

Update of the
Viability Appraisal for the 'South
Norfolk Village Clusters Housing
Allocations Plan (VCHAP)' including
Nutrient Neutrality Commentary

Valuation Date: March - May 2024

Report Date: June 2024

Details regarding the author and accountabilities

This Report has been prepared by Norse Consulting (NCGL) 280 Fifers Lane, Norwich, Norfolk, NR6 6ED on behalf of South Norfolk Council.

The parameters and terms of engagement for this assessment were agreed in February 2024. The original commission which underpins this report was previously agreed in August 2022, reported in October 2022 and updated December 2022.

The assessment has been prepared by Tracey Powell who is a member of the Royal Institution of Chartered Surveyors (RICS) and an RICS 'Registered Valuer' (the Practitioner).

The surveyor can confirm on behalf of NCGL that they have complied with the RICS professional standards and guidance, England – Financial viability in planning: conduct and reporting 1st edition, May 2019 as far as she was able to, and where any deviance may have occurred this is referred to within the body of the report.

The practitioner can confirm that:

- She has remained objective, impartial and reasonable,
- There are no known conflicts of interest,
- Confirmation of instructions have been complied with,
- There is no performance related or contingent fee relating to this commission,
- With the exception of confidential material used to assess viability inputs the material used is available,
- This is an assessment of notional Typologies,
- Where possible the practitioner has provided commentary with justification and evidence with regard to the appraisal inputs but where a high degree of practitioner judgement has been made, this has been stated,
- Commentary the approach to 'Benchmark Land Value' has been provided, and
- Limited Sensitivity Analysis has been undertaken, commentary is provided.

Prepared by: Tracey Powell MRICS

Norse Consulting

Date: 25 June 2024

Peer Review: Stuart Bizley MRICS

Independent Practitioner

Date: 25 June 2024

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Purpose of this Viability Appraisal

1. The focus of this report is to update the viability appraisal for three rural typologies from the Greater Norwich Local Plan (GNLP) Viability Appraisal, to support the South Norfolk Village Clusters Housing Allocations Plan (VCAHP), including assessing the impact of adopted Local Plan requirements, specifically GNLP Policy 3 – Environmental Protection and Enhancement – in respect of nutrient neutrality.
2. The updated appraisals will be relevant to the South Norfolk area only. For avoidance of doubt South Norfolk Council is part of the Greater Norwich Development Partnership (GNDP) area and much of the text and approach in this Viability Appraisal follows the principles which underpin the work previously undertaken for the Partnership in the preparation of Viability Appraisals available here - <https://www.gnlp.org.uk/local-plan-examination-local-plan-examination-document-library/b-evidence-library>
3. The December 2022 Viability Appraisal, to which this is an update, was therefore prepared to support the South Norfolk element of the proposed Local Plan with focus on Village Clusters.

Background and Context

4. South Norfolk Council is preparing the Village Clusters Housing Allocations Plan (VCHAP) to allocate sites for at least 1,200 new dwellings in the Village Cluster settlements in South Norfolk. Sites identified as 'Preferred' in the January 2023 Regulation 19 Pre-Submission publication version of the VCHAP and the forthcoming July 2024 Addendum to that document are spread across a wide range of rural settlements, but predominantly ranged in size from 12 to 50 dwellings. These sites correspond to three of the typologies used for the GNLP Viability Assessment as detailed in the General Approach below.
5. This Village Clusters Housing Allocations Plan Viability Assessment has been updated to take account of the most recent available information including the findings of Royal Haskoning report ([link](#)) and is focused on data for South Norfolk rather than the wider Greater Norwich area.
6. During the spring of 2022 along with all other local planning authorities in Norfolk, the Council received a [letter dated 16 March 2022](#) from Natural England concerning nutrient pollution in the protected habitats of the [River Wensum Special Area of Conservation](#) and the [Broads Special Area of Conservation and Ramsar site](#). The letter advised that new development within the catchment of these habitats comprising overnight accommodation has the potential to cause adverse impacts with regard to nutrient pollution, this includes all new homes within the catchments, including those being allocated/reallocated by the Village Clusters Housing Allocations Plan.
7. The implications for Greater Norwich including South Norfolk are that all development in river catchments potentially impacting on protected waterways in the River Wensum and the Broads Special Areas of Conservation (SACs) must be nutrient neutral. The links above identify the catchment areas.
8. Nutrient neutrality requires development involving 'overnight accommodation' to demonstrate that there are mitigation measures in place to ensure that no more nutrients will flow into the protected waterways. This is to prevent pollution of these protected habitats which results partly from excessive fertilisation from sewage-derived nitrates and phosphorous.
9. All affected Councils are in the process of formulating and delivering their strategy for managing the process to enable landowners and developers to comply with policies to achieve Nutrient Neutrality developments. For the Councils latest position please see [here](#).

10. This Viability Appraisal seeks to understand whether, following a reassessment of costs and revenue of the notional Typologies, a 'surplus' is generated to enable either a Nutrient Neutrality Tariff to be levied for 'off' site mitigation, that a proposed development has sufficient capacity to cover any increase in 'on' site mitigation costs, or, a combination of both 'on' and 'off' site costs. What this Viability Appraisal does not do is assess what the level of Tariff or what costs associated with any on site mitigation measures might be, as these are likely to vary between sites.

11. During the preparation of this Viability Appraisal, the opportunity was taken to update all costs and revenue where possible in order to align inputs as at the general valuation date.

Viability Assessment Framework

12. The key publications and guidance considered in the preparation of this updated Viability Appraisal remain the same as those publications considered for the GNDP 2020 Viability Appraisal.

These were:

- National Planning Policy Framework 2019 (NPPF) and subsequent updates, up to December 2023.
- Planning Practice Guidance (PPG) 2019 and any subsequent updates
- Viability Testing Local Plans: Advice for planning practitioners. Local Housing Delivery Group chaired by Sir John Harman June 2012 (the Harman Report)
- RICS Professional Guidance, England 1st Edition: Financial viability in planning (GN 94/2012)
- RICS Financial viability in planning: conduct and reporting. 1st Edition, May 2019

Statement regarding the current economic climate

13. While it is not a requirement for this document to advise the reader of the impact on the economy on matters arising in relation to external factors affecting the economy, it is very clear that the impact of one or a combination of a number of matters are significantly impacting on the world economy and therefore on the local economy to a lesser or greater extent.
14. Given the significance of these world events, including national politics at the time of writing this report, it is important to underline how such events can impact directly on viability of future housing developments at the local level.
15. This impact can manifest itself in many ways:

On market revenue – the affordability of housing in the event of continuing (albeit slowing) inflationary rises in the costs of living in particular energy costs, the continuing high mortgage interest rates and reduction in lending to first time buyers, wages not increasing at the same pace as costs of living, the residual impact of the Covid lockdowns and restrictions, albeit to a decreasing extent, and general austerity measures.

On development costs – the supply of goods and services had been significantly impacted by both Brexit and Covid, these continue to be resolving themselves. However, the costs associated with goods and services continue to increase, but this is now more associated with the war in Ukraine, which has had a direct impact on energy costs and ever tense world climate. It is highly likely that the true impact of rising costs are not yet fully known.

General Approach Taken

16. The approach in this Viability Appraisal is to update development costs and revenue associated with the 3 relevant notional Typologies defined in the 2020 Viability Appraisal supporting the proposed Greater Norwich Local Plan (GNLP VA), these are:
 - Typology 1 (Typology 1 in the GNLP VA) – South Norfolk Village Clusters 12 dwellings
 - Typology 2 (Typology 2 in the GNLP VA) – Main Town / Service Village 20 dwellings
 - Typology 3 (Typology 5 in the GNLP VA) – Main Town / Service Village 50 dwellings
17. While the costs and revenue will be updated, the principles or rationale underpinning the assessments will be the same as those applied in the 2020 GNLP Viability Appraisal and the subsequent addendums prepared.
18. It should be noted that the South Norfolk approach to the impact of Nutrient Neutrality on viability is to assess whether a 'surplus' is achieved once all costs and revenue have been assessed rather than the GNDP approach where a specific sum under the heading of Nutrient Neutrality Tariff was applied within the appraisal itself see Addendum 1 relating to proposed Nutrient Neutrality Tariff: May 2022.
19. Please note that should any of the principles referred to above change following the completion of the Planning Inspectors recommendations then these appraisals may also require adjustment accordingly.
20. The updated costs and revenue have been assessed during the spring of 2024 and further considered at the time of finalising this report on the basis of economic changes. Further commentary is provided in Appendix A.

Application

Methodology

21. The basic methodology or accepted practice has not altered. Given that this underpins the approach to the assessment of the Typologies, this section is re stated below.
22. The RICS professional guidance Financial Viability in Planning: GN 94/2012 states:

'It is accepted practice that a residual valuation model is most often used. This approach uses various inputs to establish the Gross Development Value (GDV) from which the Gross Development Cost is deducted.

GDC can include a Site Value as a fixed figure resulting in the developer's residual profit (return) becoming the output which is then considered against a benchmark to assess viability. Alternatively, the developer's return (profit) is an adopted input to GDC, leaving a residual land value as an output from which to benchmark viability i.e., being greater or less than what would be considered an acceptable Site Value.'
23. The 2020 GNLP Viability Appraisal assesses:
 - the site or land value as a fixed cost where the value assessed is the benchmark land value,
 - depending on the Typology, the developers profit for market housing is assessed at 17.5% or 20% of revenue, 6% of revenue for all Affordable dwellings irrespective of tenure type, and
 - once the above has been established, the workbooks for each Typology will identify either a surplus or deficit.
24. With regard to this Viability Appraisal the 'surplus' or 'deficit' is assessed following the cost and revenue update. Any surplus identified can then inform the reader whether in principle there will be sufficient capacity to meet any Nutrient Neutrality Tariff or fund 'on' site mitigation measures proposed by the future planning policy or via the site developer. What this appraisal does not do is assess what a suitable Nutrient Neutrality Tariff or additional costs under this heading might be. See point 9. Above.

Process Undertaken

25. Stages 1 and 2 of a 3 stage process has not altered from the 2020 Viability Appraisal, with the exception that additional calculations for developer profit at 15% have been undertaken for typologies 1 and 2.
26. It should be noted that the usual 'testing' of viability at Stage 3 has not been undertaken. See the summary and conclusions sections below.

Professional Input and Judgement

27. This is as the 2020 Greater Norwich Viability Appraisal previously referred to.

Gross Development Value (GDV)

Market Revenue – Residential Market, Research and Data applied

28. An assessment of market revenue rates has been undertaken over early 2024 using a variety of web-based platforms. The comparable evidence has been considered and then applied at a high level given the notional and general nature of these assessments. See Appendix D.

29. It should be noted that since the market assessment the future economic outlook is in a state of flux perhaps more than had been anticipated. When this commission commenced the local market appeared to be static in terms of new commissions, sales and revenue per sqm being achieved, it was generally considered that revenue would fall over the following few months but no one could say for certain at that time. First time buyers were known to have been particularly badly affected following lenders being perhaps overly cautious in lending to this demographic.

30. The following are the headlines from the RICS Residential Market Report April 2024:

The April 2024 RICS UK Residential Survey results show the recent recovery in buyer demand stuttering slightly, with the market seemingly impacted by the slight upward move in mortgage rates over the past few weeks. Nevertheless, forward-looking sentiment continues to point to a stronger picture for sales market activity coming through over the next twelve months.

With respect to new buyer enquiries, the headline net balance for this indicator softened to -1% in April, down from a reading of +6% previously. As such, this brings to an end a run of three consecutive positive monthly results beforehand, with the latest return indicative of a broadly flat trend. That said, the feedback around buyer demand is mixed at the regional level, with any loss of impetus mainly concentrated in London and Southern parts of England.

Meanwhile, the agreed sales metric did improve slightly in April, posting a net balance reading of +5% compared to -5% last month. Although the latest return does in fact mark the most positive reading since early 2021, it is consistent with only a marginal up-tick in monthly sales volumes.

With financial markets recently paring back expectations around the potential scale of monetary policy loosening this year, near term sales expectations appear to have been adversely effected. Indeed, the net balance for sales expectations over the coming three months dipped to -1%, marking the weakest reading since October 2023 (and now signalling a more or less stagnant near-term picture). Nevertheless, respondents still foresee a stronger trend in sales activity coming through at the twelve-month horizon, even if expectations have turned a little more moderate (net balance +33% vs +46% last month).

Looking at supply available on the market, a net balance of +23% of contributors noted an increase in the flow of new instructions during April. Significantly, this represents the most elevated figure for the new listings gauge since late 2020. Furthermore, average stock levels have now picked up to a three-year high, at 43 properties per branch. Going forward, the pipeline for new instructions appears solid, evidenced by a net balance of +20% of respondents reporting that market appraisals are up on an annual comparison.

For the headline house price indicator, the April net balance was unchanged from last month, registering a figure of -5%. Once again, this is signalling a largely stable trend in house prices at the aggregate level. Moreover, virtually all parts of England returned either a flat or marginally negative reading for the house price series.

31. As a consequence of the above a high degree of caution will continue to be attached to revenue levels. See Appendix A for further commentary.

Affordable Housing Revenue – Research and Data applied

32. No change to the principles from the 2020 Greater Norwich Viability Assessment, which anticipates a policy compliant level of affordable housing of 33% for sites in these locations.
33. Please note that there may have been changes in approaches made by Registered Social Landlords since the publishing of the 2020 Viability Appraisal when considering proposed affordable products at the date of this report.

Gross Development Costs (GDC)

34. The principles underlying the Development Costs applied to each Typology are as provided in the 2020 Viability Appraisal.
35. Each cost item has been updated. Please see Appendix A: Summary of Revenue and Costs for details.

Outcome - Findings

36. In these viability appraisals the approach taken is that any surplus generated will be available for costs associated with Nutrient Neutrality whatever they might be.
37. In particular, please note the initial approach taken with regard to Developers Profit is to fall in line with the Greater Norwich Local Plan 'equivalent' Typologies.
38. Each Typology has been appraised and the calculations are located in Appendix B.
39. The outcome and findings are summarised in Table 1 below.

Table 1 - May 2024 – in line with GNLP equivalent Typologies

Table 4: Summary Surplus/Deficit where build costs £1,428 per sqm and DP at 20% & 17.5%	Typology 1		Typology 2		Typology 3 – no change to the CBC increases	
No. Dwellings:	12		20		50	
Gross Area:	0.67	Ha	1.15	Ha	1.82	Ha
	1.65	ac	2.85	ac	4.5	ac
Developers Profit:	20%	Mkt	20%	Mkt	17.50%	Mkt
	6%	AH	6%	AH	6%	AH
S or D Generated:	£98,582		£127,536		£505,758	
Per dwelling	-		-		£10,115	
Per Ha	-		-		£277,889	
Per acre	-		-		£112,391	

40. With GDV and GDC updated, Typologies 1 and 2 show a deficit where the Developers Profit of 20% is applied to the Market Dwellings.
41. Typology 3 generates a surplus of in excess of £500,000 where the Developers Profit of 17.5% is applied to the Market Dwellings.

Sensitivity Analysis

42. While it is usual to undertake sensitivity analysis to gauge where a scheme or development viability threshold might lie, such as testing revenue by increasing or decreasing by plus or minus 5% and / or testing land values applied or any other element of the costs applied depending on what you are seeking to demonstrate or identify, this appraisal assesses in isolation:

- A reduced Developers Profit for Typologies 1 and 2 only at 17.5%.

43. Table 2 – Sensitivity 1 below identifies the impact of the reduced Developers Profit applied to the appraisals.

Table 2 - Sensitivity 1

Table 4: Summary Surplus/Deficit where build costs £1,428 per sqm and DP at 17.5%	Typology 1		Typology 2		Typology 3 – no change to the CBC increases	
No. Dwellings:	12		20		50	
Gross Area:	0.67	Ha	1.15	Ha	1.82	Ha
	1.65	ac	2.85	ac	4.50	ac
Developers Profit:	17.5%	Mkt	17.5%	Mkt	17.5%	Mkt
	6%	AH	6%	AH	6%	AH
S or D Generated:	£24,530		£13,944		£505,758	
Per dwelling	-		-		£10,115	
Per Ha	-		-		£277,889	
Per acre	-		-		£112,391	

44. Typology 1 and 2 applying a 17.5% Developers Profit to the Market Dwellings remains in deficit albeit to a lesser extent. Typology 3 surplus remains as the base appraisal.

45. As a consequence, and still in line with Planning Guidance a 15% Developers Profit was subsequently applied.

46. The outcome is as the Table 3 – Sensitivity 2 below.

Table 3 - Sensitivity 2

Table 4: Summary Surplus/Deficit where build costs £1,428 per sqm and DP at 15% & 17.5%	Typology 1		Typology 2		Typology 3 – no change to the CBC increases	
No. Dwellings:	12		20		50	
Gross Area:	0.67	Ha	1.15	Ha	1.82	Ha
	1.65	ac	2.85	ac	4.50	ac
Developers Profit:	15%	Mkt	15%	Mkt	17.5%	Mkt
	6%	AH	6%	AH	6%	AH
S or D Generated:	£49,237		£99,074		£505,758	
Per dwelling	£4,103		£4,954		£10,115	
Per Ha	£73,488		£86,151		£277,889	
Per acre	£29,841		£34,763		£112,391	

47. By applying 15% Developer Profit to the Market Dwellings a surplus for Typologies 1 and 2 is now generated.

48. There are no changes to Typology 3 where a reasonable surplus is generated with the increased core build costs and a 17.5% developers profit.

Conclusion

49. It is clear that Typology 3 can generate a surplus of a sufficient amount to enable a potential Nutrient Neutrality Tariff, or other suitable on-site requirements, to be justified. This is due to the economies of scale for development of this size.
50. It is clear that Typologies 1 and 2 can produce a surplus when based on the costs and revenue assessed; however, the Developers Profit will need to be reduced to 15% to enable a sufficient surplus for a realistic allowance for Nutrient Neutrality Policy requirements.
51. It is possible that smaller sites perhaps of a more exclusive nature and slightly lower density could produce a higher revenue and therefore potentially achieve a surplus with an increased allowance for Developer Profit. This hypothesis however has not been tested.
52. It should be noted that any additional increases in costs experienced, or a fall in revenue, will further impact on development especially smaller schemes where any economies of scale will be difficult to sustain.
53. This is a particularly challenging economic environment and South Norfolk alongside the rest of the Country will continue to experience such conditions which are unlikely to alter in the short to medium term. As a consequence, all data inputs into these appraisals are likely to alter over a shortened period of time and therefore a high caution should be exercised. However, this is in the context of a plan where a number of sites fall outside of the area covered by nutrient neutrality, and therefore will not be required to deliver the same surplus, and where delivery is over the period to 2038.

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Appendix A: Summary of Viability Appraisal Inputs as at the notional Valuation Date of April - May 2024

Assumptions regarding core inputs

Appraisal Element:	Change from previous report:	Context:	Cost to be applied £:
Notional Typologies	No	<p>Three notional Typologies proposed by the client to be assessed are:</p> <ul style="list-style-type: none"> • Typology 1 – 12 dwellings • Typology 2 – 20 dwellings • Typology 3 – 50 dwellings <p>To support these proposed Typologies the client has prepared a list of proposed allocations identifying the site areas and proposed dwelling numbers. Simple analysis show these notional Typologies are considered to generally fall in line with the preferred site list.</p>	NA
Typology Site Areas	No	<p>Further analysis of the proposed allocations list suggest suitable notional site areas could be as follows:</p> <ul style="list-style-type: none"> • Typology 1 – suggest 1.65 acres, 0.67Ha (GNDP at 1.24 acres, 0.50 Ha) • Typology 2 – suggest 2.85 acres, 1.15Ha (GNDP at 1.75 acres, 0.71 Ha) • Typology 3 – suggest 4.50 acres, 1.82Ha (GNDP at 5.00 acres, 2.02 Ha) <p>The newly assessed areas will be applied on the basis that these areas are taken from actual proposed development sites. Please note that it is assumed these areas are gross areas only. No allowance will be made from net developable areas.</p>	NA
Housing Density	No	<p>Further analysis of the proposed allocations list suggest suitable notional site areas could be as follows:</p>	NA

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- All typologies between 7 and 11 dwellings per acre or 17 and 27 dwellings per Ha.

Housing Mix

No

The mix will fall in line with that proposed by the relevant GNLP Typology.

SNC Typology 1

(GNLP Typology 1: South Norfolk Village Clusters – areas outside main towns and key service areas)

Min. Space Standards		No. Dw:	Market	ART 75%	AHO 25%	Mix
GIA m²:						
1 bed house	58	0	0	0	0	0%
2 bed house	79	5	2	2	1	42%
3 bed house	102	5	4	1	0	42%
4b+ house	124	2	2	0	0	17%
		12	8	3	1	100%

SNC Typology 2

(GNLP Typology 2: Main Town and Service Villages such as Dickleburgh, Harleston, Wymondham)

Min. Space Standards		No. Dw:	Market	ART 75%	AHO 25%	Mix
GIA m²:						
1 bed house	58	2	0	2	0	10%
2 bed house	79	9	6	2	1	45%
3 bed house	102	7	5	1	1	35%
4b+ house	124	2	2	0	0	10%
		20	13	5	2	100%

Numbers assessed as stated

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		<p><u>SNC Typology 3</u> (GNLP Typology 5: Main Town and Service Village such as Dickleburgh, Harleston, Wymondham)</p> <table border="1" data-bbox="510 422 1680 769"> <thead> <tr> <th colspan="2"><u>Min. Space Standards</u></th> <th rowspan="2">No. Dw:</th> <th rowspan="2">Market</th> <th rowspan="2">ART 75%</th> <th rowspan="2">AHO 25%</th> <th rowspan="2">Mix</th> </tr> <tr> <th colspan="2">GIA m²:</th> </tr> </thead> <tbody> <tr> <td>1 bed house</td> <td>58</td> <td>4</td> <td>0</td> <td>4</td> <td>0</td> <td>8%</td> </tr> <tr> <td>2 bed house</td> <td>79</td> <td>19</td> <td>13</td> <td>4</td> <td>2</td> <td>38%</td> </tr> <tr> <td>3 bed house</td> <td>102</td> <td>18</td> <td>13</td> <td>3</td> <td>2</td> <td>36%</td> </tr> <tr> <td>4b+ house</td> <td>124</td> <td>9</td> <td>8</td> <td>1</td> <td>0</td> <td>18%</td> </tr> <tr> <td colspan="2"></td> <td>50</td> <td>34</td> <td>12</td> <td>4</td> <td>100%</td> </tr> </tbody> </table>	<u>Min. Space Standards</u>		No. Dw:	Market	ART 75%	AHO 25%	Mix	GIA m²:		1 bed house	58	4	0	4	0	8%	2 bed house	79	19	13	4	2	38%	3 bed house	102	18	13	3	2	36%	4b+ house	124	9	8	1	0	18%			50	34	12	4	100%	
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<p>Size of Dwellings</p>	<p>No</p>	<p>The size of dwellings proposed will follow the GNLP proposals.</p> <ul style="list-style-type: none"> • 1 bed apartment at 50sqm • 2 bed house at 79 sqm • 3 bed house at 102 sqm • 4 bed house at 124 sqm 	<p>Assessed as stated</p>																																												
<p>Affordable Housing</p>	<p>No</p>	<p>In line with GNLP assessment, seeking 33% on a 75:25 split between ART and AHO. Please note that due to the relatively small numbers of dwellings and the need for a whole house the percentages may not be exact.</p>	<p>Assessed as stated</p>																																												

SNC Typology 1

(GNLP Typology 1: South Norfolk Village Clusters – areas outside main towns and key service areas)

<u>Affordable Housing Policy Check</u>		
Tenure	No. Dw:	%age:
Market	8	
ART	3	
AHO	1	
	12	33%

SNC Typology 2

(GNLP Typology 2: Main Town and Service Villages)

<u>Affordable Housing Policy Check</u>		
Tenure	No. Dw:	%age:
Market	13	
ART	5	
AHO	2	
	20	35%

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		<p><u>SNC Typology 3</u> (GNLP Typology 5: Main Town and Service Village)</p> <table border="1" data-bbox="504 387 1115 638"> <thead> <tr> <th colspan="3"><u>Affordable Housing Policy Check</u></th> </tr> <tr> <th>Tenure</th> <th>No. Dw:</th> <th>% age:</th> </tr> </thead> <tbody> <tr> <td>Market</td> <td style="text-align: center;">34</td> <td></td> </tr> <tr> <td>ART</td> <td style="text-align: center;">12</td> <td></td> </tr> <tr> <td>AHO</td> <td style="text-align: center;">4</td> <td></td> </tr> <tr> <td></td> <td style="text-align: center;">50</td> <td style="text-align: center;">32%</td> </tr> </tbody> </table>	<u>Affordable Housing Policy Check</u>			Tenure	No. Dw:	% age:	Market	34		ART	12		AHO	4			50	32%	
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Tenure	No. Dw:	% age:																			
Market	34																				
ART	12																				
AHO	4																				
	50	32%																			
<p>Greater Norwich Local Plan Policy requirements</p>	<p>Updated</p>	<p>POLICY 3 – ENVIRONMENTAL PROTECTION AND ENHANCEMENT</p> <p>POLICY 2 – SUSTAINABLE COMMUNITIES, WATER, ENERGY AND LIFETIME ACCESS</p> <p>Both Policies remain relevant impact is considered below.</p>	<p>NA</p>																		

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Gross Development Value

Appraisal Element:	Change from previous report:	Context:	Cost to be applied £:
Market Sales	Updated	<p>As at the date of the Viability Appraisal a brief assessment of the new build only properties on the market revealed that there are no 1 bed houses, and only a modest number of 2, 3 and 4 bed dwellings available within the South Norfolk area.</p> <p>The range over South Norfolk for houses is from £3,146 per sqm in Woodton to £4,651 per sqm in Great Moulton however these are at the extremes the general level is around £3,448 to £3,797 per sqm.</p> <p>Bungalows are in excess of these figures but there are disproportionately more of them particularly in the Wymondham area.</p> <p>Previously the 2020 Viability Appraisal the following sales rates were applied:</p> <ul style="list-style-type: none"> • Typology 1 - £2,900 per sqm to £3,100 per sqm • Typology 2 - £3,100 per sqm to £3,250 per sqm • Typology 3 - £3,100 per sqm to £3,250 per sqm <p>For the 2022 Viability Appraisal the following sales figures was applied to all Typologies:</p> <ul style="list-style-type: none"> • £3,508 per sqm to £3,579 per sqm <p>For this Viability Appraisal the following was applied to all Typologies although please note the location and quality of a development can impact significantly on what can be achieved:</p> <ul style="list-style-type: none"> • £3,448 per sqm to £3,797 per sqm 	<p>£3,448 to £3,797 per sqm</p>

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		<p>To place these figures in context as well as all costs it is important to understand the current economic climate and its impact on the property and in particular the residential market in its wider context. It is considered important to convey how market uncertainty can affect valuations and until relatively recently such statements were a mandatory requirement for all formal valuations undertaken in accordance with the RICS Global Standards (The Red Book).</p> <p>While this report contains the valuation of notional schemes only and therefore not formal valuations the Valuer nevertheless considers that it is important to convey the importance of material uncertainty to the reader.</p> <p>It is well documented that in recent times there have been a number of significant events which have given rise and continue to give rise to material uncertainty and how it might impact on valuations prepared.</p> <p>The current pressing issue affecting the United Kingdom is the pressure on internal and external factors affecting the economy.</p> <p>How does this affect house prices? With continuing high interest rates lenders are being more stringent in their lending terms and conditions which has particularly affected first-time entrants into the property market and this will in turn affect the buoyancy of the other transactions.</p> <p>Therefore, as a consequence of the Ukraine War, the Israel conflict and the cost-of-living crisis there is a significant amount of uncertainty surrounding the current and future performance of the residential housing market.</p>	
<p>Affordable Rent Tenure</p>	<p>No</p>	<p>In line with the proposed GNLP a 55% discount or 45% of the market value equivalent is applied although it should be noted that there is emerging evidence that some development sites are achieving slightly more than 50% of market value on affordable sales.</p>	<p>45% of MV</p>

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Affordable Home Ownership	No	In line with the proposed GNLP i.e. at 25% discount or 75% of the market value equivalent.	75% of MV
Sales Fees	No	<p>In accordance with the proposed GNLP.</p> <p><u>Market Sales</u></p> <ul style="list-style-type: none"> • Agent Fees at 1.5% • Legal Fees at 0.25% <p><u>Affordable Dwellings</u></p> <ul style="list-style-type: none"> • Agent fees nil • Legal Fees at 0.35% 	Assessed as stated
Programme	No	<p>Market and Affordable Homeownership say 2 – 4 dwellings per month.</p> <p>Affordable Rented Tenure in 2 equal instalments.</p> <p>This follows the proposed GNLP approach.</p>	Assessed as stated

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Development Costs

Appraisal Element:	Change from previous report:	Context:	Cost to be applied £:
Indexation	Updated	<p>In order to assess current development costs for the 2024 Viability Appraisal the 2020 data has been assessed unless otherwise stated by applying the Retail Prices Index between the relevant dates i.e. November 2020 to March 2024. March 2024 is the latest indices rate see the following:</p> <p>RPI All Items Index: Jan 1987=100 - Office for National Statistics (ons.gov.uk)</p> <ul style="list-style-type: none"> • 383.0 March 2024 • 293.5 November 2020 • Multiplier therefore 1.305 <p>Please note that there is a four year difference between the originally assessed development costs and the current assessment date, it is possible therefore that the originally independently assessed costs could now be influenced by other factors such as new technologies employed, supply chain changes etc which might make a straightforward indexation inappropriate.</p> <p>Please note for the indexation of the Planning Obligation elements the multiplier is 1.075 using the 2022 assessed figures and indexing to 2024.</p>	NA

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<p>Core Build Costs</p>	<p>Updated</p>	<p>The GNLP applied the following in the December 2020 Viability Appraisal, text within that Viability Appraisal places the figures used below in context:</p> <ul style="list-style-type: none"> • £1,221 per m² applied to the GIA of each house type relating to the South Norfolk area (November 2020, sample 243, 810.1 Estate Housing generally, median) <p>This appraisal for SNC will apply the BCIS figures as at March 2024 using the same base criteria:</p> <ul style="list-style-type: none"> • £1,428 per m² applied to the GIA of each house type relating to the South Norfolk area (Q1 2024, sample 230, default 5 years, 810.1 Estate Housing generally, median) <p>By applying the RPI from November 2020 to March 2024 the indexed the sums would be:</p> <ul style="list-style-type: none"> • £1,593 per m² applied to the GIA of each house type <p>The potential reason for the differences between an indexed sum and the BCIS current build rate is that there tends to be a lag in reported build costs. The current economic climate and commentary would suggest the BCIS rate shown is likely to rise.</p> <p>While the BCIS rate will be applied it may be prudent to robustly test the build cost applied.</p>	<p>£1,428 / sqm</p>
<p>Garage Costs</p>	<p>Updated</p>	<p>The proposed GNLP applied £600 per sqm where all market 3 bed properties had notional single garages at 21sqm each and all 4 bed market dwellings had double garages at 42sqm.</p> <p>The principle of single and double garages to market 3 and 4 bed dwellings respectively is unaltered.</p> <p>The build cost applies is £783 per sqm. (Indexed)</p>	<p>£783 / sqm</p>

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Energy Policy	Updated	The sum of £5,000 per dwelling was applied to the GNLP appraisals, this sum has been indexed from November 2020 to March 2024; the sum in the appraisals is £6,525 per dwelling.	£6,525 / dw
Water Policy	Updated	The sum of £9 per dwelling was applied to the GNLP appraisals, this sum has been indexed from November 2020 to March 2024; the sum in the appraisals is rounded up to £12.00 per dwelling.	£12 / dw
Access Policy	Updated	The sum of £1,400 per dwelling was applied to the GNLP appraisals, this sum has been indexed from November 2020 to March 2024; the sum in the appraisals is £1,827 per dwelling.	£1,827 / dw
Site and Infrastructure	No	The equivalent Typologies in the GNLP applied 20%. Although costs have increased there is no reason at this time to increase the siteworks percentage for these notional assessments. As costs increase so too will the siteworks.	20%
Brownfield	No	All greenfield sites, any brownfield site seeking planning permission for development is likely to be individually assessed.	NA
Contingency on Build Costs	No	The sum assessed is 3% of Build Costs.	3%
Professional Fees	No	The rate applied is 10% of Construction Costs as stated above.	10%

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<p>Nutrient Neutrality Tariff</p>	<p>Updated</p>	<p>Since the publication of the previous Viability Appraisal various changes with regard to approach to Nutrient Neutrality have taken place. It is understood that the current position sourced from the Greater Norwich Local Plan (GNLP, paragraphs 215 to 222) is as follows:</p> <p><i>‘In addition to a calculator provided by Natural England, a local nutrient neutrality calculator, the Norfolk Budget Calculator, enables developers to identify the scale of mitigation requirements on a site-by-site basis.</i></p> <p><i>Evidence on a wide portfolio of the most suitable measures for use in Norfolk has been produced by consultants Royal Haskoning. For many sites, different types of off-site or on-site mitigation measures will be used in combination. The off-site measures will mainly be delivered through a Joint Venture Company, Norfolk Environmental Credits. The company brokers delivery of a variety of mitigation options between providers, such as 69 landowners and developers. It secures mitigation and then issues certificates confirming the credits that have been purchased. Developers must submit the certificates with their planning applications.</i></p> <p><i>This portfolio of mitigation measures includes:</i></p> <ul style="list-style-type: none"> • <i>Nature-based solutions such as silt traps,</i> • <i>Runoff management measures such as cover crops,</i> • <i>Wastewater management measures such as improvements to wastewater treatment works, and</i> • <i>Demand management measures such as retrofitting water saving fixtures and fittings in existing properties.</i> <p><i>Large-scale greenfield sites are generally able to provide dedicated on-site mitigation. It is estimated that around 60% of the homes in the plan will be on such sites. Some brownfield sites in Norwich will benefit from mitigation from a programme of retrofitting water efficiency measures in council housing. Therefore, the mitigation opportunities provided are of most importance to the developers of small and medium-scale greenfield sites and brownfield sites not benefitting from the retrofitting programme.</i></p>	
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		<p><i>The portfolio of mitigation opportunities enables Habitats Regulations requirements to be addressed at a reasonable cost, limiting the impact on the viability of development. The Levelling Up and Regeneration Bill requires upgrades to Anglian Water’s strategic wastewater treatment plants by 2030. This will lead to around a 36% reduction in phosphorus pollutants entering the watercourse from the treatment plants and a 65% reduction in nitrogen. The cost per dwelling of nutrient neutrality mitigation measures will be reduced once these improvements have been made.</i></p> <p><i>Natural England will also provide off-site schemes and nutrient neutrality credits through nature and land-based solutions such as wetlands and woodlands. These will be medium to long-term solutions. These solutions will sit alongside mitigation options provided through Norfolk Environmental Credits. It is also expected that commercial providers will enter the nutrient neutrality market.</i></p> <p><i>Government guidance on combining environmental credits for biodiversity net gain and nutrient mitigation has confirmed that “stacking” of environmental credits is permitted. This means that credits from the same activity on a piece of land can be sold separately for both biodiversity net gain and nutrient mitigation provided that the eligibility criteria for each market is met.</i></p> <p><i>The impacts of nutrient neutrality requirements have been taken into account in the plan’s housing delivery trajectory.’</i></p> <p>The approach to accounting for Nutrient Neutrality within the Viability Appraisals per Typology has been to assess the surplus generated from a notional scheme to see what level of surplus is available above the stated developer profit to support a Nutrient Neutrality payment or Tariff.</p>	
<p>Visitor Policy Payment</p>	<p>Updated</p>	<p>The payment level assessed in December 2020 was £205 per dwelling to include all Affordable dwellings. This has been indexed to March 2024 which is assessed at £268 per dwelling.</p>	<p>£268 / dw</p>

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CIL	Updated	<p>While South Norfolk is covered by two charging Zones, it is proposed to model all Zone A with a multiplier of £120.57/m² (2024) is only on the basis his would be the worst case scenario.</p> <p>For clarification CIL is applied to:</p> <ul style="list-style-type: none"> • All market dwellings, • Affordable Homeownership dwellings, and • Garages. 	£120.57 / sqm
Planning Obligations	Updated	<p>There are two separately identified payments for each typology:</p> <ul style="list-style-type: none"> • Off-site green Infrastructure Land Purchase, Equipment and Maintenance, and • Open Space Land Purchase, Equipping and Maintenance <p>The original formulaic tables provided by Broadland Council for the GNLP Viability Appraisal has applied indexed costs. This may require review and reassessment if amendments have been made to he original method of assessment.</p>	Indexed amounts for each Typology as required
Marketing/Showrooms	No	<p>Allowance of £50,000 per showroom per 50 dwellings was applied in the proposed GNLP. It is considered not necessary to increase this amount on the basis that savings would be sought in the current economic climate.</p> <p>This applies to Typology 3 only. This is a sum which may have the ability to be reduced depending on other marketing costs/fees etc.</p>	T3 only - £50,000

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<p>Benchmark Land Values</p>	<p>Updated</p>	<p>GNLN base rate applied £10,117 per acre (£25,000 per Ha) for the equivalent Typologies and a multiplier or percentage uplift of 20 x's the existing use value (EUV) for Typologies 1 and 2, while Typology 3 had an equivalent uplift of 17.5 x's.</p> <p>This resulted in the following benchmark land values (equivalent GNLN Typology):</p> <ul style="list-style-type: none"> • £202,340 per acre (£500,000 per Ha) for Typology 1 and 2 • £177,048 per acre (437,500 per Ha) for Typology 3 <p>Analysis suggested that the existing use values i.e., land for agricultural use were lower in 2022 at the time the Viability Appraisal was updated than in 2020 when the original Viability Appraisal was prepared. The range was around £8,500 per acre for arable land rising to £16,750 per acre for lifestyle use. Other web based sites suggested for South Norfolk at that time that rates lay between £7,120 per acre to £9,585 per acre for arable land.</p> <p>The Source of data: Carter Jonas commentary on the East of England rates for 2022 and Rightmove then current asking prices, the same approach is made for this 2024 revision.</p> <p>These appraisals will apply £9,250 per acre (£22,856 per Ha) [the average £/acre or Ha for arable land in the East of England] as the EUV and apply the same multipliers.</p> <ul style="list-style-type: none"> • £185,000 per acre (£457,129 per Ha – say £457,000) for Typologies 1 and 2 • £161,875 per acre (£399,988 per Ha – say £400,000) for Typology 3 <p>For information relating to the principles which lie behind Benchmark Land Values see the Viability Appraisal in support of the Greater Norwich Local Plan December 2020.</p>	<p>Base £9,250 per acre</p>
<p>SDLT</p>	<p>No</p>	<p>Standard approach adopted</p>	<p>As stated</p>

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Land Payment Fees	No	Allowance of 1.25%	1.25%
Finance	No	In light of the recent Base Bank Rate increases and the potential for further increases to stem inflation, the proposed GNLP rate Interest rate of 6% has been increased to 7% at this point in time, however longer term anecdotally there may be grounds to reduce this rate.	7%
Program/Timing of Payments	No	In accordance with the Typology size, this will follow the proposed GNLP equivalent Typology currently being applied at 2 – 4 dwellings per month after a suitable lead in period.	2 – 4 dw / mth
Developers Profit	No	<p>The approach taken was to fall in line with the proposed GNLP equivalent Typologies. However, after running through Typologies 1 and 2 at 20% Developers Profit and Typology 3 at 17.5% it was found that while Typology 3 produced a surplus and therefore enable the consideration of a Nutrient Neutrality Typologies 1 and 2 did not achieve a surplus. As a consequence, 15% Developers Profit scenario was assessed for the two Typologies.</p> <p>All Affordable Housing Developer's Return will remain at 6%.</p>	<p>T1 – DP at 15% & 17.5%</p> <p>T2 – DP at 15% & 17.5%</p> <p>T3 – DP at 17.5%</p>

8 Market Units

Capital Receipt			2,945,000
Direct Sale Fees		1.50 %	-44,175
Direct Sale Legal Fees		0.25 %	-7,363
		Total	2,893,463

3 ART Units

RSL Payment 1 - 100% Capital Receipt			437,626
Legal Fees		0.35 %	-1,532
		Total	436,094

1 AHO Units

Capital Receipt			225,000
Legal Fees		0.35 %	-788
		Total	224,213

Construction Costs

Construct 12 houses	1,153.00 sq m at	1,428.00 psm	-1,646,484
Construct Garages	168.00 sq m at	783.00 psm	-131,544
Policy - water	12.00 units at	12.00	-144
Policy - energy	12.00 units at	6,522.00	-78,264
Policy - access 20% of homes	2.40 units at	1,827.00	-4,385
External Works		20.00 %	-372,164
Contingency		3.00 %	-55,825
Professional Fee		10.00 %	-186,082
		Total	-2,474,892

Planning Policy Payments

Visitor Policy	12.00 units at	268.00 a	-3,216
CIL - payment 1 25%			-31,981
CIL - payment 2 75%			-95,944
PC - informal land purchase			-8,669
PC - informal equip & maintenance			-19,716
PC - formal land purchase			-10,836
PC - formal equipping & maintenance			-20,961
Nutrient Nuetrality			-1
		Total	-191,324

Notional Land Purchase

Benchmark Land Value	0.67 hectares at	457,120.00	-306,270
SDLT (to be assessed) say			-5,000
Professional Fees		1.25 %	-3,891
		Total	-315,161

Developers Profit on GDV

Market Developers Profit at 20%			-589,000
AHO Developers Profit at 6%			-13,500
ART Developers Profit at 6%			-26,258
		Total	-628,758

Debt Interest - Overall	100.00 % of Cost	-3,663,992	(32.02% Used)
Charged Quarterly			
Compounded Quarterly	7.00 %pa	Interest	-42,216

Revenue	3,607,626
Outgoings	-3,706,208
Deficit	-98,582

13 Market Units

Capital Receipt			4,517,500
Direct Sale Fees		1.50 %	-67,763
Direct Sale Legal Fees		0.25 %	-11,294
		Total	4,438,444

5 ART Units

RSL Payment 1 - 50% Capital Receipt			318,038
RSL Payment 2 - 50% Capital Receipt			318,038
Legal Fees		0.35 %	-2,226
		Total	633,850

2 AHO Units

Capital Receipt			504,375
Legal Fees		0.35 %	-1,765
		Total	502,610

Construction Costs

Construct 20 houses	1,789.00 sq m at	1,428.00 psm	-2,554,692
Construct Garages	189.00 sq m at	783.00 psm	-147,987
Policy - water	20.00 units at	12.00	-240
Policy - energy	20.00 units at	6,522.00	-130,440
Policy - access 20% of homes	4.00 units at	1,827.00	-7,308
External Works		20.00 %	-568,133
Contingency		3.00 %	-85,220
Professional Fee		10.00 %	-284,067
		Total	-3,778,087

Planning Policy Payments

Visitor Policy	20.00 units at	268.00 a	-5,360
CIL - payment 1 25%			-48,288
CIL - payment 2 75%			-144,865
PC - informal land purchase			-13,535
PC - informal equip & maintenance			-30,785
PC - formal land purchase			-16,919
PC - formal equipping & maintenance			-32,732
Nutrient Nuetrality			-1
		Total	-292,485

Notional Land Purchase

Benchmark Land Value	1.15 hectares at	457,120.00	-525,688
SDLT (to be assessed) say			-15,750
Professional Fees inc Bank		1.25 %	-6,768
		Total	-548,206

Developers Profit on GDV

Market at 20%			-903,500
AHO at 6%			-30,263
ART at 6%			-38,165
		Total	-971,928

Debt Interest - Overall	100.00 % of Cost	-5,673,754	(41.86% Used)
Charged Quarterly			
Compounded Quarterly	7.00 %pa	Interest	-111,733

Revenue	5,657,951
Outgoings	-5,785,487
Deficit	-127,536

34 Market Units

Capital Receipt			12,162,500
Direct Sale Fees		1.25 %	-152,031
Direct Sale Legal Fees		0.25 %	-30,406
		Total	11,980,063

12 ART Units

RSL Payment 1 - 25% Capital Receipt			816,075
RSL Payment 2 - 25% Capital Receipt			816,075
Legal Fees		0.35 %	-5,713
		Total	1,626,437

4 AHO Units

Capital Receipt			1,008,750
Legal Fees		0.35 %	-3,531
		Total	1,005,219

Construction Costs

Construct 50 houses	4,685.00 sq m at	1,428.00 psm	-6,690,180
Construct Garages	609.00 sq m at	783.00 psm	-476,847
Policy - water	50.00 units at	12.00	-600
Policy - energy	50.00 units at	6,522.00	-326,100
Policy - access 20% of homes	10.00 units at	1,827.00	-18,270
External Works		20.00 %	-1,502,399
Contingency		3.00 %	-225,360
Professional Fee		10.00 %	-751,200
		Total	-9,990,956

Planning Policy Payments

Visitor Policy	50.00 units at	268.00 a	-13,400
CIL - payment 1 25%			-130,095
CIL - payment 2 75%			-390,285
PC - informal land purchase			-35,283
PC - informal equip & maintenance			-80,244
PC - formal land purchase			-44,104
PC - formal equip & maintenance			-85,308
Nutrient Nuetrality			-1
		Total	-778,720

Other Outgoings

Marketing Showrooms	1.00 units at	50,000.00 a	-50,000
		Total	-50,000

Notional Land Purchase

Benchmark Land Value	1.82 hectares at	399,980.00	-727,964
SDLT (to be assessed) say			-26,000
Professional Fees		1.25 %	-9,425
		Total	-763,388

Developers Profit on GDV

Market @ 17.5%			-2,128,438
AHO @ 6%			-60,525
ART @ 6%			-97,929
		Total	-2,286,892

Debt Interest - Overall	100.00 % of Cost	-14,061,637	(28.55% Used)
Charged Quarterly			
Compounded Quarterly	7.00 %pa	Interest	-236,005

Revenue	14,803,400
Outgoings	-14,297,642
Surplus	505,758

8 Market Units

Capital Receipt			2,945,000
Direct Sale Fees		1.50 %	-44,175
Direct Sale Legal Fees		0.25 %	-7,363
		Total	2,893,463

3 ART Units

RSL Payment 1 - 100% Capital Receipt			437,626
Legal Fees		0.35 %	-1,532
		Total	436,094

1 AHO Units

Capital Receipt			225,000
Legal Fees		0.35 %	-788
		Total	224,213

Construction Costs

Construct 12 houses	1,153.00 sq m at	1,428.00 psm	-1,646,484
Construct Garages	168.00 sq m at	783.00 psm	-131,544
Policy - water	12.00 units at	12.00	-144
Policy - energy	12.00 units at	6,522.00	-78,264
Policy - access 20% of homes	2.40 units at	1,827.00	-4,385
External Works		20.00 %	-372,164
Contingency		3.00 %	-55,825
Professional Fee		10.00 %	-186,082
		Total	-2,474,892

Planning Policy Payments

Visitor Policy	12.00 units at	268.00 a	-3,216
CIL - payment 1 25%			-31,981
CIL - payment 2 75%			-95,944
PC - informal land purchase			-8,669
PC - informal equip & maintenance			-19,716
PC - formal land purchase			-10,836
PC - formal equipping & maintenance			-20,961
Nutrient Nuetrality			-1
		Total	-191,324

Notional Land Purchase

Benchmark Land Value	0.67 hectares at	457,120.00	-306,270
SDLT (to be assessed) say			-5,000
Professional Fees		1.25 %	-3,891
		Total	-315,161

Developers Profit on GDV

Market Developers Profit at 17.5%			-515,375
AHO Developers Profit at 6%			-13,500
ART Developers Profit at 6%			-26,258
		Total	-555,133

Debt Interest - Overall	100.00 % of Cost	-3,590,367	(32.68% Used)
Charged Quarterly			
Compounded Quarterly	7.00 %pa	Interest	-41,789

Revenue	3,607,626
Outgoings	-3,632,156
Deficit	-24,530

13 Market Units

Capital Receipt			4,517,500
Direct Sale Fees		1.50 %	-67,763
Direct Sale Legal Fees		0.25 %	-11,294
		Total	4,438,444

5 ART Units

RSL Payment 1 - 50% Capital Receipt			318,038
RSL Payment 2 - 50% Capital Receipt			318,038
Legal Fees		0.35 %	-2,226
		Total	633,850

2 AHO Units

Capital Receipt			504,375
Legal Fees		0.35 %	-1,765
		Total	502,610

Construction Costs

Construct 20 houses	1,789.00 sq m at	1,428.00 psm	-2,554,692
Construct Garages	189.00 sq m at	783.00 psm	-147,987
Policy - water	20.00 units at	12.00	-240
Policy - energy	20.00 units at	6,522.00	-130,440
Policy - access 20% of homes	4.00 units at	1,827.00	-7,308
External Works		20.00 %	-568,133
Contingency		3.00 %	-85,220
Professional Fee		10.00 %	-284,067
		Total	-3,778,087

Planning Policy Payments

Visitor Policy	20.00 units at	268.00 a	-5,360
CIL - payment 1 25%			-48,288
CIL - payment 2 75%			-144,865
PC - informal land purchase			-13,535
PC - informal equip & maintenance			-30,785
PC - formal land purchase			-16,919
PC - formal equipping & maintenance			-32,732
Nutrient Nuetrality			-1
		Total	-292,485

Notional Land Purchase

Benchmark Land Value	1.15 hectares at	457,120.00	-525,688
SDLT (to be assessed) say			-15,750
Professional Fees inc Bank		1.25 %	-6,768
		Total	-548,206

Developers Profit on GDV

Market at 17.5%			-790,563
AHO at 6%			-30,263
ART at 6%			-38,165
		Total	-858,991

Debt Interest - Overall	100.00 % of Cost	-5,560,817	(42.71% Used)
Charged Quarterly			
Compounded Quarterly	7.00 %pa	Interest	-111,078

Revenue	5,657,951
Outgoings	-5,671,895
Deficit	-13,944

8 Market Units

Capital Receipt			2,945,000
Direct Sale Fees		1.50 %	-44,175
Direct Sale Legal Fees		0.25 %	-7,363
		Total	2,893,463

3 ART Units

RSL Payment 1 - 100% Capital Receipt			437,626
Legal Fees		0.35 %	-1,532
		Total	436,094

1 AHO Units

Capital Receipt			225,000
Legal Fees		0.35 %	-788
		Total	224,213

Construction Costs

Construct 12 houses	1,153.00 sq m at	1,428.00 psm	-1,646,484
Construct Garages	168.00 sq m at	783.00 psm	-131,544
Policy - water	12.00 units at	12.00	-144
Policy - energy	12.00 units at	6,522.00	-78,264
Policy - access 20% of homes	2.40 units at	1,827.00	-4,385
External Works		20.00 %	-372,164
Contingency		3.00 %	-55,825
Professional Fee		10.00 %	-186,082
		Total	-2,474,892

Planning Policy Payments

Visitor Policy	12.00 units at	268.00 a	-3,216
CIL - payment 1 25%			-31,981
CIL - payment 2 75%			-95,944
PC - informal land purchase			-8,669
PC - informal equip & maintenance			-19,716
PC - formal land purchase			-10,836
PC - formal equipping & maintenance			-20,961
Nutrient Nuetrality			-1
		Total	-191,324

Notional Land Purchase

Benchmark Land Value	0.67 hectares at	457,120.00	-306,270
SDLT (to be assessed) say			-5,000
Professional Fees		1.25 %	-3,891
		Total	-315,161

Developers Profit on GDV

Market Developers Profit at 15%			-441,750
AHO Developers Profit at 6%			-13,500
ART Developers Profit at 6%			-26,258
		Total	-481,508

Debt Interest - Overall	100.00 % of Cost	-3,516,742	(33.36% Used)
Charged Quarterly			
Compounded Quarterly	7.00 %pa	Interest	-41,648

Revenue	3,607,626
Outgoings	-3,558,389
Surplus	49,237

13 Market Units

Capital Receipt			4,517,500
Direct Sale Fees		1.50 %	-67,763
Direct Sale Legal Fees		0.25 %	-11,294
		Total	4,438,444

5 ART Units

RSL Payment 1 - 50% Capital Receipt			318,038
RSL Payment 2 - 50% Capital Receipt			318,038
Legal Fees		0.35 %	-2,226
		Total	633,850

2 AHO Units

Capital Receipt			504,375
Legal Fees		0.35 %	-1,765
		Total	502,610

Construction Costs

Construct 20 houses	1,789.00 sq m at	1,428.00 psm	-2,554,692
Construct Garages	189.00 sq m at	783.00 psm	-147,987
Policy - water	20.00 units at	12.00	-240
Policy - energy	20.00 units at	6,522.00	-130,440
Policy - access 20% of homes	4.00 units at	1,827.00	-7,308
External Works		20.00 %	-568,133
Contingency		3.00 %	-85,220
Professional Fee		10.00 %	-284,067
		Total	-3,778,087

Planning Policy Payments

Visitor Policy	20.00 units at	268.00 a	-5,360
CIL - payment 1 25%			-48,288
CIL - payment 2 75%			-144,865
PC - informal land purchase			-13,535
PC - informal equip & maintenance			-30,785
PC - formal land purchase			-16,919
PC - formal equipping & maintenance			-32,732
Nutrient Nuetrality			-1
		Total	-292,485

Notional Land Purchase

Benchmark Land Value	1.15 hectares at	457,120.00	-525,688
SDLT (to be assessed) say			-15,750
Professional Fees inc Bank		1.25 %	-6,768
		Total	-548,206

Developers Profit on GDV

Market at 15%			-677,625
AHO at 6%			-30,263
ART at 6%			-38,165
		Total	-746,053

Debt Interest - Overall	100.00 % of Cost	-5,447,879	(43.60% Used)
Charged Quarterly			
Compounded Quarterly	7.00 %pa	Interest	-110,998

Revenue	5,657,951
Outgoings	-5,558,877
Surplus	99,074

Appendix F: Analysis of house prices (asking) in South Norfolk, New Homes only 01/05/2024

Address:	Type:	No. Beds:	Price £:	Approx. Area m ² :	£/m ² :	Notes:	Per Bed space £:		
Manor Green Hales	development of 23	2 storey det	4	525,000	153.6	3,418	Plot 20, under floor heating, ASHP, garage	131,250	4 bedroom detached house for sale in Hales, Norwich, NR14 (rightmove.co.uk)
Manor Green Hales	development of 23	2 storey det	4	495,000	153.6	3,223	Plot 21, under floor heating, ASHP, garage	123,750	4 bedroom detached house for sale in Hales, Norwich, NR14 (rightmove.co.uk)
Manor Green Hales	development of 23	bungalow det	2	315,000	74.4	4,234	UFH, ASHP	157,500	137465_100439047569_DOC_00_0000.pdf (rightmove.co.uk)
Manor Green Hales	development of 23	2 storey semi	3	300,000	90.0	3,333	UFH, ASHP	100,000	3 bedroom semi-detached house for sale in Brand New, South East Norfolk, NR14 (rightmove.co.uk)
Manor Green Hales	development of 23	bungalow semi	2	269,950	63.0	4,285	UFH, ASHP, cart lodge	134,975	2 bedroom semi-detached bungalow for sale in Hales, Norwich, NR14 (rightmove.co.uk)
The Nurseries Woodton	development of 23	bungalow det	3	425,000	108.8	3,906	Plot 14, under floor heating, ASHP	141,667	Plot 14, The Nurseries, The Street, Woodton, NR35 2LZ New homes for sale Savills
The Nurseries Woodton	development of 23	2 storey semi	3	275,000	87.4	3,146	Plot 23, car port	91,667	Plot 23, The Nurseries, The Street, Woodton, NR35 2LZ New homes for sale Savills
Field Lane Hempnall	development of 27	bungalow det	3	510,000			Honey Bee Cottage, underfloor heating	170,000	3 bedroom detached bungalow for sale in Field Lane, Hempnall, NR15 (rightmove.co.uk)
Field Lane Hempnall	development of 27	bungalow det	3	500,000			Bumble Bee Cottage, underfloor heating	166,667	3 bedroom detached bungalow for sale in Field Lane, Hempnall, NR15 (rightmove.co.uk)
	Swardeston	development of 38 dw	2 storey det	4	490,000		Plot 16	122,500	4 bedroom detached house for sale in Swardeston, Norwich, Norfolk, NR14 (rightmove.co.uk)
Shelfanger Diss	development of 5	chalet bung det	4	550,000	141.4	3,890	Plot 4, underfloor heating, Air Source, EV Charger, det garage	137,500	4 bedroom detached bungalow for sale in Winfarthing Road, Shelfanger, IP22 (rightmove.co.uk)
Station Road Gt Moulton	development of 2	bungalow det	3	400,000	86.0	4,651	Double garage	133,333	3 bedroom detached bungalow for sale in Station Road, Great Moulton, NR15 (rightmove.co.uk)
The Flannagan Poringland	development of 89	house det	3	375,000	103.2	3,634	Under floor heating	125,000	3 bedroom detached house for sale in Shotesham Road/ Carr Lane, Poringland, NR14 7JZ, NR14 (rightmove.co.uk)
Flowerpot Lane Long Stratton	developemnt of 3	house link	4	350,000			Plot 3, has been reduced since last assessment, UFH, ASHP	87,500	Brown & Co The Acorns at Branksome Brochure.indd (rightmove.co.uk)
Hamilton Rise Ditchingham		2 storey semi	2	235,000	64.0	3,672	Plot 9	117,500	Plot 9 Nightingale Rise, Hamilton Way, Ditchingham, Bungay, NR35 2JD New homes for sale Savills
Hamilton Rise Ditchingham		2 storey semi	2	230,000	64.0	3,594	Plot 16, shared ownership 75% MV	115,000	
	Flaxlands	house det	3	275,000			Dev of 6 plots, garages/carports		
	Flaxlands	house det	4	395,000			Curemnty being developed		
	Wymondham	house det	3	330,000	92.0	3,587		110,000	
	Wymondham	house det	3	318,000	93.0	3,419		106,000	
	Wymondham	house end terr	3	305,000	85.1	3,584	Reduced TW	101,667	
			2		62.8		The Canford		
Fairland Terrace			2		79.1		The Gosford		
			3		85.1		The Easedale		
Cheneys Lane			4		143.5		The Marford		
	Wymondham	house det	3	300,000			The Rufford		
	Wymondham	house semi	3	280,000	73.0	3,836		93,333	
	Wymondham	house terr	2	270,000	62.8	4,299	The Canford	135,000	
	Wymondham	house terr	2	265,000	62.8	4,220		132,500	
Cheneys Lane	Wymondham	house terr	2	260,000					

Source: Rightmove
Also considered Wymondham separatly, 13 dwelling many bungalows

