etc) and where they likely to occur (e.g. town centres, villages etc). Adams Integra likely to be appraising site typologies in the range 1-100 units of varying sizes and unit mixes.
- Market conditions - Borough-wide, any local distinctions - areas picking up more/sooner than others? Gaps between asking and sales prices? Levels and value of incentives being offered?
- Current experiences with affordable tenure models and tenure mixes?

In the first instance please send all correspondence to Tracey Rathmell at Harrogate Borough Council.

Notes: Please note that no specifics or individual company details will be quoted – this is for background use and information only. The sensitivities are respected. Any pointers and assistance or comments/part responses are much appreciated and will be treated in confidence.

This is a strategic study and your comments/views on appraisal assumptions will be taken into account in making sure the development appraisal modelling for this study reasonably reflects the development scenario(s) locally. We are aware though that every party will have a different view on certain elements of this study. We have to maintain an independent view when testing the viability of affordable housing policies, and look for an appropriately judged balance between the acute pressure of housing needs and the likely deliverability of schemes. It has to be a strategic piece of work, in line with the LDF process, and will not be a substitute for the second layer of site-specific discussions that are likely to be needed in many cases. When commenting on the assumptions please have regard to the fact that this study is looking at this overview and covering site typologies (notional sites types). The methodology is based on the premise of residual land valuation and that land does not have a fixed price, it is the key variable once all the other cost burdens are placed upon a development scheme and weighed up against the value that can be created on scheme completion. To test the impact of affordable housing (proportion, tenure mix, thresholds) and other related policies, we need to fix as many of the other assumptions as we can. This provides base outcomes from which we start to see

trends. We then carry out sensitivity testing some of the other key assumptions (such as property values, build costs, profits, other planning obligations costs, Code for Sustainable Homes, etc) to investigate what impact those have on residential development viability in tandem with the affordable housing policies.

Many thanks

Adams Integra, on behalf of Harrogate Borough Council.

Outline of assumptions related comments received in response the above:

Harrogate Borough Council - Stakeholder Consultation - Key Comments														
Comment on:														
Organistation	Developer's Profit	Profit on AH	Build Costs	Grant Levels	Housing Type	Professional Fees	Legal fees on land purchase	Legal fees on sale	Sales Agents Fees	Sales rates	Finance	CfSH Costs	Lifetime Homes	General
1	20%+													
2			Between £1,100 - £1,200 incl CfSH L3.	£11k to £15k per person.	2 and 3 bed mainly. Not apartments.									
3	OK	Seems low					Can be as high as 3%.	Appears low - could be expressed as %.						Why GIA not GEA?
4										Rates over £300/sq ft difficult to achieve currently.				May need to consider build rates as this impacts on viability.
5			£105/sq ft (£1,130/sq m).						1% to 1.5%	Since Sept '08 have seen rates fall from c. £300/sq ft to c.£245/sq ft.	5%			RLV good approach but vendor expectation is still a big issue.
6	20% to 25%		Houses £850 to £900/m ² ; Apartments £1,100/m ² .			12%	OK	OK		OK but need to say where they relate to.	OK	OK		
7		15% to 20% for all (including AH).	OK			OK	OK	OK	OK	OK		OK	OK	

Outline note of other comments received:

Sales Value - Whilst the note provides a range and I am relatively comfortable in the current housing market that the range will be wide enough to accommodate the various types and locations of housing within Harrogate. Clearly the sales values for specific sites will need to be agreed by the parties for these to be entered into the viability appraisal.

Build Costs - Again these seem generally OK but may need further agreement if Harrogate apply rigorous design parameters to details and materials and therefore may warrant site-specific adjustments to accommodate any increased build costs.

Professional fees - These seem about right.

Legal Fees - These seem about right at the present time.

Sales Fees - In a normal market I would concede that these are about right but not in the current housing market where 3% would not be sufficient to provide sales incentives. A lack of sales incentives would have an adverse impact on sales rates and therefore finance costs. I would suggest that currently Sales Fees should be between 4.5% and 6%.

Legal Fees on Land purchase - These seem about right.

Stamp Duty - No comments other than it may be helpful to include the bandings for the different rates.

Code for Sustainable Homes - These figures are broadly in line with the medium case examples published by CLG.

Lifetime Homes - Seems reasonable.

Developer Profit - I cannot see any justification for the differential between the percentage profit based on the Gross development value of the market housing and the affordable housing. In reality the lower percentage of 6% for the profit on the affordable housing is a double whammy as the percentage is so much smaller on a much-reduced gross development value of the affordable housing element

General

The note does not provide any assumptions regarding the matter of land value. This is a fundamental factor to the whole viability process and this should be the starting point for any appraisal of the economic viability for the provision of affordable housing.In the past affordable housing economic viability appraisals were mainly applied to previously developed sites where there were high abnormal costs and where the sites had a considerable underlying existing use value. In Harrogate

there are not many previously developed sites but there are potentially significant abnormal costs relating to open space, transport, drainage, education etc. In addition the housing market is no longer as buoyant as it was at the time that affordable housing policies were evolving. Therefore the proposed economic viability appraisal will need to be able to be applied to the development of Greenfield sites and simply using their existing use value as the basis for the land value assumption would be wholly inappropriate. Put in simple terms if you do not have a sufficient level of residual land value the landowners will not sell.....

It is interesting to note that the assumptions presented by the Adams Integra note rightly accepts that the developer will require a profit of between 15% and 20% of gross revenue on the market housing and suggests a 6% profit on the affordable housing, plus the assumption that finance will be charged at 7%. It is therefore also appropriate that in setting assumptions for the economic viability appraisal that assumptions should also be applied in setting a minimum level of return to the landowner for their input into the process. a minimum land value should be the starting point and land value is not the only variable. Once the residual land value drops below the identified minimum level then it will be other variables that will then need to be adjusted. The land value would, however, remain a variable whilst ever it exceeded the identified minimum but at that minimum it will then be fixed and the other variables such as the percentage of affordable housing along with the proportions, type, mix, tenure and value of the affordable housing that will need to be adjusted.....

The Adams Integra note is right to look for an appropriately judged balance between the acute pressure for housing needs and the likely deliverability of schemes but it is clear that if that balance is not achieved this will result in the lack of delivery of both market and affordable housing within the Borough. The aspirations of landowners must also be considered and if those landowners are expected to take an excessive reduction in the value of their land they will simply hold onto their land and wait until values improve before they release it for development.

There is a need for flexibility in the delivery mechanisms for affordable housing, the type and mix, the tenure and the values to be attributed to affordable housing. These are all variables that could be applied in negotiation with the local authority in the event that the residual land value falls below the recognised minimum level. The assumptions set out for the economic viability Appraisal should confirm that these elements are variables that can be adjusted to meet the local authority's aspirations but also to deliver a minimum land value where necessary.

Appendix Ends

Appendix V

HARROGATE BOROUGH COUNCIL
AFFORDABLE HOUSING
ECONOMIC VIABILITY ASSESSMENT

GLOSSARY OF TERMS

(The scope of this glossary is restricted to terms used in the study)

A

Abnormal Development Costs - Costs that are not allowed for specifically within normal development costs. These can include costs associated with unusual ground conditions, contamination, etc.

Affordable Housing (also see Intermediate Affordable Housing and Social Rented Housing) - 'PPS3 – Housing' (November 2006) defines affordable housing as housing that includes social rented and intermediate housing, provided to specified eligible households whose needs are not met by the market. Affordable housing should:

- Meet the needs of eligible households including availability at a cost low enough for them to afford, determined with regard to local incomes and local house prices.
- Include provision for the home to remain at an affordable price for future eligible households or, if these restrictions are lifted, for the subsidy to be recycled for alternative affordable housing provision.

Affordable Rented Housing/Homes - Distinct from *Intermediate* or wider affordable housing provision, this is most often the priority need – see *Social Rented Housing*. Note that we also use the term '*General Needs Rented*' ('GNR') for appraisal summary information referring to this tenure type – we mean the same (as opposed to affordable rented homes that are to meet a special need).

B

Base Build Costs - For construction only (excluding fees, contingencies and extras) as explained in the study.

BH/BF - Preceded by a number – abbreviations used to indicate how many bedrooms a dwelling has.

C

Cascade Mechanism/Principle - A Cascade is a mechanism which enables the form and/or quantum of affordable housing provision to be varied according to the availability of grant funding, thus ensuring that at least a base level of need-related accommodation is provided without compromising overall scheme viability. The approach aids delivery of both the market and affordable tenures by providing adaptability where needed, thus avoiding the need to renegotiate Section 106 agreements with the time delays and cost issues that process brings.

Code for Sustainable Homes ('CfSH', 'CSH' or 'Code') - CLG is proposing to gradually tighten building regulations to increase the energy efficiency of new homes and thus reduce their carbon impact. In parallel with these changes to the building regulations, the CfSH has been introduced as a tool to encourage house builders to create more sustainable dwellings, and to inform buyers/occupiers about the green credentials of new housing. CfSH compliance, to levels over those generally operated in the market, is also compulsory for all public (HCA) funded affordable housing development. The Code is intended to provide a route map, signalling the direction of change towards low carbon sustainable homes that will become mandatory under the building regulations. The Code, again in parallel with building regulations and other initiatives, also covers a wider range of sustainability requirements – beyond lower carbon.

Commuted Sum - See "Payment in lieu" below.

Core Strategy - The key *Development Plan Document* ('DPD') through which a local authority sets out its strategic planning approach for its area. Accompanied by other DPDs, usually dealing with aspects such as site allocations or regeneration areas, and in some cases covering particular topics such as affordable housing (see below for other definitions).

D

Density ('Indicative Density') - Represents the intensity of use of a site by way of how many dwellings (or in some cases other measures such as habitable rooms) are provided on it. Usually described by reference to '*dwellings per hectare*' (DPH).

Developer Appraisal - An appraisal carried out by a developer to determine the approximate value of land in order that an offer can be made to a landowner. The appraisal(s) would normally look to determine an approximate *Residual Land Value* (RLV). Assuming a developer has already reached the initial conclusion that, in principle, a site is likely to be suitable and viable for development, an appraisal is then carried out to fine tune scheme feasibility and discover what sum they can afford to pay for the site. This would normally be subject to a range of caveats and clauses based on circumstances unknown to the developer at the time of making an offer. As an example, an offer could be subject to the granting of planning permission or subject to no abnormal conditions existing, etc.

Development Plan Document (DPD) - Spatial planning documents that are subject to independent examination, and together with the relevant Regional Spatial Strategy (RSS), will inform the planning policies for a local authority. They include a Core Strategy and also often cover site-specific allocations of land, area action plans and generic development control policies.

Developer Payment (Type) - The sums applied to the appraisals in terms of payment to the developer in return for completed affordable units. The form modelled is based on the Mortgage Funded by Rental Stream. The Mortgage Funded by Rental Stream subsidy only pays the developer a sum per unit that is equivalent to the RSL's ability to fund the units through capitalisation of the (affordable) net rental stream from those units. The rental flows for this are based on Homes and Communities Agency Target Rents, after e.g. management, maintenance costs and voids allowances. In this regard see also *Payment Table*. The study refers also to this payment as the "affordable housing unit transfer".

Developer's Profit - The developer's reward for risk taken in pursuing and running the project, required to secure project funding. This is the gross profit, before tax. It will usually cover an element of overheads, but varies. The profit element used in these appraisals is profit expressed as a percentage of Gross Development Value (the most commonly expressed way) although developers will sometimes use other methods, for example a certain return on capital employed (ROCE).

Development Cost - This is the cost associated with the development of a scheme and includes professional fees (engineering, design, project management), contingencies, sale agency fees, legal fees on unit sales and of course build costs (materials, labour, etc).

Development Plan ('Plan') - The statutory plan through which a local authority determines planning policy for its area over the life of the plan (*plan period*). While a local authority is moving towards their LDF (*see below*), which will become the new *development plan* basis, the previous (adopted) 'Local Plan' or 'Unitary Development Plan' remains the relevant development plan basis for the area.

Development Viability (or 'Viability') - The viability of the development (in this case a market-led housing scheme) – meaning its health in financial terms. A viable development would normally be one which proceeds (or at least there is no financial reason for it not to proceed) – it would show the correct relationship between GDV (*see below*) and Development Cost. There would be a sufficient gap between the GDV and Development Cost to support a sufficient return (developer's profit) for the risk taken by the developer in pursuing the scheme (and possibly in this connection to support funding requirements), and a sufficiently attractive land value for the landowner. An un-viable scheme is one where a poor relationship exists between GDV and Development Cost, so that insufficient profit rewards and/or land value can be generated.

Dwellings per Hectare ('DPH') – *see Density*.

E

F

Finance - Costs associated with financing the development cost. Varying views are taken on the length of the relevant construction projects as to how long these costs need to be carried for on each occasion.

Financial Contribution - see "Payment in lieu".

G

Gross Internal Area (GIA) - Broadly speaking GIA is the whole enclosed area of a building within the external walls taking each floor into account and excluding the thickness of the external walls. GIA will include: Areas occupied by internal walls (whether structural or not) and partitions; service accommodation such as WCs, showers, changing rooms and the like; columns, piers, whether free standing or projecting inwards from an external wall, chimney breasts, lift wells, stairwells etc; lift rooms, plant rooms, tank rooms, fuel stores, whether or not above roof level; open-sided covered areas.

Gross Development Value (GDV) - The amount the developer ultimately receives on completion or sale of the scheme whether through open market sales alone or a combination of those and the receipt from a RSL for completed affordable housing units - before all costs are subtracted.

H

Homes and Communities Agency (HCA) - The Government's Agency charged with delivering the national affordable housing (investment) programme ('NAHP') and the vehicle through which public funds in the form of Social Housing Grant ('SHG') are allocated, where available and where the HCA's investment criteria are met, for affordable housing development. The HCA is relatively new – was formed from a merger of English Partnerships and relevant function areas of The Housing Corporation.

I

Intermediate Affordable Housing (Intermediate Tenure) - "PPS3 Housing" defines intermediate affordable housing as Housing at prices and rents above those of social rent, but below market price or rents, and which meet the criteria set out above. These can include shared equity products (e.g. HomeBuy), other low cost homes for sale; and intermediate rent (property made available to rent, usually at no more than 80% of open market rental prices).

J

K

L

Land Costs - Costs associated with securing the land and bringing it forward – activities which precede the construction phase, and, therefore, costs which are usually borne for a longer period than the construction phase (a lead in period). They include financing the land acquisition and associated costs such as land surveys, planning application and sometimes infrastructure costs, land acquisition expenses and stamp duty land tax.

Land Residual as a percentage (%) of GDV - The amount left for land purchase expressed as a percentage of the Gross Development Value. A common guideline used in the development industry. Readers may be familiar with the rule of thumb that upwards of approximately one third of development value is comprised of land value. In practice this has always varied, but with increasing burdens on land value from a range of planning infrastructure requirements (including affordable housing) traditional views on where land values lie are having to be revised.

Local Development Framework (LDF) - A non-statutory term used to describe a folder of documents, which includes all the local planning authority's local development documents. An LDF is comprised of:

- Development Plan Documents (which form part of the statutory development plan).
- Supplementary Planning Documents.

The local development framework will also comprise:

- The Statement of Community Involvement ('SCI').
- The Local Development Scheme ('LDS').
- The Annual Monitoring Report ('AMR').
- Any Local Development Orders or Simplified Planning Zones that may have been added.

M

N

O

Open Market Value ('OMV') - The value of a property on the basis that it is offered for sale on the open market – the usual measure of value in this study context. Used here to build up the development scheme's GDV and also to distinguish between this level of value and the lower level of receipt usually associated with the affordable dwellings (see *Developer Payment*).

P

Payment in lieu - A financial payment made by a developer or landowners instead of providing the planning-led affordable housing requirement on the site of the market (private sale) housing scheme (see also “Commuted Sum/Financial Contribution”).

Payment Table - This is normally referred to where a local authority prescribes or guides as to the levels of receipt the developer will get for selling completed affordable housing units of set types and sizes to a Housing Association. In this context it normally relates to an approach which assumes nil grant and is based on what the Housing Association can afford to pay through finance raised (mortgage funded) against the rental or shared ownership income flow. See also *Developer Payment*. It is sometimes used in a looser context, for example in the setting out of financial contribution levels for payments in lieu of on-site affordable housing provision.

Percentage (%) Reduction in Residual Land Value (RLV) - The percentage by which the residual land value falls as a result of the impacts from the range of affordable housing policy options. This is expressed as the fall in residual land value compared to a site that previously required zero affordable housing or a site that was required to provide affordable housing previously, but at a lower percentage.

Planning Infrastructure - We refer to this because affordable housing is one of a set of requirements which usually need to be met by new housing developments, and are secured through obligations set out within *Section 106* agreements. The terms “planning obligations”, “planning gain”, “infrastructure” tend to be used to describe the same. Also covers a wide range of community requirements needed to support development – highways, education, open space, public art, and the like.

Planning-led Affordable Housing - Affordable housing required on new market (private sale) housing developments of certain types (which are set locally – see “Threshold” and “Proportion” below) as set out by “PPS3”.

Planning Policy Statement 3: Housing (‘PPS3’) - National statement of the Government’s planning policy on Housing – including the planning-led affordable housing we consider here.

Proportion (or percentage/%) of Affordable Housing - The percentage or proportion of affordable housing sought on site. The appraisals model a range of scenarios across the Value Points investigating the impact of a range of proportions of affordable housing on scheme viability, for example from 10% to 50%, depending on local circumstances. Each scenario usually also investigates the “no affordable housing” (0%) position as a benchmark.

Q

R

Recycled Capital Grant ('RCG') - An internal fund within the accounts of an RSL used to recycle SHG in accordance with Homes and Communities Agency policies and procedures.

Regional Spatial Plan ('RSS') - The spatial plan for a region, promoted and managed by the relevant regional assembly, and in the case of London – the Mayor's 'London Plan'. It comprises higher level guidance which sub-regional and local authority level planning needs to take account of as a part of delivering strategic objectives for an area.

Registered Provider (RP) - Any organisation registered with the Tenant Services Authority as a provider of social housing. This can include housing associations, local authorities and private companies. *See also 'Registered Social Landlord (RSL)'*.

Registered Social Landlord (RSL) - A housing association or a not-for-profit company registered by the Homes and Communities Agency ('HCA') to provide social housing. *See also 'Registered Provider (RP)'*.

Renewable Energy/Renewal Energy Measures - Measures which are required for developments to ensure that a proportion (often expressed as a % target) of total energy needs of the scheme are supplied through renewable sources (for example solar, wind, ground heat, biomass, etc) rather than through conventional energy supply means. Usually in the context of this study we are referring to small scale *on-site* measures or equipment that will supply a proportion of the development's needs. Increasingly, there are also moves to investigate the potential for larger developments or groups of developments to benefit from similar principles but through group/combined/communal schemes usually involving significant plant installations.

Residual Land Value (RLV) - The amount left for land purchase once all development, finance and land costs have been deducted from the *GDV*, normally expressed in monetary terms (£). This acknowledges the sum subtracted for affordable housing and other infrastructure payments/requirements where applicable. It is relevant to calculate land value in this way as land value is a direct result of what *scheme type* specifically can be created on a site, the issues that have to be dealt with to create it and costs associated with those.

Residual Valuation - The process by which *Residual Land Value ('RLV')* is estimated. So called because it starts with the *GDV* at the top of the calculation and deducts all *Development Costs* and *Developer's Profit* so as to indicate the amount left remaining (hence "residual") for land purchase – including land value.

S

Saved Policies - Former *development plan* (e.g. *Local Plan*) policies whose life has been extended pending the replacement plan (within the *LDF*) being in place. A formal direction is required in order for policies to be saved.

Scheme Type - The scheme (development project) types modelled in the appraisals consist of either entirely flatted or housing schemes or schemes with a mix of houses and flats. They are notional, rather than actual, scheme types consistent with the strategic overview the study needs to make.

Section 106 ('S106') - (of the Town and Country Planning Act 1990). The legally binding planning agreement which runs with the interest in the land and requires the landowner (noting that ultimately the developer usually becomes the landowner) through covenants to agree to meet the various planning obligations once they implement the planning permission to which the *S106 agreement* relates. It usually sets out the principal affordable housing obligations, and is the usual tool by which planning-led affordable housing is secured by the Local Planning Authority. Section 106 of this Act refers to "agreements regulating development or use of land". These agreements often cover a range of planning obligations as well as affordable housing (see '*planning infrastructure*'). There is a related type of agreement borne out of the same requirements and legislation – whereby a developer unilaterally offers a similar set of obligations, often in appeal or similar set of circumstances where a quick route to confirming a commitment to a set of obligations may be needed (a *Unilateral Undertaking* – a term not used in this study).

Shared Ownership - Shared ownership is a way of buying a stake in a property where the purchaser cannot afford to buy it outright. They have sole occupancy rights.

Shared ownership properties are usually offered for sale by housing associations or RSLs (not-for-profit organisation). The purchaser buys a share of a property and pays rent to the housing association for the remainder. The monthly outgoings will include repayments on any mortgage taken out, plus rent on the part of the property retained by the housing association. Later, as the purchaser's financial circumstances change, they may be able to increase their share until they own the whole property (see '*stair-casing*' below).

Sliding Scale - Refers in this context to a set of affordable housing policies which require a lower *proportion* on the smallest sites, increased with site size – to graduate the requirements and, therefore, the viability impacts, particularly as such sites often fall within the thresholds for the first time.

Social Rented Housing - 'PPS3 – Housing' defines social rented housing as rented housing owned and managed by local authorities and registered social landlords, for which guideline target rents are determined through the national rent regime. The proposals set out in the Three Year Review of Rent Restructuring (July 2004) were implemented as policy in April 2006. It may also include rented housing owned or managed by other persons and provided under equivalent rental arrangements to the

above, as agreed with the local authority or with the Homes and Communities Agency (HCA) as a condition of grant. Social rented housing is often referred to as '*Affordable Rented*'.

Stair-casing Receipt - Payment a RSL receives when a shared ownership leaseholder (shared owner) acquires additional equity (a further share of the freehold) in a dwelling.

Supplementary Planning Document (SPD) - Provides supplementary information in respect of the policies in Development Plan Documents, and their more detailed application. These do not form part of the development plan and are not subject to independent examination.

I

Tenure/Tenure Type – the mode of occupation of a property – normally used in the context of varying *affordable housing* tenure types – in essence includes buying part or whole, and renting; although there are now many tenure models and variations which also include elements of buying and renting.

Tenure Mix - The tenure types of affordable housing provided on a site – refers to the balance between, for example, affordable rented accommodation and shared ownership or other *Intermediate* tenure.

Threshold - Affordable housing threshold i.e. the point (development scheme and/or site size) at which the local authority determines that affordable housing provision should be sought, or in this study context the potential points at which the local authority wishes to test viability with a view to considering and selecting future policy or policy options.

U

V

Valuation Office Agency (VOA) - The Valuation Office Agency (VOA) is an executive agency of HM Revenue & Customs (HMRC). Their main functions are to compile and maintain the business rating and council tax valuation lists for England and Wales; value property in England, Wales and Scotland for the purposes of taxes administered by the HM Revenue & Customs; provide statutory and non-statutory property valuation services in England, Wales and Scotland; give policy advice to Ministers on property valuation matters. The VOA publishes twice-yearly Property Market Reports that include data on residential and commercial property, and land values.

Value Point(s) (VPs) - Adams Integra's usual viability study methodology is to make judgements on a range of new build property values which represent typically found prices for ordinary new developments in the Borough at the time of the study research.

Viability - See *Development Viability*.

X

Y

Z