



# Stoke on Trent City Council & Newcastle Under Lyme Borough Council SHLAA Viability Assessment

October 2016



Nationwide CIL Service

# Contents

1. Executive Summary	Page 2
2. Introduction	Page 7
3. Methodology	Page 9
4. Viability Appraisal Assumptions	Page 19
5. Stoke on Trent Viability Appraisal Results	Page 38
6. Newcastle under Lyme Viability Appraisal Results	Page 47
7. Conclusions	Page 57
Appendix 1 - Heb Surveyors Valuation Report June 2016 (Separate Report)	
Appendix 2 – Gleeds Construction Cost Study Update June 2016 (Separate Report)	

# Executive Summary

## Purpose of the Study

- 1.1 Nationwide CIL were commissioned by the two councils in April 2016 to appraise the viability of sites, which are subject to detailed consideration as part of each council's respective Strategic Housing Land Availability Assessment. The primary purpose of the viability study is therefore to help assess the achievability of the councils' land supply across the housing market area. However the information could also help to inform the preparation CIL charging schedules, should the councils make the decision to become charging authorities in the future.
- 1.2 NCS were originally commissioned by the two Authorities to investigate the potential to adopt CIL in 2013. The study reached similar conclusions in respect of the four distinct residential sub-market areas and recommended a differential charging rate approach based on these zones. The study found that the lowest value zone which covers much of the inner area of Stoke on Trent was not capable of accommodating CIL. The study did not factor in site specific abnormal costs. Residential sales values have increased significantly in the last three years to the extent that the generic assessments that formerly indicated that some locations were non-viable in the 2013 study would now demonstrate that sites are viable. However, the 2016 study was commissioned to investigate the viability and deliverability of SHLAA sites rather than the potential to introduce CIL. The study looks in more detail at site specific abnormal site development costs, particularly ground contamination, and it is these additional costs that have rendered a number of sites in the lower value areas non-viable.
- 1.3 The purpose of the Viability Study is to appraise the viability of all sites proposed for residential development in terms of the impact of the Councils' respective policies on the economic viability of the development expected to be delivered during the Plan period. The study considers policies that might affect the cost and value of development (e.g. Affordable Housing and Design and Construction Standards). The area covered by the study is the Stoke on Trent City Council and Newcastle Under Lyme Borough Council administrative areas.
- 1.4 Section 173 of the National Planning Policy Framework requires that plans should be deliverable ensuring that obligations and policy burdens do not threaten the viability of the developments identified in the plan. An assessment of the costs and values of each category of development is therefore required to consider whether they will yield competitive returns to a willing land owner and willing developer thus enabling the identified development to proceed.
- 1.5 The assessment is inevitably based on a snapshot of existing SHLAA sites that may be likely to come forward in the next plan period, but it doesn't take account of further capacity that may come forward through new site submissions and other sites that may be released through changes to planning policy. As such the viability model created to assess the SHLAA sites can be varied to assess any combination of cost and value assumptions or policy impacts. The model has been made available to the Authorities to enable officers to test the viability impact of new policies emerging through the development of the Joint Local Plan in the future.

# Executive Summary

## Methodology

1.6 The viability assessment comprises a number of key stages as outlined below:

### EVIDENCE BASE – LAND & PROPERTY VALUATION STUDY

1.7 Collation of an area-wide evidence base of land and property values for both residential and commercial property

### EVIDENCE BASE – CONSTRUCTION COST STUDY

1.8 Collation of an area-wide evidence base of construction costs for both residential and commercial property

### IDENTIFICATION OF SUB-MARKETS

1.9 Sub market identification informed by the valuation evidence gathered at stage one above, Large differences in values across a study area indicate the need to define independent sub areas for viability testing purposes and in turn these may inform the creation of different charging zones for Community Infrastructure Levy purposes in the future.

### POLICY IMPACT ASSESSMENT

1.10 Identification of the policies within the plan, which will have a direct impact on the costs of development and hence the viability of development. Typical policy impacts include affordable housing requirements, sustainable construction requirements and SUDs provision.

### VIABILITY APPRAISAL

1.11 Viability assessment of residential development scenarios based on a series of typologies which reflect the development likely to emerge over the plan period. The assessments are conducted for both greenfield and brownfield development as it is recognised this can result in significant difference in viability.

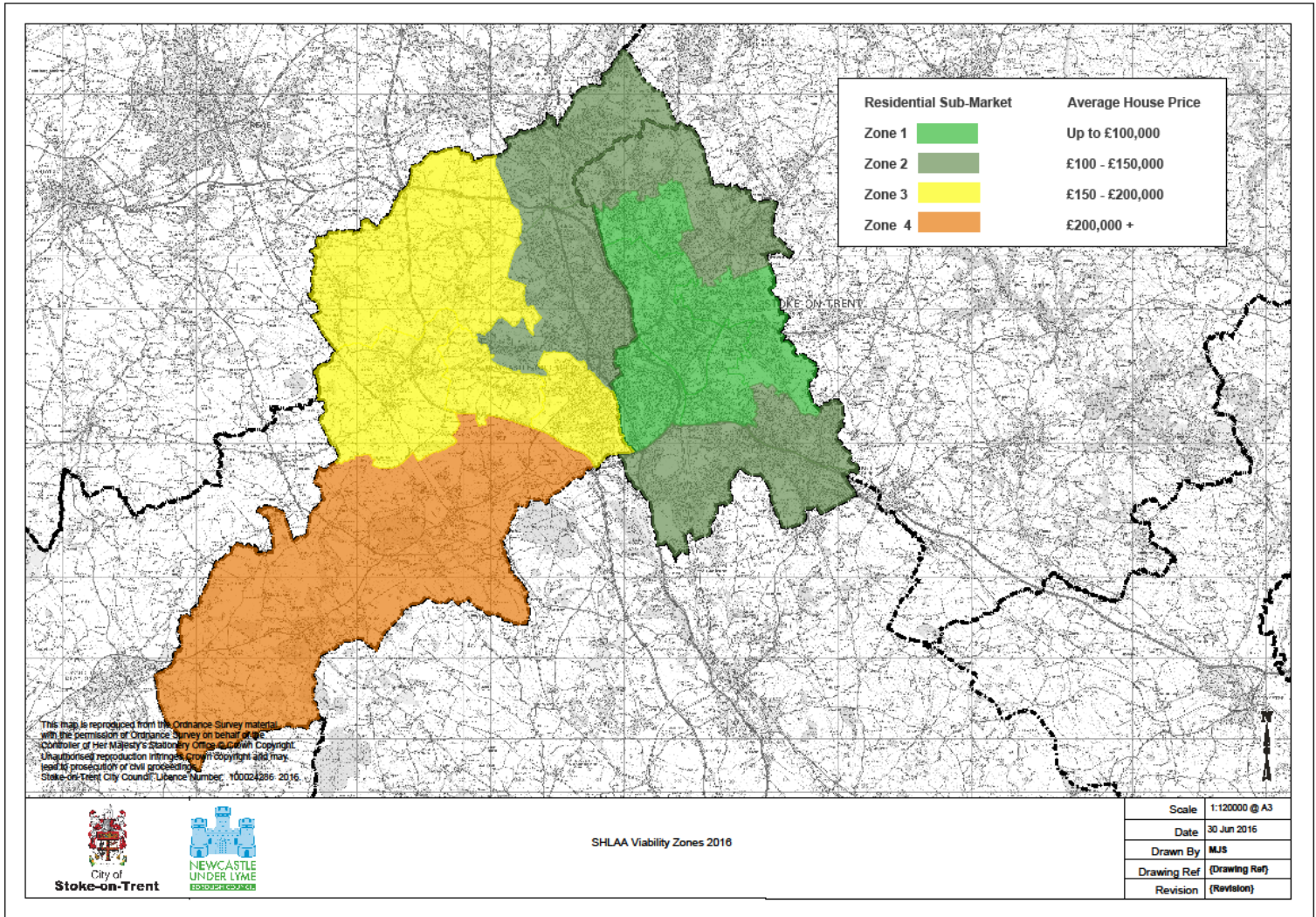
### RESULTS

1.12 The viability results are summarised at section 5 of the report. The figures represent the margin of viability per square metre taking account of all development values and costs, plan policy impact costs and having made allowance for a competitive return to the landowner and developer. In essence a positive margin confirms viability.

# Executive Summary

## RESIDENTIAL VIABILITY

1.13 The Valuation Study (attached at Appendix I) of residential land and property values indicated that there were significant differences in value across the study area to justify the existence of sub-markets. Four sub-markets were identified as indicated on the plan below.



1.14 The Stoke on Trent and Newcastle under Lyme Core Spatial Strategy sets out the strategy to deliver housing over the plan period. The viability assessment illustrated that firstly, in general terms, housing development proposed by SHLAA sites in all locations in Stoke on Trent and Newcastle under Lyme are broadly viable. The assessment of residential land and property values indicated that the Authorities did possess significantly different residential sub-markets that warrant differential value assumptions being made in the SHLAA Viability Assessment based on four geographical zones.

# Executive Summary

1.15 The viability testing of SHLAA sites in Stoke on Trent and Newcastle under Lyme has been undertaken, accounting for the following policy impacts and key assumptions :-

- Greenfield or Brownfield Development
- Delivery Timescale
- Affordable Housing Delivery of 25% (including 20% Starter Homes)
- Key Planning Policy Cost Impacts
- Planning Obligation Allowances
- Site Specific Abnormal Costs and Mitigation Factors

## Stoke on Trent Viability Appraisal Results

1.16 A large number of residential sites in Stoke on Trent, particularly brownfield sites in the 0-5 year projected delivery period, demonstrate negative viability based on the parameters and assumptions of the viability model. This is largely due to the assumed high levels of contamination on many sites in the Stoke on Trent area. However, this negative viability is not necessarily a fair reflection of actual market circumstances. All of the individual site assessments make allowances for abnormal costs and site specific mitigation factors. These factors are not taken into account in the land value allowance for the site. In order to reflect a reasonable return to the landowner (as required by the NPPF for the purposes of viability appraisal), the land value must assume that the site can gain planning permission and be in a developable state. Therefore the abnormal costs of bringing a site into a developable state would normally be deducted from the site value.

1.17 Considering the viability results in this context, in general, negative viability is at a level where the deduction of abnormal costs from the land value would make the development viable (i.e. the deduction the abnormal costs to bring the site up to a developable state would still leave a positive competitive return to the landowner and therefore render the site 'deliverable' under the terms of the NPPF). Provided landowners accept a reduction in land value expectations due to abnormal development cost, most of the sites in Stoke on Trent may be deemed deliverable with only a relatively small number exhibiting negative viability that exceeds the land value allowance

1.18 Viability improves in the medium term (6-10 years) with many of the sites demonstrating positive viability and in the longer term (11-15 years) nearly all housing sites demonstrate positive viability.

# Executive Summary

## Newcastle Under Lyme Viability Appraisal Results

1.19 The study illustrated that all greenfield sites in the initial 0-5 year delivery period (i.e. the 5 year land supply) are broadly viable based on the adopted assumptions. A small number of sites in the Medium Value sub-market area, demonstrated marginal (ie 'amber') viability. Those sites that were marginally negative were due to the abnormal costs associated with bringing the sites into a developable condition, so it may be reasonably assumed that the land value will be adjusted to enable these sites to be viably delivered (it is normal practice for land prices to be reduced in ratio with any identified abnormal development costs).

1.20 Viability improves in both the medium term (6-10 years) and longer term (11-15 years) with all housing sites demonstrating positive viability.

1.21 In conclusion, the assessment of all proposed residential sites in Stoke on Trent and Newcastle under Lyme has been undertaken with due regard to the requirements of the NPPF and the best practice advice contained in 'Viability Testing Local Plans'. It is considered that all sites are broadly viable across the entire plan period taking account of the Affordable/Low Cost Housing requirements and all policy impacts of the Local Plan.

1.22 It should be noted that this study should be seen as a strategic overview of plan level viability rather than as any specific interpretation of Stoke on Trent City and Newcastle under Lyme Councils policy on the viability of any individual site or application of planning policy to affordable housing, CIL or developer contributions. Similarly the conclusions and recommendations in the report do not necessarily reflect the views of Stoke on Trent City and Newcastle under Lyme Councils.

# 2 Introduction

2.1 The purpose of the study is to assess the overall viability of SHLAA sites in Stoke on Trent and Newcastle under Lyme.

2.2 In order to provide a robust assessment the study uses development typologies to consider the cost and value impacts of the plan policies on all the proposed individual sites, taking account of policy cost impacts, affordable housing/starter home requirements, National Housing Standards and site specific constraints to determine whether the proposed SHLAA sites are viable and deliverable in the plan period.

## The NPPF and Relevant Guidance

2.3 The National Planning Policy Framework 2012 introduces a new focus on viability assessment in considering appropriate Development Plan policy. Paras 173-177 provide guidance on 'Ensuring Viability and Deliverability' in plan making. They state :-

*"173. Pursuing sustainable development requires careful attention to viability and costs in plan-making and decision-taking. Plans should be deliverable. Therefore, the sites and the scale of development identified in the plan should not be subject to such a scale of obligations and policy burdens that their ability to be developed viably is threatened. To ensure viability, the costs of any requirements likely to be applied to development, such as requirements for affordable housing, standards, infrastructure contributions or other requirements should, when taking account of the normal cost of development and mitigation, provide competitive returns to a willing land owner and willing developer to enable the development to be deliverable.*

*174. Local planning authorities should set out their policy on local standards in the Local Plan, including requirements for affordable housing. They should assess the likely cumulative impacts on development in their area of all existing and proposed local standards, supplementary planning documents and policies that support the development plan, when added to nationally required standards. In order to be appropriate, the cumulative impact of these standards and policies should not put implementation of the plan at serious risk, and should facilitate development throughout the economic cycle. Evidence supporting the assessment should be proportionate, using only appropriate available evidence.....*

*177. It is equally important to ensure that there is a reasonable prospect that planned infrastructure is deliverable in a timely fashion. To facilitate this, it is important that local planning authorities understand Borough-wide development costs at the time Local Plans are drawn up. For this reason, infrastructure and development policies should be planned at the same time, in the Local Plan. Any affordable housing or local standards requirements that may be applied to development should be assessed at the plan-making stage, where possible, and kept under review."*



# 2 Introduction

2.4 In response to the NPPF, the Local Housing Delivery Group, a cross industry group of residential property stakeholders including the House Builders Federation, Homes and Communities Agency and Local Government Association, has published more specific guidance entitled 'Viability Testing Local Plans' in June 2012.

2.5 The guidance states as an underlying principle, that :-

*"An individual development can be said to be viable if, after taking account of all costs, including central and local government policy and regulatory costs and the cost and availability of development finance, the scheme provides a competitive return to the developer to ensure that development takes place and generates a land value sufficient to persuade the land owner to sell the land for the development proposed. If these conditions are not met, a scheme will not be delivered."*

2.6 The guidance recommends the following stages be completed in testing Local Plan viability:-

- 1) Review Evidence Base and align existing assessment evidence;
- 2) Establish Appraisal Methodology and Assumptions (including threshold land values, site and development typologies, costs of policy requirements and allowance for changes over time) ;
- 3) Evidence Collation and Viability Modelling (including development costs and revenues, land values, developers profit allowance) ;
- 4) Viability Testing and Appraisal ; and
- 5) Review of Outputs.

2.7 The guidance is not prescriptive about the use of particular financial assessment models but advises that a residual appraisal approach which tests the ability of development to yield a margin beyond all the test factors to determine viability or otherwise is widely used and accepted. The guidance sets out the key elements of viability appraisal and the factors that need to be considered to ensure robust assessment.

2.8 The current study adheres to the principles of the NPPF and Viability Testing Local Plans and sets out its methodology and assumptions in the following sections.

# 3 Methodology

## The Process

There are a number of key stages to Viability Assessment which may be set out as follows.

### 1) Evidence Base – Land & Property Valuation Study

3.1 Establish an area wide evidence base of land and property values for development in each sub-market area. The evidence base relies on the area wide valuation study undertaken by Heb Surveyors in June 2016. Property Values in the study are calculated by applying a sales value per sqm to the floor area of the property being valued.

### 2) Evidence Base – Construction Cost Study

3.2 Establish an area wide evidence base of construction costs for each category of development relevant to the local area. The study will also indicate construction rates for professional fees, warranties, statutory fees and construction contingencies. The evidence base relies on the Construction Cost Study by Gleeds undertaken in 2016. In addition specific advice on reasonable allowances for abnormal site constraints was obtained from Gleeds and is outlined in the report.

### 3) Identification of Sub Market Areas

3.3 The Heb Valuation Evidence considered the existence of potential sub-markets within the study area which might inform the application of differential value assumptions in the viability testing or inform the creation of differential Charging Zones as part of the progression of a Community Infrastructure Levy in the future.

### 4) Policy Impact Assessment

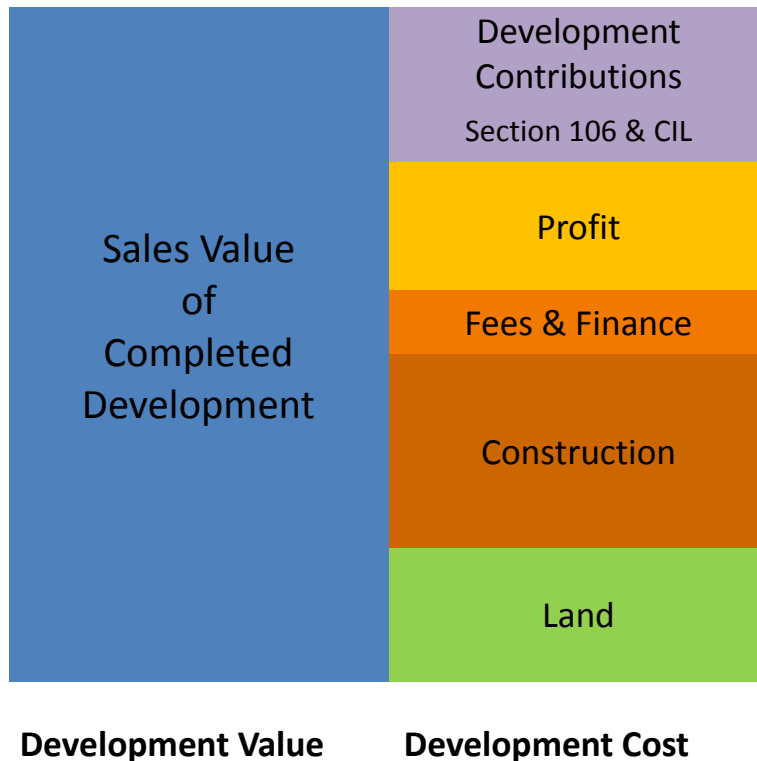
3.4 The study will establish the policies within the plan that have a direct impact on the cost of development and apportion appropriate allowances based on advice from cost consultants, Gleeds, to be factored in the viability assessment. Typically cost impacts will include sustainable construction requirements based on National Housing Standards and BREEAM standards.

### 5) SHLAA Sites Viability Assessment

3.5 The study employs a bespoke model to assess the viability of SHLAA sites in accordance with best practice guidance (eg Local Housing Delivery group – Viability Testing Local Plans and the RICS – Financial Viability in Planning). The assessments will be based on a series of development typologies to reflect the type of development likely to emerge over the plan period. The tests assess cumulative impact of the policies proposed by the plan but also include site specific factors in terms of site area, housing numbers, housing mix, abnormal cost/mitigation factors are also assessed to ensure sites are deliverable.

# 3 Methodology

## The Development Equation



3.6 The appraisal model is illustrated by the above diagram and summarises the 'Development Equation'. On one side of the equation is the development value i.e. the sales value which will be determined by the market at any particular time. The variable element of the value in residential development appraisal will be determined by the proportion and mix of affordable housing applied to the scheme. Appropriate discounts for the relevant type of affordable housing will need to be factored into this part of the appraisal.

3.7 On the other side of the equation, the development cost includes the 'fixed elements' i.e. construction, fees, finance and developers profit. Developers profit is usually fixed as a minimum % return on gross development value generally set by the lending institution at the time. The flexible elements are the cost of land and the amount of developer contribution (e.g. CIL and Planning Obligations) sought by the Local Authority.

3.8 Economic viability is assessed using an industry standard Residual Model approach. The model subtracts the Land Value and the Fixed Development Costs from the Development Value to determine the viability or otherwise of the development.

# 3 Methodology

## Viability Assessment Model

3.9 The NCS model is based on standard development appraisal methodology, comparing development value to development cost. The model factors in a reasonable return for the landowner with the established threshold value, a reasonable profit return to the developer and the assessed cost impacts of proposed planning policies to determine if there is a positive or negative residual output. Provided the margin is positive (i.e. Zero or above) then the development being assessed is deemed viable. The principles of the model are illustrated below.

<b>Development Value (Based on Floor Area)</b> Eg 10 x 3 Bed 100sqm Houses x £2,200per sqm	<b>£2,200,000</b>
<b>Development Costs</b>	
Land Value	£400,000
Construction Costs	£870,000
Abnormal Construction Costs (Optional)	£100,000
Professional Fees (% Costs)	£90,000
Legal Fees (% Value)	£30,000
Statutory Fees (% Costs)	£30,000
Sales & Marketing Fees (% Value)	£40,000
Contingencies (% Costs)	£50,000
Section 106 Contributions/Policy Impact Cost Assumptions/CIL (Strategic Site Testing Only)	£90,000
Finance Costs (% Costs)	£100,000
Developers Profit (% Return on GDV)	£350,000
<b>Total Costs</b>	<b>£2,150,000</b>
<b>Output</b>	
<b>Viability Margin</b>	<b>£50,000</b>
NB – A positive margin illustrates the additional capacity for developer contributions by way of Affordable Housing, Section 106 or CIL	

3.10 The model will illustrate the viability and deliverability of sites. A positive viability margin demonstrates the site is viable and the level of positive viability illustrates the additional capacity to deliver developer contributions by way of affordable housing, Section 106 or CIL.

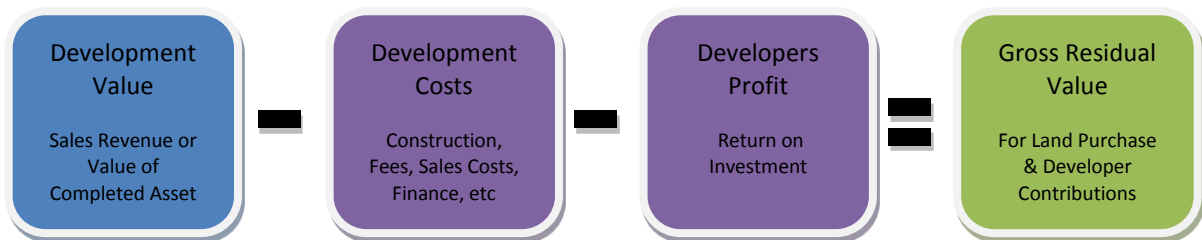
3.11 It is important to note that the model applies % proportions and further % tenure splits to the housing scenarios to reflect affordable housing discounts which will generate fractional unit numbers. The model automatically rounds to the nearest whole number and therefore some results appear to attribute value proportions to houses which do not register in the appraisal. The fractional distribution of affordable housing discounts is considered to represent the most accurate illustration of the impact of affordable housing policy on viability.

# 3 Methodology

## Land Value Assumptions

3.12 It is generally accepted that developer contributions (Affordable Housing, CIL and Section 106), will be extracted from the residual land value (i.e. the margin between development value and development cost including a reasonable allowance for developers profit). Within this gross residual value will be a base land value (i.e. the minimum amount a landowner will accept to release a site) and a remaining margin for contributions.

### Stage 1 – Residual Valuation



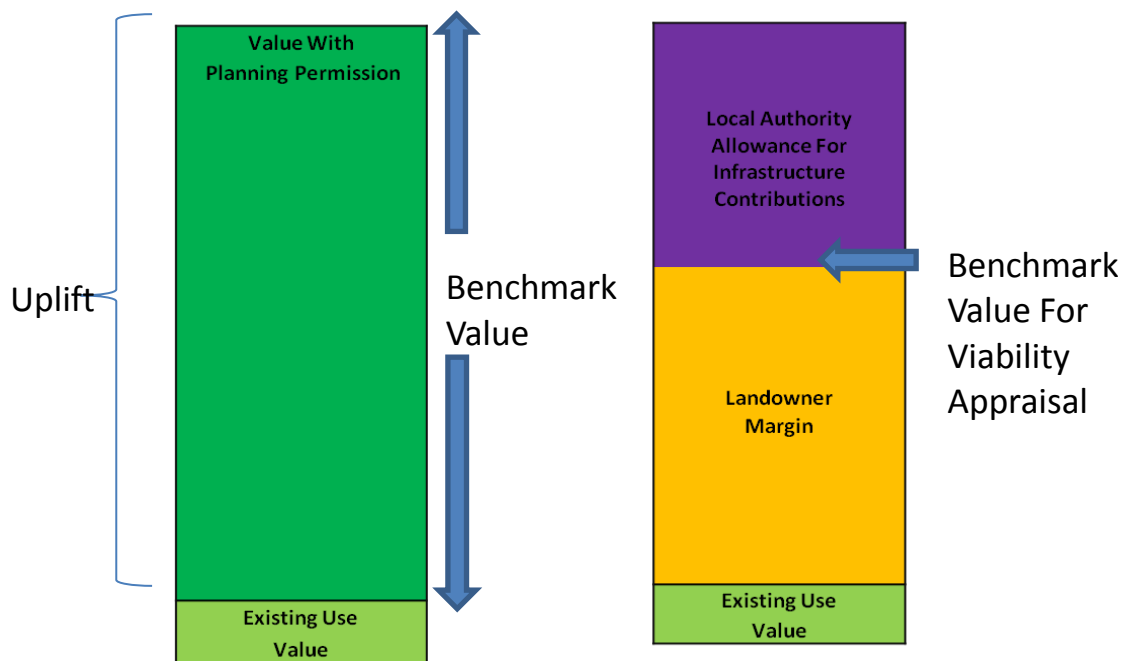
3.13 The approach to assessing the land element of the gross residual value is therefore the key to the robustness of any viability appraisal. There is no single method of establishing threshold land values for the purpose of viability assessment in planning but the NPPF and emerging best practice guidance does provide a clear steer on the appropriate approach.

### Stage 2 – Establishing Base Land Value



# 3 Methodology

## Land Value Benchmarking (Threshold Land Values)



3.14 The above diagram illustrates the principles involved in establishing a robust benchmark for land value. Land will have an existing use value (EUV) based on its market value. This is generally established by comparable evidence of the type of land being assessed (e.g. agricultural value for greenfield sites or perhaps industrial value for brownfield sites may be regarded as reasonable existing use value starting points and may be easily established from comparable market evidence)

3.15 The Alternative Use Value is established by assessing the gross residual value between development value and development cost after a reasonable allowance for development profit, assuming planning permission has been granted. The gross residual value does not make allowance for the impact of development plan policies on development cost and therefore represents the maximum potential value of land that landowners may aspire to.

3.16 In order to establish a benchmark land value for the purpose of viability appraisal, it must be recognised that Local Authorities will have a reasonable expectation that, in granting planning permission, the resultant development will yield contributions towards infrastructure and affordable housing. The cost of these contributions will increase the development cost and therefore reduce the residual value available to pay for the land.

# 3 Methodology

3.17 The appropriate benchmark value will therefore lie somewhere between existing use value and gross residual value based on alternative planning permission. This will of course vary significantly dependent on the category of development being assessed.

3.18 The key part of this process is establishing the point on this scale that balances a reasonable return to the landowner beyond existing use value and a reasonable margin to allow for infrastructure and affordable housing contributions to the Local Authority.

## **Benchmarking and Threshold Land Value Guidance**

3.19 Benchmarking is an approach which the Homes and Communities Agency refer to in 'Investment and Planning Obligations: Responding to the Downturn'. This guide states: *"a viable development will support a residual land value at a level sufficiently above the site's existing use value (EUUV) or alternative use value (AUV) to support a land acquisition price acceptable to the landowner"*.

3.20 The NPPF has introduced a more stringent focus on viability in planning considerations. In particular para 173 states:-

*"To ensure viability, the costs of any requirements likely to be applied to development, such as requirements for affordable housing, standards, infrastructure contributions or other requirements should, when taking account of the normal cost of development and mitigation, provide competitive returns to a willing land owner and willing developer to enable the development to be deliverable"*

3.21 The NPPF recognises that, in assessing viability, unless a realistic return is allowed to a landowner to incentivise release of land, development sites are not going to be released and growth will be stifled. The most recent practical advice in establishing benchmark thresholds at which landowners will release land was produced by the Local Housing Delivery Group (comprising, inter alia, the Local Government Association, the Homes and Communities Agency and the House Builders Federation) in June 2012 in response to the NPPF. 'Viability Testing Local Plans' states :-

*"Another key feature of a model and its assumptions that requires early discussion will be the Threshold Land Value that is used to determine the viability of a type of site. This Threshold Land Value should represent the value at which a typical willing landowner is likely to release land for development, before payment of taxes (such as capital gains tax)".*

*Different approaches to Threshold Land Value are currently used within models, including consideration of:*

- *Current use value with or without a premium.*
- *Apportioned percentages of uplift from current use value to residual value.*
- *Proportion of the development value.*
- *Comparison with other similar sites (market value).*

*We recommend that the Threshold Land Value is based on a premium over current use values and credible alternative use values. The precise figure that should be used as an appropriate premium above current use value should be determined locally. But it is important that there is evidence that it represents a sufficient premium to persuade landowners to sell".*

# 3 Methodology

## NCS Approach to Land Value Benchmarking (Threshold Land Values)

3.22 NCS has given careful consideration to how the Threshold Land Value (i.e. the premium over existing use value) should be established.

3.23 We have concluded that adopting a fixed % over existing value is inappropriate because the premium is tied solely to existing value – which will often be very low - rather than balancing the reasonable return aspirations of the landowner to pursue a return based on alternative use as required by the NPPF. Landowners are generally aware of what their land is worth with the benefit of planning permission. Therefore a fixed % uplift over existing use value will not generally be reflective of market conditions and may not be a realistic method of establishing threshold land value.

3.24 We believe that the uplift in value resulting from planning permission should effectively be shared between the landowner (as a reasonable return to incentivise the release of land) and the Local Authority (as a margin to enable infrastructure and affordable housing contributions). The % share of the uplift will vary dependent on the particular approach of each Authority but based on our experience the landowner will expect a minimum of 50% of the uplift in order for sites to be released. Generally, if a landowner believes the Local Authority is gaining greater benefit than he is unlikely to release the site and will wait for a change in planning policy. We therefore consider that a 50:50 split is a reasonable benchmark and will generate base land values that are fair to both landowners and the Local Authority.

***The Shinfield Appeal Decision Wokingham (APP/X0360/A/12/2179141) in January 2013 has provided clear support for this approach to establishing a ‘reasonable return the landowner’ under the requirements of the NPPF. The case revolved around the level of affordable housing and developer contributions that could be reasonably required and in turn the decision hinged on the land value allowed to the applicant as a ‘reasonable return’ to incentivise release of the site. The Inspector held that the appropriate approach to establishing the benchmark or threshold land value would be to split the uplift in value resulting from planning permission for the Alternative Use - 50:50 between landowner and the community.***

The Threshold Land Value is established as follows :-

Existing Use Value + % Share Of Uplift from Planning Permission = Threshold Land Value

3.25 The resultant threshold values are then checked against market comparable evidence of land transactions in the Authority’s area by our valuation team to ensure they are realistic. We believe this is a robust approach which is demonstrably fair to landowners and more importantly an approach which has been accepted at CIL and Local Plan Examinations we have undertaken.



# 3 Methodology

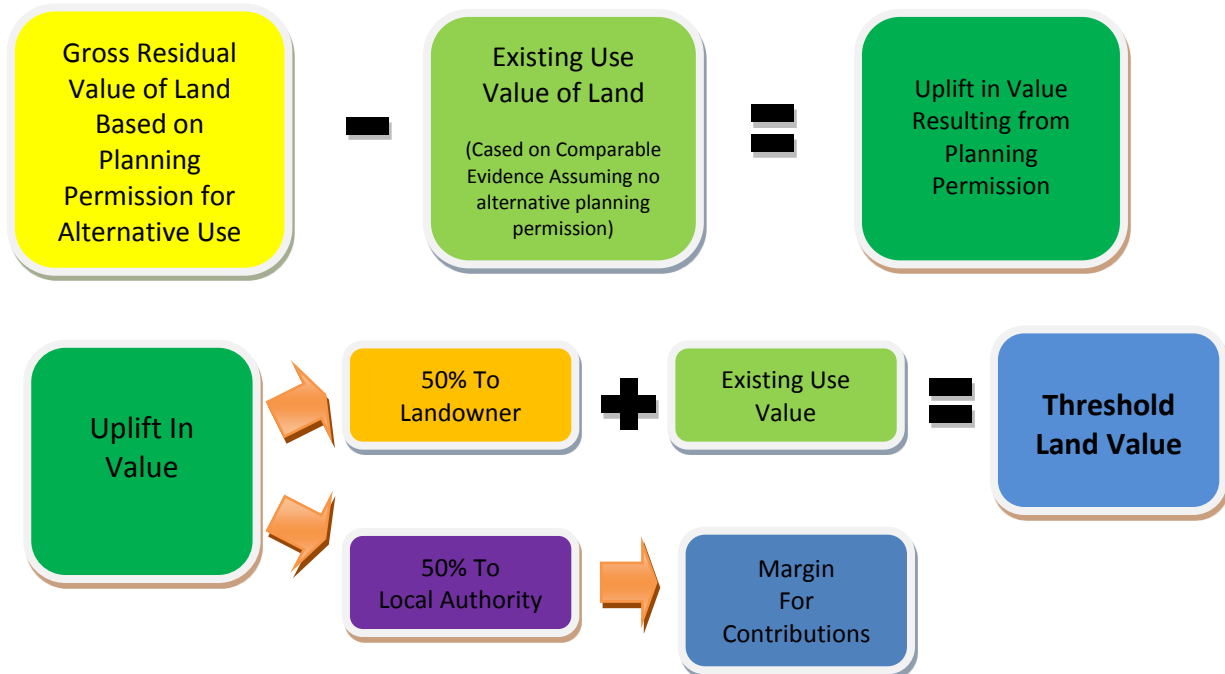
## Worked Example Illustrating % over Existing Use vs % Share of Uplift

3.26 A landowner owns a 1 Hectare field at the edge of a settlement. The land is proposed to be allocated for residential development. Agricultural value is £20,000 per Ha. Residential land is being sold in this area for £1,000,000 per Ha. For the purposes of viability assessment what should this Greenfield site be valued at?

Using Fixed % over EUV the land would be valued at £24,000 (£20,000 + 20%)

Using % Share of Uplift in Value the land would be valued at £510,000 (£20,000 + 50% of the uplift between £20,000 and £1,000,000) – realising a market return for the landowner but reserving a substantial proportion of the uplift for infrastructure contribution.

### Benchmarking Based on % Share of Uplift in Land Value



# 3 Methodology

## Brownfield and Greenfield Land Value Benchmarks

3.27 In order to represent the likely range of benchmark scenarios that might emerge in the plan period for the appraisal it will be necessary to test alternative threshold land value scenarios. A greenfield scenario will represent the best case for CIL as it represents the highest uplift in value resulting from planning permission. The greenfield existing use is based on agricultural value

3.28 The median brownfield position recognises that existing commercial sites will have an established value. The existing use value is based on a low value brownfield use (industrial). The viability testing firstly assesses the gross residual value (the maximum potential value of land based on total development value less development cost with no allowance for affordable housing, Section 106 contributions or planning policy cost impacts). This is then used to apportion the share of the potential uplift in value to the greenfield and brownfield benchmarks. This is considered to represent a reasonable scope of land value scenarios in that change from a high value use (e.g. retail) to a low value use (e.g. industrial) is unlikely.

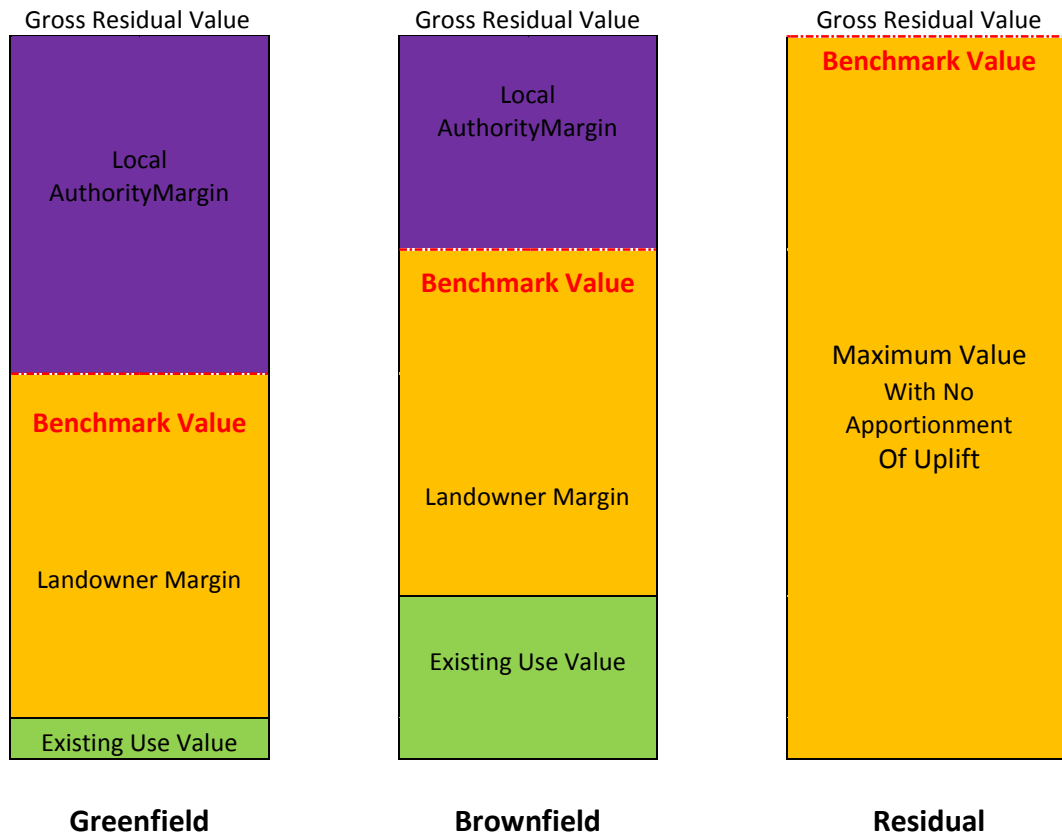
3.29 Actual market evidence will not always be available for all categories of development. In these circumstances the valuation team make reasoned assumptions.

### Residential

Benchmark 1	Greenfield	Agricultural – Residential (Maximum CIL Potential)
Benchmark 2	Brownfield	Industrial – Residential

3.30 The viability study assumes that affordable housing land has negligible value as development costs form a very high proportion of the ultimate discounted sale value of the property.

# 3 Methodology



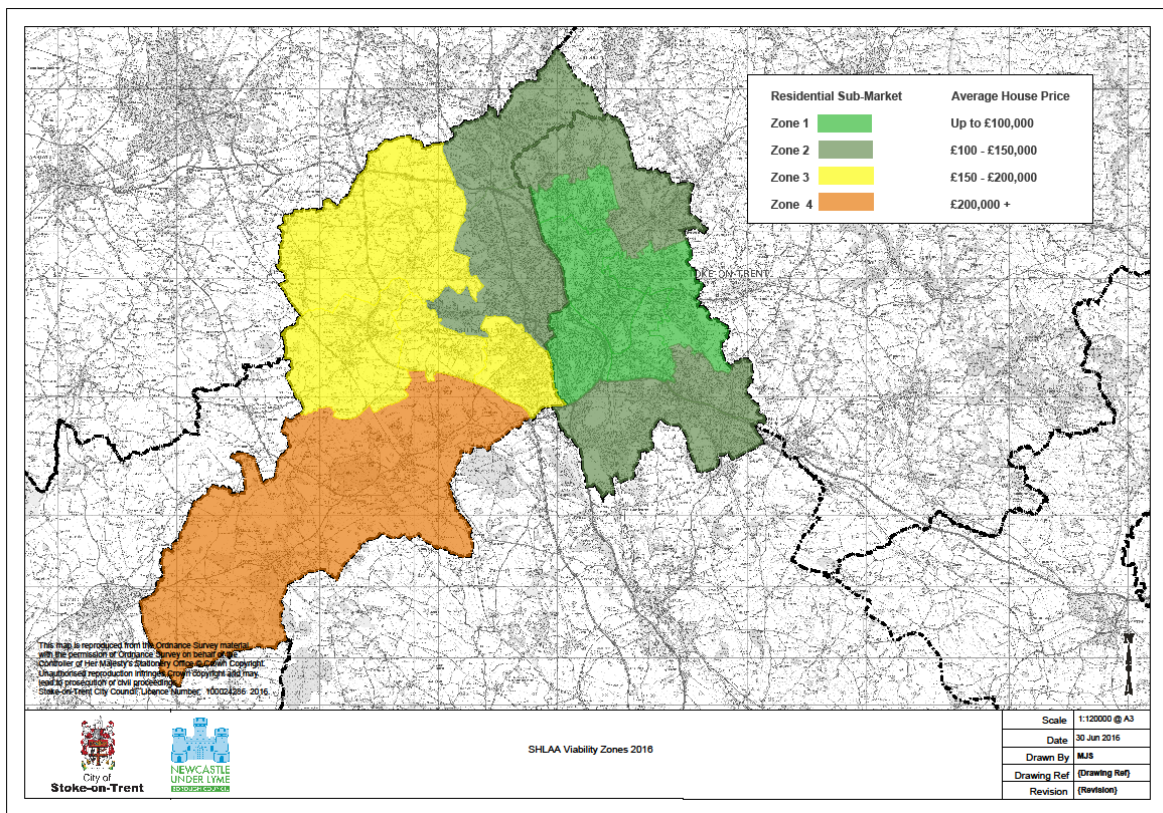
3.31 The above diagram illustrates the concept of Benchmark Land Value. The level of existing use value for the three benchmarks is illustrated by the green shading. The uplift in value from existing use value to proposed use value is illustrated by the blue and gold shading. The gold shading represents the proportion of the uplift allowed to the landowner for profit. The blue shading represents the allowance of the uplift for developer contributions to the Local Authority. The Residual Value assumes maximum value with planning permission with no allowance for planning policy cost impacts. This benchmark is used solely to generate the brownfield and greenfield threshold values.

# 4 Appraisal Assumptions

## Sub Market Areas and Potential Charging Zones

4.1 The Heb valuation study considered evidence of residential land and property values across Stoke on Trent and Newcastle under Lyme and concluded that there were sufficient distinctions between sales prices to warrant differential value assumptions being made in the SHLAA Viability Assessment.

4.2 The sub-market areas which may also form potential CIL Charging Zones in the future are set out in the residential zone maps below. The zoning is intended to represent an overview of the tone of values in an area rather than a street specific analysis and also acknowledges the values of new development that are likely to emerge.



Residential Sub Market Areas

# 4 Appraisal Assumptions

## Affordable Housing

4.3 A series of residential viability tests have been undertaken, reflecting affordable housing delivery at the Council's relevant policy level. The following extract from a generic sample residential viability appraisal model illustrates how affordable housing is factored into the residential valuation assessment. The relevant variables (e.g. unit numbers, types, sizes, affordable proportion, tenure mix etc.) are inputted into the appropriate cells. The model will then calculate the overall value of the development taking account of the relevant affordable unit discounts.

<b>DEVELOPMENT SCENARIO</b>	Mixed Residential Development				Apartments	10
<b>BASE LAND VALUE SCENARIO</b>	Greenfield to Residential				2 bed houses	20
<b>DEVELOPMENT LOCATION</b>	Urban Zone 1				3 Bed houses	40
<b>DEVELOPMENT DETAILS</b>	100 Total Units				4 bed houses	20
<b>Affordable Proportion</b>	30%	30	Affordable Units		5 bed house	10
<b>Affordable Mix</b>	30%	Intermediate	40%	Social Rent	30%	Affordable Rent
<b>Development Floorspace</b>	6489		Sqm Market Housing		2,163	Sqm Affordable Housing
<b>Development Value</b>						
<b>Market Houses</b>						
7	Apartments	65	sqm	2000	£ per sqm	£910,000
14	2 bed houses	70	sqm	2200	£ per sqm	£2,156,000
28	3 Bed houses	88	sqm	2200	£ per sqm	£5,420,800
14	4 bed houses	115	sqm	2200	£ per sqm	£3,542,000
7	5 bed house	140	sqm	2200	£ per sqm	£2,156,000
<b>Intermediate Houses</b>						
		60%	Market Value			
3	Apartments	65	Sqm	1200	£ per sqm	£210,600
5	2 Bed house	70	Sqm	1320	£ per sqm	£415,800
2	3 Bed House	88	Sqm	1320	£ per sqm	£209,088
<b>Social Rent Houses</b>						
		40%	Market Value			
4	Apartments	65	sqm	800	£ per sqm	£187,200
6	2 Bed house	70	sqm	880	£ per sqm	£369,600
2	3 Bed House	88	sqm	880	£ per sqm	£185,856
<b>Affordable Rent Houses</b>						
		50%	Market Value			
3	Apartments	65	sqm	1000	£ per sqm	£175,500
5	2 Bed house	70	sqm	1100	£ per sqm	£346,500
2	3 Bed House	88	sqm	1100	£ per sqm	£174,240
100	Total Units					
<b>Development Value</b>						<b>£16,459,184</b>

N.B. It is important to note that the model applies % proportions and further % tenure splits to the housing scenarios which will generate fractional unit numbers. The model automatically rounds to the nearest whole number and therefore some results appear to attribute value proportions to houses which do not register in the appraisal. The fractional distribution of affordable housing discounts is considered to represent the most accurate illustration of the impact of affordable housing policy on viability.

# 4 Appraisal Assumptions

4.4 The following Affordable Housing Assumptions have been agreed for the purpose of the residential viability appraisals. The assumptions relate to the overall proportion of ‘subsidised housing’ including both Affordable Housing and Starter Homes. Starter Homes are effectively treated as a ‘tenure type’ in the appraisals along with Intermediate, Social Rent and Affordable Rent housing types. Finally the transfer values in terms of % of open market value are set out for each tenure type. The transfer value equates to the assumed price paid by the registered housing provider to the developer and is assessed as a discounted proportion of the open market value of the property in relation to the type (tenure) of affordable housing. In accordance with the guidance contained in the Government’s technical consultation ‘Starter Homes Regulations’ March 2016, the appraisals assume 20% Starter Home delivery and that Starter Homes are offered at 80% of open market value.

<b>Stoke on Trent Affordable Housing Assumptions</b>				
	Proportion %	Tenure Mix %		
		Starter Homes	Social Rent	Affordable Rent
<b>Affordable Housing</b>	25%	80%	4%	16%
<b>Transfer Values</b>		80%	40%	50%

<b>Newcastle under Lyme Affordable Housing Assumptions</b>				
	Proportion %	Tenure Mix %		
		Starter Homes	Social Rent	Intermediate
<b>Affordable Housing</b>	25%	80%	8%	12%
<b>Transfer Values</b>		80%	40%	60%

4.5 The affordable assumptions were applied to all residential scenario testing. For the smaller unit number tests the proportional and tenure splits result in fractions of unit numbers. In these cases the discounts may be considered to equate to the impact of off-site contributions. The assessments assume a ‘worst case’ position on affordable housing – applying the discounts to all scales of development including developments less than 10 units or 1000sqm in scale. This is to ensure all results are directly comparable rather than strict application of the revised threshold in planning practice guidance (Planning Obligations, para 31). It should also be recognised that whilst the study considers all SHLAA sites for completeness, sites under 10 units are unlikely to be formally allocated in the Plan in the future.

# 4 Appraisal Assumptions

## Development Density

4.6 Density is an important factor in determining gross development value and land value. Residential densities vary significantly dependent on house type mix and location. Mixed housing developments may vary from 10-50 dwellings per Hectare. Town Centre apartment schemes may reach densities of over 150 units per Hectare. We generate plot values for residential viability assessment related to specific house types. The plot values allow for standard open space requirements per Hectare. The densities adopted in the study reflect the assumptions of the Local Authority on the type of development that is likely to emerge during the plan period.

4.7 The density assumptions for house types related to plot values are as follows :-

Apartment	100 units per Ha
2 Bed House	50 units per Ha
3 Bed House	45 units per Ha
4 Bed House	30 units per Ha
5 Bed House	20 units per Ha

## House Types and Mix

4.8 The study uses the following standard house types as the basis for valuation and viability testing as unit types that are compliant with National Housing standards and meet minimum Local Plan policy requirements. The assessment is intended to provide a 'worst case' scenario as marginally larger unit types are unlikely to command higher plot values and so larger unit types will generally demonstrate improved levels of viability.

Apartment	60 sqm
2 Bed House	75 sqm
3 Bed House	90 sqm
4 Bed House	120 sqm
5 Bed House	150 sqm

4.9 Housing values and costs are based on the same gross internal area. However apartments will contain circulation space (stairwells, lifts, access corridors) which will incur construction cost but which is not directly valued. We make an additional construction cost allowance of 15% to reflect the difference between gross and net floorspace.

# 4 Appraisal Assumptions

## Sustainable Construction Standards

4.10 It is acknowledged that the Code for Sustainable Homes are being replaced by changes to the Building Regulations based on the National Housing Standards. The latest government guidance is that forthcoming Building Regulation changes will not impose standards beyond an equivalent of CoSH 4 and the cost rates adopted in the study reflect this.

## Construction Costs

4.11 Construction costs are assessed by applying a rate per sqm to the floor area of the building being assessed. The construction rates will reflect allowances for external works, drainage, servicing preliminaries and contractor's overhead and profit. The viability assessment will include a 5% allowance for construction contingencies.

4.12 The following residential construction rates are adopted in the study to reflect National Housing Standards, Category 2 Dwellings and the water and space standards of Stoke on Trent City and Newcastle under Lyme Councils. Whilst the Code for Sustainable Homes standards have been withdrawn, the cost parameters that inform them remain a useful guide to the cost implications of the National Housing standards and are considered within the study.

Residential Construction Cost Sqm		
Apartments	1037	sqm
2 bed houses	884	sqm
3 Bed houses	884	sqm
4 bed houses	884	sqm
5 bed house	884	sqm



# 4 Appraisal Assumptions

## Abnormal Construction Costs

4.13 The study has undertaken specific Viability Appraisals of the residential sites proposed to be allocated by the Core Spatial Strategy. In addition to the assumptions outlined above additional abnormal site constraint costs associated with the development of the individual sites have been applied to the individual site tests. Advice on cost allowances for these constraints was obtained from Gleeds and is summarised in the table below.

Abnormal Site Development Costs	Budget Cost £/Hectare
<b>Archaeology</b> Typically, Archaeology is addressed by a recording/monitoring brief by a specialist, to satisfy planning conditions Intrusive archaeological investigations are exceptional and not allowed for in the Budget cost	<b>£11,000</b>
<b>Flood Defence Works</b> Generally involves raising floor levels above flood level, on relevant sites Budget £2,000 per unit x 35 units/Hect, apply to 1 in 3 sites	<b>£28,000</b>
<b>Site Specific Access Works</b> New road junction and S278 works, allowance for cycle path linking Major off-site highway works not allowed for.	<b>£22,000</b>
<b>Low Level Land Contamination &amp; Ground Stability Issues</b>	<b>£100,000</b>
<b>Medium Level Land Contamination &amp; Ground Stability Issues</b>	<b>£275,000</b>
<b>High Level Land Contamination &amp; Ground Stability Issues</b> Allow for remediation/removal from site of isolated areas of spoil with elevated levels of contamination	<b>£600,000</b>
<b>Utilities</b> Allowance for Infrastructure Upgrade	<b>£80,000</b>

# 4 Appraisal Assumptions

## Policy Cost Impacts & Planning Obligation Contributions

4.14 The study seeks to review the viability of SHLAA sites and therefore firstly assesses the potential cost impacts of the existing policies in the plan to determine appropriate cost assumptions in the viability assessments and broadly determine if sites in the SHLAA are viable.

4.15 Costs have been factored into the viability appraisals to reflect the impact of relevant development plan policy and the residual use of planning obligations for site specific mitigation. Based on historic evidence of planning obligation contributions received over the last five years (excluding Affordable Housing which is factored in separately) the following cost allowances have been adopted in the study:-

<b>Planning Obligation Allowance Stoke on Trent</b>	<b>£1300 per dwelling</b>
<b>Newcastle under Lyme</b>	<b>£1600 per dwelling</b>

4.16 Costs have been factored into the viability appraisals to reflect the impact of relevant development plan policies and the residual use of planning obligations for site specific mitigation. The cost impact of these mitigation measures has been assessed by Gleeds and may be summarised as follows :-

### WATER CONSERVATION STANDARDS

The higher optional water standard of 110 lpd is considered to be covered by the adopted construction cost rates (equivalent of CoSH Code 4) and do not require any additional allowance.

### ENERGY

No additional allowance has been made for Zero Carbon costs in view of the Government's recent policy change on this issue.

### SPACE STANDARDS

The residential unit sizes adopted in the appraisals comply with National Space Standards.

# 4 Appraisal Assumptions

The following table summarises the relevant policies in the Plan deemed to have an impact on development viability, that have been considered by the assumptions in the study.

## Newcastle-under-Lyme and Stoke-on-Trent Core Spatial Strategy (adopted 2009)

Policy number/ name	Cost implications?	Comments
<b>SPATIAL PRINCIPLES</b>		
Policy SP3 – Spatial Principles of Movement and Access	Potential Costs but no additional allowance required beyond existing cost assumptions	<p>Viability of strategic sites/ infrastructure to be addressed elsewhere</p> <p>The policy identifies strategic priorities with regard to movement and access such as improving greenspace connectivity; maximising the accessibility of new development; encouraging the production of green travel plans; encouraging the use of waterways.</p> <p>Criterion 9 specifically refers to securing developer contributions towards the delivery of schemes that support the key objectives of the Staffordshire and North Staffordshire Local Transport Plans.</p>
<b>AREA SPATIAL POLICIES</b>		
ASP1 – City Centre of Stoke-on-Trent Area Spatial Policy	Potential Costs but no additional allowance required beyond existing cost assumptions	<p>Viability of strategic sites/ infrastructure to be addressed elsewhere</p> <p>The policy identifies the strategic priorities for the City Centre area of Stoke-on-Trent such as the amount of housing, retail and office floorspace; setting the primary shopping area and cultural quarter areas, identifying the mix of development at strategic locations; identifying the key transport and parking provisions at specific locations and identifying design standards.</p> <p>The housing mix and typologies reflect the policy and development that is likely to emerge over the plan period</p>
ASP2 – Stoke-on-Trent Inner Urban Core Area Spatial Policy	Potential Costs but no additional allowance required beyond existing cost assumptions	<p>Viability of strategic sites/ infrastructure to be addressed elsewhere</p> <p>The policy identifies the strategic priorities for the Inner Urban Core area of Stoke-on-Trent such as the amount of housing, retail and office floorspace within strategic locations; identifying priority highway improvement</p>

# 4 Appraisal Assumptions

Policy number/ name	Cost implications?	Comments
		<p>schemes and bus priority measures; and identifying the mix of development at strategic locations.</p> <p>The housing mix and typologies reflect the policy and development that is likely to emerge over the plan period</p>
ASP3 – Stoke-on-Trent Outer Urban Area Spatial Policy	Potential Costs but no additional allowance required beyond existing cost assumptions	<p>Viability of strategic sites/ infrastructure to be addressed elsewhere</p> <p>The policy identifies the strategic priorities for the Outer Urban Area of Stoke-on-Trent such as the amount of housing, retail and office floorspace within strategic locations; identifying priority highway improvement schemes and bus priority measures; and identifying the mix of development at strategic locations.</p> <p>The housing mix and typologies reflect the policy and development that is likely to emerge over the plan period</p>
ASP4 – Newcastle Town Centre Area Spatial Policy	Potential Costs but no additional allowance required beyond existing cost assumptions	<p>Viability of strategic sites/infrastructure to be addressed elsewhere</p> <p>The policy identifies the strategic priorities for the Newcastle Town Centre area of Newcastle-under-Lyme such as the amount of housing, retail and office floorspace within strategic locations; identifying the requirement for a mix of town centre development and leisure development. Recognising the requirement for links with the university and hospital.</p> <p>The housing mix and typologies reflect the policy and development that is likely to emerge over the plan period</p>
ASP5 – Newcastle and Kidsgrove Urban Neighbourhoods Area Spatial Policy	Potential Costs but no additional allowance required beyond existing cost assumptions	<p>Viability of strategic sites/infrastructure to be addressed elsewhere</p> <p>The policy identifies the strategic priorities for the Newcastle and Kidsgrove Urban Neighbourhoods Area of Newcastle-under-Lyme.</p> <p>The housing mix and typologies reflect the policy and development that is likely to emerge over the plan period</p>

# 4 Appraisal Assumptions

Policy number/ name	Cost implications?	Comments
ASP6 – Rural Area Spatial Policy	Potential Costs but no additional allowance required beyond existing cost assumptions	The policy refers to seeking opportunities for the provision of rural services, investment in Keele University and Science Park, supported and special needs housing, implementation of the Rights of Way Improvement Plan, a new Community Park in the Lower Apedale Valley, subsidised bus services, community transport schemes, and transport assistance for members of the community in special need.
<b>CORE STRATEGIC POLICIES</b>		
CSP1 – Design Quality	Potential Costs but no additional allowance required beyond existing cost assumptions	This policy is intended to promote higher quality development. As such it promotes the scale, layout and materials in developments to be appropriate to the locality.
CSP2 – Historic Environment	Potential Costs but no additional allowance required beyond existing cost assumptions	This policy seeks to preserve and enhance historic heritage. As such there may be potential costs where historic assets exist within development sites or in close proximity to them.
CSP3 – Sustainability and Climate Change	Potential Costs but no additional allowance required beyond existing cost assumptions	This policy aims to achieve efficient use of energy and natural resources, including the use of recycled and locally sourced materials, supporting initiatives to address climate change such as the North Staffordshire Warm Zone. It also requires all new developments to incorporate the use of SUDS and seeks opportunities to open up culverted watercourses. It also states that where these requirements are unviable the onus will be on the developer to demonstrate that this is the case.
CSP4 – Natural Assets	Potential Costs but no additional allowance required beyond existing cost assumptions	This policy aims to ensure that development enhances natural assets, landscape character, waterways, green corridors and priority species/habitats. It also ensures appropriate measures are taken to reduce the impacts of development on the biodiversity of previously developed sites and to enhance their biodiversity where appropriate.
CSP5 – Open Space/Sport/Recreation	Costs Associated but included within Section 106 Allowance	This policy seeks developer contributions for open space to meet the needs of new residents and to deliver the Playing Pitch Strategy, Green Spaces Strategy and other relevant locally adopted strategies.
CSP6 – Affordable Housing	Costs Associated but included in the Appraisal	This policy requires development schemes of 15 dwellings or above in the urban area, or 5 dwellings or above in the rural area, to contribute towards the provision of affordable housing. On such schemes, 25% of the dwellings proposed are to be affordable.

# 4 Appraisal Assumptions

Policy number/ name	Cost implications?	Comments
---------------------	--------------------	----------

## Staffordshire and Stoke-on-Trent Joint Waste Local Plan (2013)

Policy number/ name	Cost implications?	Comments
<b>JOINT WASTE LOCAL PLAN POLICIES</b>		
Policy 1 – Waste as a Resource	Potential Costs but no additional allowance required beyond existing cost assumptions	<p>The policy relates to the development of new sustainable waste management facilities and includes the following elements:</p> <ol style="list-style-type: none"> <li>1.1 General Principles</li> <li>1.2 Make Better use of waste associated with non-waste related development</li> <li>1.3 Construction, demolition and excavation waste</li> <li>1.4 Use of waste for landscaping, screening, engineering purposes or for the improvement of agriculture or forestry land</li> <li>1.5 Energy recovery</li> <li>1.6 Landfill or land raise</li> </ol> <p>The policy requires proposals to take account of capturing landfill gas and recover energy, to restore the site after use; to include a site management plan etc.</p>

## Stoke-on-Trent Saved Policies – Stoke-on-Trent City Plan (1993)

Policy number/ name	Cost implications?	Comments
<b>STOKE-ON-TRENT CITY PLAN (1993 – SAVED POLICIES</b>		
GP7 - New Housing : Open Space	Costs Associated but included within the Appraisal Allowances	The policy relates to the requirement for residential development to provide appropriate public open space and recreation facilities. Guidance is contained with the Technical Appendix.

# 4 Appraisal Assumptions

## Newcastle-under-Lyme Local Plan 2011 (adopted 2003) – Saved Policies

Policy number/ name	Cost implications?	Comments
H8 – Large Residential Buildings	No costs	This policy seeks to restrict the loss or sub-division of existing residential uses.
H9 – Conversion of Rural Buildings for Living Accommodation	Potential Costs but no additional allowance required beyond existing cost assumptions	This policy adds requirements to ensure that buildings are of sufficient standard to provide suitable living accommodation, that appropriate ecological assessments are undertaken and for utilities to be provided underground.
T17 – Parking in Town and District Centres	Potential Costs but no additional allowance required beyond existing cost assumptions	This policy requires contributions from all forms of development within town and district centres towards improvements such as upgrading/expanding existing public parking, providing parking availability information, traffic management, bus help schemes, facilities for public transport, facilities for walking and cycling, provision/operation of CCTV, residential parking schemes etc.
C4 – Open Space in New Housing Areas	Costs Associated but included within the Appraisal Allowances	This policy requires provision of new open space within housing developments of 10 dwellings or 0.4 hectares or above.
C11 – New Footpaths, Horse Routes and Cycleways	Potential Costs but no additional allowance required beyond existing cost assumptions	This policy seeks opportunities for the provision of certain new routes to be created in the borough. It can be implied that development on adjoining these routes will be required to support their delivery.
C22 – Protection of Community Facilities	No Costs	The policy is intended to resist the loss of community facilities to development, however it does include a clause that allows replacement of the facility.
N2 – Development and Nature Conservation – Site Surveys	Potential Costs but no additional allowance required beyond existing cost assumptions	This policy requires further surveys and data collection to be undertaken on previously developed sites that have remained vacant for a long period.

# 4 Appraisal Assumptions

Policy number/ name	Cost implications?	Comments
N3 – Development and Nature Conservation – Protection and Enhancement Measures	Potential Costs but no additional allowance required beyond existing cost assumptions	This policy requires the protection, translocation or replacement of important habitats and ecological features as part of development schemes.
N4 – Development and Nature Conservation – Use of Local Species	Potential Costs but no additional allowance required beyond existing cost assumptions	This policy requires the use of native species as part of the landscaping within new development schemes
N8 – Protection of Key Habitats	Potential Costs but no additional allowance required beyond existing cost assumptions	This policy primarily seeks to resist development that may affect key habitats such as ancient woodland and lowland heathland, peatland and unimproved grassland. However it does allow for some development provided that measures are put in place to minimise damage, restore habitats and recreate or compensate for any loss.
N9 – Community Woodland Zones	Potential Costs but no additional allowance required beyond existing cost assumptions	New woodland planting is required as part of development schemes within this zone.
N10 – New Woodland - Considerations	Potential Costs but no additional allowance required beyond existing cost assumptions	This policy seeks woodland planting in all new developments and sets criteria for how such new planting ought to be considered.
N12 – Development and the Protection of Trees	Potential Costs but no additional allowance required beyond existing	This policy requires the replacement of visually significant trees, shrubs and hedges where their loss cannot be avoided. It also requires developers to apply measures to protect trees as part of the development of a site.



# 4 Appraisal Assumptions

Policy number/ name	Cost implications?	Comments
	cost assumptions	
N14 – Protection of Landscape Features of Major Importance to Flora and Fauna	Potential Costs but no additional allowance required beyond existing cost assumptions	This policy seeks to resist development that may harm specific types of landscape features. It does allow for some development where measures are put in place to minimise, restore and/or compensate for any loss or deterioration in the nature conservation value of the landscape feature.
N16 – Protection of a Green Heritage Network	No Costs	The policy seeks to resist development in or adjacent to the designated Green Heritage Network. It does allow for some development where measures are put in place to mitigate or compensate for the effect of the development on the network.
N19 – Landscape Maintenance Areas	Potential Costs but no additional allowance required beyond existing cost assumptions	This policy relates to another area of the borough where maintenance of the existing landscape character is the priority. Development that is designed in a way that contributes to this maintenance is supported.
N20 – Areas of Landscape Enhancement	Potential Costs but no additional allowance required beyond existing cost assumptions	This policy relates to another area of the borough where enhancement of landscape character is the priority. Development that is designed in a way that contributes to this enhancement is supported.
N21 – Areas of Landscape Regeneration	No Costs	This policy relates to another area of the borough where regeneration of landscape character is the priority. Development that is designed in a way that contributes to this regeneration is supported.
N24 – Water Based Landscape Features	Potential Site Specific Costs	This policy relates to the new provision of water based features either on their own or within development schemes. Such features are expected not to harm landscape quality or diminish nature conservation value, and instead make a positive contribution to local biodiversity.
B3 – Other Archaeological Sites	Costs Associated but allowed for in site specific mitigation	This policy requires archaeological assessments to be undertaken where development may affect sites of archaeological significance. It also requires excavation and recording of archaeology where it does not merit preservation in situ.

# 4 Appraisal Assumptions

Policy number/ name	Cost implications?	Comments
B12 – Provision of Services within Conservation Areas	Potential Costs but no additional allowance required beyond existing cost assumptions	This policy seeks to keep the provision of utility infrastructure out of view (e.g. underground) within conservation areas.
IM1 – Provision of Essential Supporting Infrastructure and Community Facilities	Potential Costs but no additional allowance required beyond existing cost assumptions	This policy requires developer contributions to support improvements to infrastructure and services associated with the development scheme.
IM2 – Compliance with Policy Concerns	No Costs	This policy requires developers to demonstrate that they have met the requirements of the Borough Council's planning policies.

4.18 In summary all of the above policies have been considered in the study but no additional specific allowances were considered necessary beyond the cost rates and site specific cost allowances that have been made elsewhere in the appraisals.

## Developers Profit

4.19 Developer's profit is generally fixed as a % return on gross development value or return on the cost of development to reflect the developer's risk. In current market conditions, and based on the assumed lending conditions of the financial institutions, a 20% return on GDV is used in the residential viability appraisals to reflect speculative risk on the market housing units. However it must be acknowledged that affordable housing does not carry the same speculative risk as it effectively pre-sold and a 6% Allowance has been made. There is significant evidence of this 'split profit' approach being accepted as a legitimate approach in Whole Plan Viability and Community Infrastructure Levy Examinations and Affordable Housing Section 106 BC Appeals

## Property Sales Values

4.20 The sale value of the development category will be determined by the market at any particular time and will be influenced by a variety of locational, supply and demand factors as well as the availability of finance. The study uses up to date comparable evidence to give an accurate representation of market circumstances.

# 4 Appraisal Assumptions

4.34 A valuation study of all categories of residential and commercial property has been undertaken by HEB Chartered Surveyors in June 2016. A copy of the report is attached at Appendix I. The sale value of residential property in the viability assessments is calculated by multiplying the floor area of the building by the house type sales rate in the table below.

Residential Sales Values					
Charging Zone	Sales Value £sqm				
	Apartment	2 Bed	3 Bed	4 Bed	5 Bed
1 Low	1,800	1,990	1,930	1,930	1,900
2 Medium	1,875	2,000	1,990	1,990	1,950
3 High	2,000	2,200	2,150	2,150	2,100
4 Highest	2,150	2,400	2,350	2,350	2,300

## Land Value Allowances - Residential

4.35 Following the land value benchmarking 'uplift split' methodology set out in Section 3 the following greenfield and brownfield existing residential land use value assumptions are applied to the study. The gross residual value (the maximum potential value of land assuming planning permission but with no planning policy, affordable housing or Section 106 cost impacts). An example for Mixed Housing in the High Value zone is illustrated in the table below.

Land Value	£20000	Existing Greenfield (agricultural) Per Ha Brownfield (equivalent general commercial) Per Ha Gross Residual Residential Value per Ha	Uplift	50%
	£420,000			
	£2,039,241			

4.36 50% of the uplift in value between existing use and the gross residual value of alternative use with planning permission is applied to generate benchmarked land values per Ha. These land values are then divided by the assumed unit type densities to generate the individual greenfield and brownfield plot values to be applied to the appraisals.

EUV	+	50% of Uplift in Value	=	Threshold Land Value
Greenfield	£20,000	+	50% (2,039,241 - £20,000)	= £1,029,621 per Ha
Brownfield	£420,000	+	50% (£2,039,241 - £420,000)	= £1,229,621 per Ha

# 4 Appraisal Assumptions

Density Assumptions	Apt	2 Bed	3 Bed	4 Bed	5 Bed
	100	40	35	25	20
LAND VALUES (Plot Values)					
	Apt	2 Bed	3 Bed	4 Bed	5 Bed
Greenfield	10296	25741	29418	41185	51481
Brownfield	12296	30741	35132	49185	61481

4.37 The complete set of gross residual residential values for all the residential tests from which the benchmarked threshold land value allowances were derived, is set out in the table below.

Gross Residual Land Value per Ha	Zone 1	Zone 2	Zone 3	Zone 4
<b>Stoke on Trent</b>				
Apartments	£2,113,255			
Mixed Housing	£1,183,186	£1,914,244		
<b>Newcastle Under Lyme</b>				
Mixed Housing		£1,861,407	£2,039,241	£2,306,604

## Fees, Finance and Other Cost Allowances

4.38 The following 'industry standard' fee and cost allowances are applied to the appraisals.

Residential Development Cost Assumptions				
Professional Fees		8.0%	Construction Cost	
Legal Fees		0.5%	GDV	
Statutory Fees		1.1%	Construction Cost	
Sales/Marketing Costs		2.0%	Market Units Value	
Contingencies		5.0%	Construction Cost	
Planning Obligations		1000	£ per Dwelling	
		20	£ per sqm Commercial	
Interest	5.0%	12	Month Construction	3-6 Mth Sales Void
Arrangement Fee	1.0%	Cost		

## Delivery Timescale

# 4 Appraisal Assumptions

4.39 The delivery of housing and sites has been considered over a plan period of 15 years and broken down into 5 year delivery periods from 0-5 years, 6-10 years and 11-15 years. Larger sites have assumed phased delivery across all three periods.

4.40 Based on forecasts from general industry research the following broad assumption adjustments have been applied to the values and costs in the study in the three appraisal periods.

There will obviously be significant fluctuations over a 15 year plan period with higher residential value growth likely in the early part of the cycle but the figures are considered to represent reasonable estimates for the purpose of the Viability Appraisal.

Assumption Adjustments			
Residential Values Av Annual Increase	2016-2031	3%	
Construction Costs Av Annual increase	2016-2031	2%	
Delivery Period	0-5 Years	6-10 Years	11-15 Years
Value Adjustment	0%	27%	46%
Costs Adjustment	0%	17%	29%

4.41 No adjustment is applied to current costs and values in the 0-5 year period as required by the NPPF and Harman guidance. A period of 8 years of compounded adjustments is applied to the 6-10 year period of the SHLAA appraisals and 13 years for the 11-15 year period. Adjustments are similarly applied to other costs, values and abnormal site constraint costs in the appraisals.

## Viability Appraisal Results

4.42 The site specific testing indicates whether individual development sites are considered viable on a 'traffic light' red, green, amber approach.

**Green** – Site considered broadly viable having made allowance for all reasonable development impacts, a standard developers profit and return to the landowner.

**Amber** – Site considered capable of viable development making allowance for all reasonable development impacts, a standard developers profit but acknowledging that landowners may need to accept land value reductions for abnormal site development costs if development is to proceed.

# 4 Appraisal Assumptions

**Red** – Site not currently considered viable based on implementation of Council policies and standard returns to landowners. It should be recognised that sites in this category may be viable if (a) the abnormal costs of bringing the site into a developable state (including some up front infrastructure investment) are deducted from the land value, (b) the Council is minded to relax affordable housing or infrastructure contributions or (c) landowner/developers accept some reduced profit return to stimulate the development

# 5 Stoke on Trent Viability Appraisal Results

## Mixed Housing – Low Zone 1 – 0-5 YEAR DELIVERY

Mixed Housing Viability Results		Low Zone	0-5 Year Delivery		
Ref	Site	Size	Units	Type	Viability
0129	Bird In Hand, 942 London Road, Stoke On Trent, ST4 5NX	0.33	24	Brownfield	-£7,397
0121	Adj to, Furnival Street, Cobridge	0.6438	31	Brownfield	-£159,075
0127	Beresford Trading Estate, High Street, Tunstall, Stoke on Trent,	1.3	47	Brownfield	-£818,386
0131	Boon Avenue	0.99	40	Brownfield	-£260,929
0132	Berry Hill High School and Sports College, Bucknall, Stoke on Trent	7.88	221	Brownfield	-£1,188,334
0140	Bucknall Hospital, Eaves Lane, Bucknall, Stoke on Trent, ST2 8LD	8.89	201	Brownfield	-£883,003
0152	Eastwood Road, Hanley	4.74	263	Brownfield	-£3,024,969
0153	City Waterside	2.91	111	Brownfield	-£1,845,131
0154	Ludlow Street, Hanley	0.91	58	Brownfield	-£217,601
0157	Pyenest Street, Shelton	2.07	100	Brownfield	-£1,344,782
0167	Crownford Works, Newcastle Street/Packhorse Lane, Burslem, Stoke on Trent, ST6 3QB	0.53	24	Brownfield	-£324,413
0193	Former Ashfields Cottages, Sturgess Street, Stoke on Trent	0.62	43	Brownfield	-£376,328
0201	Former Co-op Bakery Site, Newport Lane, Middleport, Stoke-on-Trent	1.98	96	Brownfield	-£1,286,009
0206	Former Dyson Thermal Technologies, Shelton New Road, Hartshill, Stoke-on-Trent, ST4 6EP	4.57	131	Brownfield	-£2,981,035
0216	Former Marychurch CE Primary School, Piggott Grove, Stoke on Trent, ST2 9BZ	1.04	32	Brownfield	-£310,055
0221	Former pottery works, Crane Street, Cobridge	4.07	201	Brownfield	-£1,139,119
0222	Former pottery, Parsonage Street, Tunstall	0.49	28	Brownfield	-£115,692
0228	Former Simpsons Pottery, Grange Street, Cobridge, Stoke-on-Trent	0.73	34	Brownfield	-£187,683
0229	Former St Dominic's School, Hartshill Road, Stoke-on-Trent	1.28	29	Brownfield	-£387,450
0232	Former Tunstall Health Centre, Dunning Street, Tunstall, Stoke On Trent, ST6 5AP	0.47	19	Brownfield	-£120,566
0240	Hamilton Training Service, Glebedale Road, Fenton, ST4 3AQ	0.42	19	Brownfield	-£257,105
0243	Health Centre, Bargrave Street, Bentilee	0.33	11	Greenfield	-£48,666
0245	Heathfield Special School, Chell Heath Road, Chell Heath, Stoke on Trent, ST6 6PD	1.08	35	Brownfield	-£293,698
0247	Hollybank House, Hollybank Crescent, Stoke-on-Trent, ST4 5AR	0.25	23	Brownfield	-£5,837
0252	Just Mugs, College Road, Hanley	0.49	33	Brownfield	-£292,456
0256	Keele Street, Tunstall, Stoke on Trent, ST6 5AR.	0.28	17	Brownfield	-£166,111
0294	Land at Bournes Bank and Woodbank Street, Burslem, Stoke on Trent	2.47	103	Brownfield	-£1,588,688
0301	Land at Brownhills Road, Tunstall.	4.07	182	Brownfield	-£2,620,261

# 5 Stoke on Trent Viability Appraisal Results

## Mixed Housing – Low Zone 1 – 0-5 YEAR DELIVERY

Mixed Housing Viability Results		Low Zone	0-5 Year Delivery		
Ref	Site	Size	Units	Type	Viability
0303	Land at Elstree Grove, Birches Head, Stoke On Trent, ST1 6UB	0.33	3	Greenfield	£14,684
0304	Land at Furlong Road, Tunstall, Stoke-on-Trent	0.91	29	Brownfield	-£571,920
0310	Land at junction of Newport Lane and Furlong Lane, Burslem Stoke-on-Trent	1.86	91	Brownfield	-£1,184,596
0319	Land at Norfolk Street, Norfolk Street, Shelton, Stoke on Trent	0.36	20	Brownfield	-£90,101
0325	Land at Sneyd Street, Sneyd Green, Stoke-on-Trent, ST6 2NP	0.35	13	Brownfield	-£213,200
0326	Land at Spa Street, Cobridge, Stoke on Trent, ST6 2LN	1.2	58	Brownfield	-£769,487
0333	Land at Vernon Road, Stoke-on-Trent, ST4 2TP	0.28	14	Greenfield	-£120,336
0340	Land at Crystal Street, Cobridge	0.62	29	Brownfield	-£378,373
0351	Land between Huntilee Road and Scotia Road, Scotia Road, Tunstall	9.2	258	Brownfield	-£6,004,221
0363	Land off Leek Road, Northwood, ST1 6AT	0.31	13	Brownfield	-£196,159
0364	Land off Lichfield Street, Hanley	0.44	33	Brownfield	-£259,086
0401	Land, Sneyd Street, Cobridge	0.37	23	Greenfield	-£177,091
0415	Mitchell High School, Bucknall, Stoke on Trent, ST2 9EY.	8.72	185	Brownfield	-£2,841,537
0426	Minton Hollins, Shelton Old Road, Stoke	2.79	845	Brownfield	-£529,417
0442	Cobridge Road, Etruria	5.64	273	Brownfield	-£1,581,449
0445	Elder Road, Cobridge	0.83	38	Brownfield	-£514,135
0465	Travers Street, Middleport	0.75	38	Brownfield	-£198,787
0469	Potteryworks Premises, Campbell Road, Stoke on Trent, Staffs. ST4 4ET	1.1	70	Brownfield	-£672,965
0471	R & G Trade Supplies, Foley Street, Fenton	0.5	77	Brownfield	-£266,405
0481	Newlands Street, Shelton	1.05	56	Brownfield	-£642,106
0483	Johnson Matthey, Joiners Square	1.81	115	Brownfield	-£1,107,492
0487	Squires View, Shelton	1.85	106	Brownfield	-£530,879
0494	School, Wellfield Road, Bentilee	3.59	84	Brownfield	-£1,024,742
0495	Scrapyard, Leek New Road, Cobridge	5.63	235	Brownfield	-£3,633,706
0503	Site at Former Irish Club, 27 North Street, Stoke On Trent, ST4 7DQ	0.4	300	Brownfield	£35,652
0512	Spode Works, Elenora Street, Stoke	4.07	144	Brownfield	-£2,817,048
0515	St Peters High School, Queens Road, Penkhull	1.98	61	Brownfield	-£541,763



# 5 Stoke on Trent Viability Appraisal Results

## Mixed Housing – Low Zone 1 – 0-5 YEAR DELIVERY

Mixed Housing Viability Results		Low Zone	0-5 Year Delivery		
Ref	Site	Size	Units	Type	Viability
0516	Stoke Business Park, Woodhouse Street, Stoke	0.8	28	Brownfield	-£534,432
0523	The Bellringer, Kettering Drive, Eaton Park	0.3292	13	Brownfield	-£80,309
0530	Top Bridge Works, Davenport Street, Trubshaw Cross	0.87	43	Brownfield	-£546,238
0539	Victoria Ground, Booths Old Road, Stoke	6.7	375	Brownfield	-£2,060,647
0540	Wade Factory, Hall Street, Burslem	1.43	67	Brownfield	-£913,327
0549	Works, Commercial Road, Hanley	0.76	51	Brownfield	-£453,798
0552	Land at Birches Head Road and Redhills Road	12.55	95	Greenfield	-£9,793,192
0651	Land adj Blackfriars School, Castle Grove, Abbey Hulton	2.55	175	Greenfield	-£97,538
0660	Land off, Bilton Street, Stoke	0.59	38	Greenfield	-£10,677
0665	premises, Glover Street, Birches Head	0.5	36	Brownfield	-£295,987
0666	Shelton Pool, Simon Place, Shelton, Stoke on Trent, ST4 2DD and adjacent Shelton Day Centre, Cemetery Road, Shelton, Stoke on Trent, ST4 2DL	0.94	50	Brownfield	-£235,158
0673	Former Vulcan Works - Pack Horse PH Longport	0.29	17	Brownfield	-£175,845
0676	Brookhouse Farm, Werrington Road, Stoke-on-Trent, ST2 9DN	0.76	24	Brownfield	-£477,916
0438	Botteslow Street, Hanley	1.08	77	Brownfield	-£653,499

# 5 Stoke on Trent Viability Appraisal Results

## Mixed Housing – Low Zone 1 – 6-10 YEAR DELIVERY

Mixed Housing Viability Results		Low Zone	6-10 Year Delivery		
Ref	Site	Size	Units	Type	Viability
0135	Boundary Works, King Street, Longton	1.06	59	Brownfield	-£238,680
0133	Boothens Allotments North, Spode Street, Boothens	0.71	45	Brownfield	£396,246
0134	Boothens Allotments South, Campbell Road, Stoke	4.36	244	Brownfield	£1,920,705
0142	California Business Park, Whieldon Road, Stoke	2.95	165	Brownfield	-£703,418
0155	Westmill Street, Joiners Square	0.39	30	Brownfield	£186,186
0158	Cobridge Road (West), Cobridge Road, Hanley	1.79	100	Brownfield	-£378,016
0160	College land, Moorland Road, Burslem	1.22	58	Brownfield	£145,460
0164	Council depot, Cromer Road, Bucknall	7.23	308	Brownfield	-£2,504,874
0187	Foley Goods Yard, Bute Street, Fenton	1.00	56	Brownfield	-£185,116
0224	Former Queens Hotel, 489 Etruria Road, Hanley, Stoke-on-Trent.	0.31	18	Brownfield	£199,428
0244	Harvey Works, Lingard Street, Burslem	0.8	38	Brownfield	-£212,054
0297	Land at Central Outpatients/Central Pathology Laboratory, Thornburrow Drive, Hartshill, Stoke-on-Trent	2.36	69	Brownfield	-£1,108,790
0306	Land at Grange Park, Stonor Road, Cobridge	3.64	151	Brownfield	-£1,302,550
0343	Land at, Navigation Road, Burslem	0.53	24	Brownfield	-£155,539
0373	Land off, Hawkins Street, Fenton	1.22	48	Brownfield	£84,592
0120	Abbey Hill School, Greasley Road, Bucknall, Stoke on Trent, ST2 8LG	1.64	52	Brownfield	-£33,756
0429	Penkhull Education Centre, Princes Road, Penkhull, Stoke on Trent, ST4 7JS	0.5	20	Brownfield	£42,640
0437	Cobridge Road, Etruria	3.15	134	Brownfield	-£1,228,566
0439	Canal Street, Longport	3.15	134	Brownfield	-£1,228,566
0443	Croft Street, Burslem	0.61	29	Brownfield	-£161,419
0446	Festival Way, Festival Park	4.52	221	Brownfield	-£1,275,900
0450	Lytton Street, Stoke	4.40	154	Brownfield	-£2,088,740
0456	Cutts Street, Shelton	3.28	162	Brownfield	-£909,270
0457	Burgess Street, Burslem	0.33	17	Brownfield	-£74,059
0466	Potteries Shopping Centre, Town Road, Hanley	4.12	201	Brownfield	-£1,226,482
0467	Pottery works, Regent Road, Hanley	0.73	45	Brownfield	-£81,381
0472	Rail sidings, Longbridge Hayes Road, Longport	0.89	43	Brownfield	-£228,037

# 5 Stoke on Trent Viability Appraisal Results

## Mixed Housing – Low Zone 1 – 6-10 YEAR DELIVERY

Mixed Housing Viability Results		Low Zone	6-10 Year Delivery		
Ref	Site	Size	Units	Type	Viability
0473	Rail sidings, Station Street, Longport	3.00	126	Brownfield	-£1,186,572
0173	Edinburgh House, YMCA, Harding Road, Hanley	1.95	104	Brownfield	-£462,165
0485	South of Biltons, London Road, Stoke	1.52	60	Brownfield	£94,298
0489	Rogersons Meadow, Newport Lane, Middleport	5.94	248	Brownfield	-£2,495,924
0492	Royal Staffordshire China , Navigation Road, Burslem	1.05	53	Brownfield	£563,830
0496	Scrapyard, Porthill Road, Longport	4.78	202	Brownfield	-£1,672,672
0498	Shelton Enterprise Centre, Bedford Street, Shelton	2.13	103	Brownfield	-£612,918
0500	Site 3, Watergate Street, Tunstall	2.71	113	Brownfield	-£1,041,436
0506	Site of Penkhull Farm, Garden Street, Penkhull, ST4 5DY	0.63	14	Brownfield	-£79,382
0508	Site off Davenport Street, Middleport, Burslem, Stoke on Trent,	2.23	92	Brownfield	-£843,859
0517	Stoke Station Sidings (north), Station Road, Stoke	0.99	40	Brownfield	-£338,700
0518	Stoke Station Sidings (south), Station Road, Stoke	3.61	126	Brownfield	-£1,585,736
0537	Vacant land, Bulter Street, Stoke	0.48	28	Brownfield	-£88,257
0650	Land at Forest Park Edge, Hanley	2.73	177	Greenfield	£431,434
0652	Mary Bourne Home, Hopwood Road, Bucknall	0.61	19	Brownfield	-£7,808
0654	Grove Road, Heron Cross	0.68	27	Brownfield	£30,351
0664	Garage, Chell Street, Hanley	0.74	58	Brownfield	£17,997
0667	Council Depot, Swaythling Grove, Bentilee	0.38	15	Brownfield	-£141,417
0668	Station Road, Shelton	1.21	67	Brownfield	-£232,076
0669	Paper Works, Whieldon Road, Stoke	1.95	72	Brownfield	-£827,780
0670	Berry Hill Potteries, Dewsbury Road, Fenton	4.05	144	Brownfield	-£1,810,042
0419	Nile Street/ Hobson Street, Burslem. Stoke-on-Trent, ST6 2AR	4.68	197	Brownfield	-£1,645,572
0531	Trent Vale Primary School, Newcastle Road, Trent Vale	1.15	62	Brownfield	£247,996
0180	Etruria Works, Etruscan Street, Shelton	2.05	100	Brownfield	£286,041
0320	Land at North Staffordshire Royal Infirmary, Princes Road / Queens Road, Hartshill, Stoke on Trent	8.75	236	Brownfield	-£4,551,249
0434	Potclays, Etruria Road, Basford	2.29	45	Brownfield	-£1,365,092
0185	Family Centre, Flash Lane, Trent Vale	2.03	112	Brownfield	-£443,056
0444	Davenport Street, Trubshaw Cross	2.39	88	Brownfield	-£1,051,395
0453	New Century Street, Hanley	7.36	363	Brownfield	-£2,045,537
0526	The Old Foley Pottery and Adj land, King Street, Fenton	0.94	34	Brownfield	-£378,266

# 5 Stoke on Trent Viability Appraisal Results

## Mixed Housing – Low Zone 1 – 11-15 YEAR DELIVERY

Mixed Housing Viability Results		Low Zone	11-15 Year Delivery		
Ref	Site	Size	Units	Type	Viability
0292	Land at Berryhill	50.50	1316	Brownfield	-£7,018,826
0374	Land off, Lordship Lane, Fenton	6.85	294	Greenfield	£4,175,570
0421	Northwood Stadium, Keelings Road, Northwood	10.10	636	Greenfield	£5,227,790
0436	Hinde Street, Hanley	7.76	437	Brownfield	£733,685
0317	Land at Newport Lane, Etruria Valley	5.21	218	Brownfield	-£1,033,410
0560	Former Clanway Stadium, James Brindley Way	6.72	281	Brownfield	£2,116,051
0459	Station Street, Burslem	1.03	48	Greenfield	£658,002
0233	Former school, Brocksford Street, Fenton	0.50	28	Brownfield	£299,075
0555	Canal Lane, Tunstall, Stoke-on-Trent, ST6 4PQ	5.37	227	Brownfield	-£771,752

# 5 Stoke on Trent Viability Appraisal Results

## Mixed Housing – Medium Zone 2 – 0-5 YEAR DELIVERY

Mixed Housing Viability Results		Medium Zone		0-5 Year Delivery	
Ref	Site	Size	Units	Type	Viability
0138	Broomfield Road	0.41	16	Greenfield	£38,271
0148	Caverswall Lane, Meir	16.46	462	Greenfield	-£8,445,185
0163	Corner of, Nursery Lane, Baddeley Green	0.3533	11	Greenfield	£77,029
0175	Elgood Lane, Goldenhill	1.95	46	Greenfield	-£838,769
0184	Florence Primary School, St Clair Street, Dresden	0.33	23	Brownfield	£39,601
0186	Ford Green House, Ford Green Road, Smallthorne	0.27	10	Brownfield	-£21,263
0196	Former Blythe and Sutherland Works, Sutherland Road, Longton	2.04	80	Brownfield	-£895,154
0198	Former Clanway Brickworks, off James Brindley Way, Sandyford, Stoke-on-Trent ST6 5NW	1.66	53	Greenfield	-£574,816
0210	Former Electricity Board site, Locketts Lane, Longton, Stoke-on-Trent	0.46	25	Brownfield	£149,612
0315	Land at Main Street/ Flint Street/ Gate Street, Weston Coyney	2.15	79	Brownfield	£485,167
0334	Land at Wilson Road, Hanford	1.36	13	Brownfield	-£93,901
0339	Land at, Battison Crescent, Longton	0.72	45	Brownfield	-£212,424
0344	Land at, Redhills Road, Milton	3.7	76	Brownfield	-£2,537,683
0375	Land off, Magdalen Road, Blurton	4.18	95	Greenfield	£241,691
0379	Land off, Wren View, Normacot	0.59	7	Greenfield	-£105,243
0399	Land, Bellerton Lane, Norton	0.61	20	Brownfield	-£275,965
0509	Smallthorne Working Mens Club, Chetwynd Street, Smallthorne, Stoke On Trent, ST6 1PP	0.35	15	Brownfield	-£8,699
0510	Smallthorne Workingmen's Club, Chetwynd Street, Smallthorne, Stoke On Trent, ST6 1PP	0.32	14	Brownfield	-£6,080
0524	The Grove, Gravelly Bank, Lightwood	0.35	15	Brownfield	-£8,699
0543	Wedgwood Estate Phase 1 The Lakeside, Wedgwood Drive, Trentham, Stoke On Trent	6.17	60	Greenfield	-£297,587
0562	Land at Umberleigh Road, Blurton, and other land, ST3 3ND and Public Open Space at Newstead	0.81	26	Greenfield	£82,832
0655	Brookwood House, Consett Road, Blurton	0.51	75	Brownfield	£36,155
0659	Land off Redhills Road	10.75	186	Brownfield	-£8,329,929
0662	Former Edith Beddow Residential Home (Site only), New Inn Lane, Hanford, Stoke on Trent, ST4 8EZ	0.43	15	Brownfield	-£86,859
0674	Former Nursing Home, 1 Ricardo Street, Longton, Stoke-on-Trent, ST3 4EU	0.12	8	Brownfield	-£9,551
0331	Land at Trentham Lakes Phase 1, Stanley Matthews Way, Stoke-on-Trent	6.42	300	Brownfield	-£127,465

# 5 Stoke on Trent Viability Appraisal Results

## Mixed Housing – Medium Zone 2 – 6-10 YEAR DELIVERY

Mixed Housing Viability Results		Medium Zone		6-10 Year Delivery	
Ref	Site	Size	Units	Type	Viability
0137	Broadway House, Broadway, Meir	0.92	53	Brownfield	£559,993
0220	Former Parkside Residential Home, Weston Coyney Road, Stoke on Trent, and Training & Development Centre	0.87	22	Brownfield	£79,972
0238	Former Tuscan Works, Anchor Road, Longton, Stoke on Trent, ST3 1LL	3.08	110	Brownfield	-£535,562
0433	Portland Works, Sutherland Road, Longton	1.4	56	Brownfield	-£111,866
0435	Fisher Street, Brindley Ford	0.51	16	Greenfield	£180,946
0468	Pottery, Sutherland Road, Longton	0.38	19	Brownfield	£46,270
0513	Sports Field, Biddulph Road, Fegg Hayes	4.32	120	Greenfield	£2,058,709
0520	TFK Property Ltd., Leek New Road, Stoke on Trent. (SITE D)	0.70	22	Brownfield	£130,793
0491	Royal Doulton, Leek New Road, Baddeley Green	6.72	178	Greenfield	£538,127
0656	Land Off Kingsford Place, Meir	0.31	11	Greenfield	£12,638
0661	BPI premises, Ford Green Road, Smallthorne	1.80	32	Brownfield	-£901,921
0541	Wedgwood Estate (Phase 3 -The Oaks), Wedgwood Drive, Trentham, Stoke-on-Trent, ST12 9ER	4.23	29	Greenfield	£101,936
0545	Westcliffe Hospital, Turnhurst Road, Chell, Stoke-on-Trent	2.09	59	Brownfield	£285,912
0546	Westcliffe Hospital, Turnhurst Road, Turnhurst	2.95	84	Greenfield	£731,187
0342	Land at Harrowby Road, Meir	0.3	11	Brownfield	£91,209
0519	Swallows Nest PH, Ufton Close, Newstead	0.34	18	Brownfield	£203,260
0412	Middlehurst Special School, Turnhurst Road, Chell, Stoke on Trent, ST4 6NQ	7.21	202	Brownfield	£852,644
0486	Mayer Street, Hanley	3.84	239	Brownfield	£1,063,387
0675	Wedgewood Estate (Phase II) Wedgewood Drive Trentham	5.98	120	brownfield	£2,039,445

# 5 Stoke on Trent Viability Appraisal Results

## Mixed Housing – Medium Zone 2 – 11-15 YEAR DELIVERY

Mixed Housing Viability Results		Low Zone	11-15 Year Delivery		
Ref	Site	Size	Units	Type	Viability
0172	Edensor Technology School, Edensor Road, Longton	6.80	428	Brownfield	£7,969,731
0369	Land off Wilson Road, Hanford, Stoke-on-Trent, ST4 8QT	9.81	274	Brownfield	£3,976,467
0371	Land off, Chessington Crescent, Trentham	11.68	276	Greenfield	£4,368,087
0390	Land south of Wilson Road, Hanford, Stoke on Trent	70.40	1789	Brownfield	£21,294,477
0425	Packmoor West, Handley Street, Packmoor	71.82	2010	Greenfield	£22,374,381
0560	Former Clanway Stadium, James Brindley Way	6.72	281	Brownfield	£4,342,433
0233	Former school, Brocksford Street, Fenton	0.5	28	Brownfield	£525,146
0424	Open space, Lodge Road, Harpfields	1.25	20	Greenfield	£449,993

# 6 Newcastle under Lyme Viability Appraisal Results

## Mixed Housing – Medium Zone 2 – 0-5 YEAR DELIVERY

Mixed Housing Viability Results		Low Zone	0-5 Year Delivery		
Ref	Site	Size	Units	Type	Viability
11	Walton Grove/Coppice View, Talke Pits	0.41	10	Greenfield	£19,135
118	Deans Lane, Red Street	1.22	61	Greenfield	£537,674
124	Kinnersley Street, Kidsgrove	0.15	7	Greenfield	£68,839
13	Wedgwood Road, Kidsgrove	0.25	6	Brownfield	£61,613
132	Land at Heathcote St, Kidsgrove	0.26	10	Brownfield	£139,766
19	Land at Valentine Road, Kidsgrove	0.16	6	Brownfield	-£42,146
220	High Street/Lion Grove, Chesterton	0.19	8	Brownfield	£94,905
256	Nelson Place (Jubilee Baths)	0.17	31	Brownfield	£404,224
294	Land south of Church Lane, Knutton (land at b)	0.31	16	Greenfield	£151,440
341	High St, HARRISEAHEAD (land at)	0.24	10	Greenfield	£86,265
342	Mount Road /Winghay Road, Kidsgrove	0.14	6	Greenfield	£54,492
357	Knutton Lane/Church Lane, Knutton	0.16	8	Brownfield	£111,812
411	Gloucester Road, Kidsgrove (140)	0.47	19	Brownfield	£98,290
424	Water St (Former Police Station)	0.19	10	Brownfield	£139,766
44	Brittain Avenue, Chesterton	0.18	5	Greenfield	£75,461
51	Dragon Square, Rosevale Court, Chesterton	0.35	26	Brownfield	£80,476
53	Bradwell Lane, Bradwell (Land rear of 166-168)	0.18	9	Brownfield	£109,771
8460	Congleton Road, Butt Lane (Millstone Inn)	0.13	8	Brownfield	£72,046
8473b	Mount Road, Kidsgrove (Former Squires Copper)	0.13	5	Brownfield	-£15,714
8477	William Road, Kidsgrove (site of the Galley PH)	0.18	10	Brownfield	£84,705
9761	Victoria Street, Newcastle (7)	0.06	8	Brownfield	£111,812
9775	Ashfields New Road (land adj Sainsburys)	0.65	42	Brownfield	£499,809
9786	Heathcote Street, Chesterton (Chesterton Ex-Servicemens Club)	0.10	5	Brownfield	£67,934
9795	Peel Street, Wolstanton (Alsager Roofing Co Ltd)	0.04	6	Brownfield	£79,410
9802	London Road, Chesterton (Bennett Arms)	0.14	7	Brownfield	£97,836
9887	Brutus Road, Chesterton	0.08	5	Greenfield	£81,868
K465	Imperial Works, Coalpit Hill, Talke	0.89	36	Brownfield	£205,741
NCFS73	York Street, Newcastle	0.09	6	Greenfield	£101,766
NCFS95	Land at Gloucester Rd, Kidsgrove	0.62	24	Brownfield	£109,694



# 6 Newcastle under Lyme Viability Appraisal Results

## Mixed Housing – Medium Zone 2 – 6-10 Year Delivery

Mixed Housing Viability Results		Medium Zone		6-10 Year Delivery	
Ref	Site	Size	Units	Type	Viability
100	Parkhouse Road West, Chesterton	2.03	100	Greenfield	£2,147,108
104	Whitehill Road/Galleys Bank, White Hill	1.15	46	Greenfield	£944,267
106	Albany Road, Croft Road, Cross Heath	1.11	55	Greenfield	£1,608,262
108	London Road, Chesterton	1.50	75	Greenfield	£2,195,001
109	Clayhanger Close, Bradwell	2.10	105	Greenfield	£3,021,743
112	Silverdale Road Cross Roads, Silverdale	0.74	37	Greenfield	£827,056
113	Land at Newchapel Road, Newchapel	2.00	80	Greenfield	£1,569,323
114	Land at Pennyfields Road, Newchapel	1.27	51	Greenfield	£1,002,936
115	Knutton Recreation Centre, Knutton Lane	1.73	86	Brownfield	£2,239,173
121	Ashbourne Road, Silverdale	0.99	49	Greenfield	£1,114,422
126	Bradwell Lane, Bradwell	0.46	51	Greenfield	£1,588,074
131	Hillport Avenue, Hillport, Newcastle	0.38	8	Greenfield	£75,022
144	Playing field off William Road, Kildsgrove	2.30	92	Greenfield	£2,582,967
145a	Apedale South, Apedale Road	2.20	110	Greenfield	£2,458,436
15	Maple Avenue, Talke	0.26	10	Brownfield	£135,167
151	Land West of King Street, Kildsgrove	1.01	41	Greenfield	£394,566
157	Butt Lane Community Centre, Lower Ash Road, Butt Lane	0.19	8	Brownfield	£154,502
158	Land rear of Unity Way, Butt Lane	0.52	21	Greenfield	£424,691
159	Talke Road, Talke	1.13	45	Greenfield	£921,429
160	Thomas Street, Talke	0.39	16	Greenfield	£340,872
160a	Thomas Street (south), Talke	0.14	6	Greenfield	£133,643
162	Land at Chester Road, Talke Pits	1.00	40	Greenfield	£1,188,760
163	Land rear of High Street, Talke Pits	0.30	12	Greenfield	£350,968
170	Land at Speedwell Road /Parkhouse Road East, Bradwell	0.73	37	Brownfield	£697,403
173	Working Men's Club, Bradwell Lane, Bradwell	0.25	12	Brownfield	£317,540
176	London Road, Chesterton	0.26	13	Brownfield	£344,396
177	Land at Queen Street, Chesterton	0.25	12	Greenfield	£364,763
178	Chesterton Memorial Park, Church Walk/London Road, Chesterton	0.66	33	Greenfield	£973,855
179	Community Centre, London Road, Chesterton	0.30	15	Brownfield	£397,380
18	Grove Avenue, Talke	0.33	10	Brownfield	£110,297

# 6 Newcastle under Lyme Viability Appraisal Results

## Mixed Housing – Medium Zone 2 – 6-10 Year Delivery

Mixed Housing Viability Results		Medium Zone	6-10 Year Delivery		
Ref	Site	Size	Units	Type	Viability
185	Allotment Gardens at end of Cotswold Avenue, Knutton	0.27	48	Greenfield	£1,503,892
188	Recreation area and car park at Church Street, Silverdale	1.33	66	Greenfield	£1,930,196
189	Land around Church at Church Street, Silverdale	0.23	11	Greenfield	£327,975
250	Land at Wilson Street, Newcastle	0.46	23	Greenfield	£678,748
251	Industrial Units at Brampton Sidings, Newcastle	0.43	21	Brownfield	£411,527
252	"Land at Queen Street, Newcastle"	0.25	12	Greenfield	£361,184
254	Brampton Park, May Bank	0.73	36	Greenfield	£1,050,532
255	King St, Newcastle (Car park)	0.46	23	Brownfield	£554,616
257	School Street Car Park, Newcastle	0.13	24	Brownfield	£632,661
258	Land at Windsor Street, Newcastle	0.08	14	Brownfield	£371,617
259	West Street, Newcastle	0.10	19	Brownfield	£501,160
260	"Stubbs Walks, Victoria Road, Newcastle"	0.19	9	Greenfield	£274,985
263	"Birchenwood – Land at Ravenscliffe Road"	1.17	47	Greenfield	£890,970
273	Land at Holditch Road, Lymedale Ind Estate, Holditch	0.62	31	Brownfield	£590,182
274	Golf Course Walks, A34, Dimsdale	1.29	65	Greenfield	£1,903,740
275	Allotment Gardens at Garnett Road West, Porthill	0.71	35	Greenfield	£1,037,016
276	Land at Bradwell Lane, Porthill	0.73	37	Greenfield	£1,119,905
278	"Recreation area at Moreton Parade, Wolstanton"	0.58	29	Greenfield	£876,948
279	"Marsh Hall Community Centre, Grange Lane, Wolstanton"	0.52	26	Brownfield	£513,940
280	Land at Highfield Avenue, Wolstanton	0.20	10	Greenfield	£309,718
281	"Allotment Gardens at Hilltop Avenue, Basford"	1.33	66	Greenfield	£1,930,196
282	Brampton Road/Sandy Lane (land at), May Bank	0.43	21	Greenfield	£617,291
283	Knutton Community Centre, High Street, Knutton	0.20	10	Greenfield	£258,962
297	"Land at Meadow Street/London Road, Chesterton"	0.51	26	Brownfield	£283,222
299	Sandy Lane (Fairmont), May Bank	0.27	13	Brownfield	£353,871
3	Land adjacent to Dove Bank Primary, Rutland Road, Kidsgrove	0.43	17	Greenfield	£342,646
307	Land north of Church Lane, Knutton	0.85	43	Greenfield	£997,132
308	Cotswold Avenue, Knutton	0.17	9	Greenfield	£218,946
32	"Old Sainsburys Site A, Newcastle"	0.72	130	Brownfield	£2,796,338
325	Land at Hoon Avenue, Newcastle	3.03	152	Greenfield	£4,375,739

# 6 Newcastle under Lyme Viability Appraisal Results

## Mixed Housing – Medium Zone 2 – 6-10 Year Delivery

Mixed Housing Viability Results		Medium Zone	6-10 Year Delivery		
Ref	Site	Size	Units	Type	Viability
326	Land at Blackbank Road, Knutton (adjacent Knutton Children Centre)	3.00	150	Greenfield	£4,316,776
337	Wilmott Drive, Cross Heath, Newcastle-under-Lyme	8.70	250	Brownfield	£6,192,193
33839	Shrewsbury Drive, Chesterton	1.22	61	Greenfield	£1,393,093
340	Land rear of Willowcroft Way, HARRISEAHEAD	0.52	21	Greenfield	£428,752
349	Land at rear of Lancaster Road, Newcastle	0.43	21	Greenfield	£626,804
35	London Rd, Newcastle (former Bristol St Motors)	1.20	215	Brownfield	£4,617,169
350	Land at rear of Stone Bank Road, Kidsgrove	1.13	45	Greenfield	£889,076
359	Cherry Hill Lane, Silverdale (land at Cherry Hill Farm)	0.26	13	Greenfield	£322,861
364	Bradwell Youth and Community Centre, Riceyman Road, Bradwell	0.60	30	Brownfield	£807,745
410	Hillport Avenue (site at)	0.29	14	Brownfield	£370,524
430	Hulston Site, Birch House Road, Chesterton, Newcastle-under-Lyme	0.46	24	Brownfield	£646,196
45	Garage Site at Tintern Place, Chesterton	0.10	5	Brownfield	£125,789
46	Land at Castle Street, Chesterton	0.30	15	Greenfield	£446,323
48	Gainsborough Road, Chesterton (land at)	1.53	77	Greenfield	£2,310,694
5	Land at Slacken Lane, Talke	1.39	55	Greenfield	£1,082,287
510	Playground St Edmunds Avenue Porthill	0.24	12	Greenfield	£365,804
512	Land between School Street and Windsor Street	0.20	34	Brownfield	£843,865
513	Old Sainsburys Site B, Newcastle	0.23	41	Brownfield	£888,238
514	Lower St. (former Maxims nightclub)	0.30	51	Brownfield	£1,246,408
54	Land at Morris Square, Wolstanton	0.11	6	Brownfield	£155,424
6	Millstone Avenue, Kidsgrove	0.40	10	Greenfield	£134,285
64	Land at Racecourse, Silverdale	0.10	5	Greenfield	£152,436
70	Underwood Road, Silverdale (land at)	0.54	27	Greenfield	£781,330
8	Land off West Avenue, Butt Lane	1.69	68	Brownfield	£429,522
82	Site at Kingsley Road, Talke Pits	0.34	14	Greenfield	£410,790
8421A	139a Chester Road, Talke	0.17	7	Greenfield	£213,679
8494	Land at Slacken Lane, Talke	1.29	52	Greenfield	£1,016,650
8496	Birchenwood Way West, Kidsgrove	0.63	25	Greenfield	£227,554
9751	Marsh Parade, Newcastle (former Zanzibar night club)	0.33	60	Brownfield	£1,479,626
9752	Water St/George St, Newcastle (former Titleys warehouse)	0.23	11	Brownfield	£111,450

# 6 Newcastle under Lyme Viability Appraisal Results

## Mixed Housing – Medium Zone 2 – 6-10 Year Delivery

Mixed Housing Viability Results		Medium Zone		6-10 Year Delivery	
Ref	Site	Size	Units	Type	Viability
9774	The Forge, Knutton Lane, Knutton	0.18	9	Brownfield	£250,315
9788	Liverpool Road, Cross Heath (Bus Depot)	0.70	35	Brownfield	£395,766
98	Brick Kiln Lane, Chesterton	1.90	95	Greenfield	£2,053,958
9804	Land at Nash Street, Knutton	0.29	24	Brownfield	£542,407
9896	Talke Road (playing fields), Bradwell	2.06	103	Greenfield	£2,964,186
9898	Field House, Sandy Lane, Newcastle	0.57	8	Brownfield	£222,502
99	Crackley Bank, Chesterton	2.95	148	Greenfield	£4,260,625
9904	London Road, Chesterton (Cheshire vehicle rental et al)	0.40	20	Brownfield	£211,576
NCFS57	Cross Street/Audley Road, Chesterton, Newcastle-under-Lyme, ST5 7HF	0.22	11	Greenfield	£332,673
NCFS78	Birchenwood Way East, Kidsgrove	1.13	45	Greenfield	£402,299

# 6 Newcastle under Lyme Viability Appraisal Results

## Mixed Housing – Medium Zone 2 – 11-15 Year Delivery

Mixed Housing Viability Results		Medium Zone		11-15 Year Delivery	
Ref	Site	Size	Units	Type	Viability
138	Land south of Cedar Road, Crackley	2.37	118	Greenfield	£3,636,281
139	Land east of Audley Road, Crackley	2.72	136	Greenfield	£4,306,585
140	Land around Waterhayes, Chesterton	6.97	348	Greenfield	£10,734,660
146	Chatterley Valley, Lowlands Road, Bradwell	5.20	260	Brownfield	£6,364,559
147	Chatterley Valley, Ravensdale	2.10	105	Greenfield	£2,261,234
148	Chatterley Valley, Chatterley Sidings, Bradwell	27.34	1367	Greenfield	£29,439,108
152	Land South of St Johns Wood, Kidsgrove	2.72	109	Greenfield	£3,067,245
153	Land at bend at First Avenue, Butt Lane	0.40	16	Greenfield	£483,864
156	Clough Hall Park, Butt Lane	3.34	134	Greenfield	£3,772,859
16	Mitchell Avenue, Talke	0.46	18	Greenfield	£539,253
161	Land North of Dee Close, Talke Pits	0.94	37	Greenfield	£1,471,838
171	Bradwell Crematorium, Chatterley Close, Bradwell	1.28	64	Greenfield	£2,663,144
172	Recreation ground, Bradwell	4.60	230	Greenfield	£8,913,548
174	Playing Field at Cauldron Avenue, Bradwell	2.51	126	Greenfield	£4,884,624
180	Cemetery at Loomer Road, Chesterton	0.43	21	Greenfield	£847,250
184b	Cemetery at Cleveland Road, Knutton	0.43	22	Greenfield	£872,670
186	Church & Cemetery at Cemetery Road, Silverdale	2.56	128	Greenfield	£3,950,402
187	Allotment Gardens and land at Racecourse, Silverdale	7.30	365	Greenfield	£11,558,115
191	Land at Wolstanton, Newcastle	3.94	197	Brownfield	£4,822,378
23	Greyhound & Speedway Stadium, Loomer Road, Chesterton	3.89	194	Brownfield	£5,189,991
253	Station Walks, Newcastle	0.66	33	Greenfield	£728,036
277	"Land at Oaklands Avenue, Porthill"	0.25	12	Greenfield	£476,974
303	Land off Hardingswood Road, Butt Lane	0.97	39	Greenfield	£1,075,175
312	Land at Liverpool Road (part of Birchenwood) Kidsgrove (parcel 2)	0.36	14	Greenfield	£235,938
34	"St Giles and St Georges School, Barracks Road, Newcastle"	0.31	56	Brownfield	£2,007,111
363	Hill Top Primary and Talke Youth Centre, Talke	0.76	30	Brownfield	£794,842
4	Kidsgrove Station Yard, Kidsgrove	0.71	29	Brownfield	£778,081
403	West Avenue (North West Site)	1.65	66	Brownfield	£664,786
405	Land to the south of West Avenue, Kidsgrove	1.33	53	Brownfield	£717,506
418	Knutton Lane (former Fire Station)	0.29	15	Brownfield	£302,798

# 6 Newcastle under Lyme Viability Appraisal Results

## Mixed Housing – Medium Zone 2 – 11-15 Year Delivery

Mixed Housing Viability Results		Medium Zone		11-15 Year Delivery	
Ref	Site	Size	Units	Type	Viability
47	Land at Loomer Road, Chesterton	0.18	9	Brownfield	£310,821
483	Clough Hall Road, Kidsgrove	0.49	19	Greenfield	£744,834
511	Rowhurst Close, Chesterton	12.00	600	Brownfield	£31,418,245
515	Liverpool Road/Ashfields New Road	0.44	22	Brownfield	£802,809
516	Land at Brampton Road	0.43	22	Greenfield	£883,159
518	Silverdale Business Park, Cemetery Road	0.72	36	Brownfield	£598,903
519	Land at London Road, Chesterton	5.55	278	Brownfield	£4,445,434
520	Lymedale Park, Holditch, Chesterton	9.20	460	Greenfield	£14,566,392
5a	Land at Slacken Lane, Talke	4.95	198	Greenfield	£5,609,318
NDFS12	Land at Park Road, Silverdale, Newcastle-under-Lyme, ST5 6LP	0.20	10	Greenfield	£371,793

## Mixed Housing – High Zone 3 – 0-5 Year Delivery

Mixed Housing Viability Results		High Zone		0-5 Year Delivery	
Ref	Site	Size	Units	Type	Viability
116c	Brindleys Way, Ravens Park Estate, Bignall End	0.25	8	Greenfield	£63,776
344	Apedale Road, Wood Lane (Land at)	0.28	8	Greenfield	£137,580
365	Orme Road, (Orme Centre)	0.34	14	Brownfield	£207,119
40	Station Rd, Keele (The Hawthorns)	4.15	83	Brownfield	£1,077,730
417	Clayton Rd (Swift Service Station)	0.19	8	Brownfield	£-9,580
7657	Minnie Close, Halmerend (Working Men's Club)	0.22	7	Brownfield	£107,751
7665	Former working mens club, New Road, Audley	0.31	9	Brownfield	£138,537
93	Stafford Crescent (garage site)	0.46	18	Greenfield	£301,329
9712	Clayton Rd (Near Orchard House)	0.66	26	Brownfield	£356,308
9783	Seabridge Hall and Grounds, Seabridge Lane, ST5 3EX	0.55	22	Brownfield	£318,885
NDFS66	Queensway, Westlands, Newcastle-under-Lyme, ST5 3PX	0.14	6	Brownfield	£79,900

# 6 Newcastle under Lyme Viability Appraisal Results

## Mixed Housing – High Zone 3 – 6-10 Year Delivery

Mixed Housing Viability Results		High Zone	6-10 Year Delivery		
Ref	Site	Size	Units	Type	Viability
103	Clayton Road, Clayton	2.95	118	Greenfield	£3,623,023
116a	Stephens Way, Ravens Park Estate, Bignall End	0.37	11	Greenfield	£219,459
120	Heath Row, Madeley Heath	0.77	23	Greenfield	£425,166
128	Bower End Lane, Madeley	0.33	10	Greenfield	£308,528
199	Land north of Newcastle Road, Madeley	1.02	31	Greenfield	£619,105
202	Land at Furnace Lane and Arbour Close, Madeley	0.41	12	Greenfield	£383,207
210	Land at Westbury Road, Clayton	0.46	18	Greenfield	£585,216
211	Land at Rutherford Avenue, Clayton	0.22	9	Greenfield	£296,515
214	Land rear of Leys Drive, Seabridge	1.19	48	Greenfield	£1,505,746
216	Land behind library at Kingsbridge Avenue, Westlands	1.56	63	Greenfield	£1,976,555
217	Land at Cambourne Crescent, Westlands	0.49	20	Greenfield	£652,438
219	Land at Stafford Avenue, Clayton	1.03	41	Greenfield	£1,284,255
233	Wedgwood Avenue, The Westlands	0.71	29	Greenfield	£920,215
235	Land both sides of Sneyd Avenue, Thistleberry	0.43	17	Greenfield	£558,580
236	Sports ground at Wedgwood Avenue, Thistleberry	1.01	40	Greenfield	£1,357,368
237	Allotment Gardens at rear of Thistleberry Avenue, Thistleberry	0.38	15	Greenfield	£481,924
238	Land at end of Pembroke Drive, Thistleberry	0.15	6	Greenfield	£195,685
246	"Thistleberry Parkway, Keele Road, Thistleberry"	1.62	65	Greenfield	£2,037,831
247	Gallowstree Lane (land at), Thistleberry	0.29	11	Greenfield	£349,642
249	Playground at rear of Lincoln Avenue, Clayton	0.20	38	Greenfield	£1,290,626
286	Land at Guernsey Drive, Seabridge	0.24	10	Greenfield	£329,924
309	Kingsbridge Ave, Seabridge	0.18	7	Greenfield	£227,596
317	Land south of Bar Hill, Madeley, CW3 9QD	0.74	20	Greenfield	£599,444
329	Ash Way, Seabridge (Seabridge Centre)	1.92	77	Brownfield	£2,125,145
348	Land adjacent to Madeley Extra Care development, Madeley	0.47	14	Greenfield	£266,275
371	Clayton Lodge Hotel, Clayton Road, Seabridge	0.60	24	Brownfield	£689,762
7660b	Cooperative Lane, Halmerend (land behind High Street)	0.30	9	Greenfield	£172,228
7672	The Old Wharf, Madeley Heath, CW3 9LW	0.73	22	Brownfield	£323,517
77	Land at Westfield Avenue, Audley	0.41	12	Greenfield	£383,207

# 6 Newcastle under Lyme Viability Appraisal Results

## Mixed Housing – High Zone 3 – 6-10 Year Delivery

Mixed Housing Viability Results		High Zone	6-10 Year Delivery		
Ref	Site	Size	Units	Type	Viability
84	Poolfields Ave North, Poolfields	0.21	8	Brownfield	£205,086
87	Langdale Rd, Clayton	0.20	8	Brownfield	£206,414
95	Tyne Way, Clayton	0.43	17	Greenfield	£558,580
NCFS105	Land at Marley Tiles (1), Keele Works, Madeley Heath	1.49	45	Greenfield	£1,370,652
NCFS106	Land at Marley Tiles (2), Keele Works, Madeley Heath	1.89	57	Brownfield	£689,198
NCFS112	Ravens Close, Bignall End	0.16	5	Greenfield	£163,982
NCFS58	Former Pool Dam Pub Site, Orme Road, Poolfields, Newcastle-under-Lyme, ST5 2ND	0.32	13	Brownfield	£378,565
NCFS93	Land at New Road, Madeley	2.23	67	Greenfield	£1,304,957

## Mixed Housing – High Zone 3 – 11-15 Year Delivery

Mixed Housing Viability Results		High Zone	11-15 Year Delivery		
Ref	Site	Size	Units	Type	Viability
193	Land at Hillwood Road, Madeley Heath	0.20	6	Greenfield	£260,358
197	Land around All Saints Church, Vicarage Lane, Madeley	0.34	10	Greenfield	£406,817
200	Land rear of Thornhill Drive, Madeley	0.63	19	Greenfield	£803,985
215	Roe Lane Playing Fields, Westlands	7.62	305	Greenfield	£12,857,334
239	Land at rear of Abbots Way, Westlands	2.21	88	Greenfield	£3,619,551
240	Land at Friars Walk, Westlands	0.49	19	Greenfield	£820,056
241	"Land rear of Montfort Place, Westlands"	0.69	28	Greenfield	£1,212,190
242	"Cemetery rear of Clayton Road, Westlands"	8.82	353	Greenfield	£14,387,110
243	Friars Wood, Priory Road, Thistleberry	0.99	39	Greenfield	£1,670,810
373	Madeley (site to the west and adjoining)	12.56	377	Greenfield	£15,027,290
517	Keele Science Park Phase 3, University of Keele	17.15	343	Greenfield	£15,442,938
72	Land at Heath Row, Madeley Heath	0.36	11	Greenfield	£470,036
7661	Red Hall Lane/Shraleybrook Road, Halmerend	1.56	47	Greenfield	£1,355,841



# 6 Newcastle under Lyme Viability Appraisal Results

## Mixed Housing – Highest Zone 4 – 6-10 Year Delivery

Mixed Housing Viability Results		Highest Zone	6-10 Year Delivery		
Ref	Site	Size	Units	Type	Viability
111	Eccleshall Road, Loggerheads	1.98	40	Greenfield	£2,042,027
304	Tadgedale Quarry, Mucklestone Road, Loggerheads, Market Drayton, Staffordshire, TF9 4DJ	4.67	93	Brownfield	£3,780,269
330	Allotment Land at Hugo Meynell School, Loggerheads	1.04	21	Greenfield	£1,080,762
372	Land to the North of Gravelly Hill, Ashley Heath	0.32	7	Greenfield	£356,785
374	Site 1 Charnes Road, Ashley	1.77	35	Greenfield	£1,732,191
375	Site 2 Wesleyan Road, Ashley Heath	0.71	14	Greenfield	£698,444
376	Site 3 Gravelly Hill, Ashley Heath	0.41	8	Greenfield	£413,615
377	Site 4 Gravelly Hill, Ashley Heath	0.44	9	Greenfield	£467,529
402	Mucklestone Road, Loggerheads	3.02	61	Greenfield	£3,063,206
508	Land Adjacent To Slaters Stone Road Hill Chorlton	0.47	9	Greenfield	£464,405
7678	Broom Lea, Loggerheads	0.24	5	Greenfield	£264,368
97	Market Drayton Rd, Loggerheads	2.55	51	Greenfield	£2,600,930
NCFS102	Land at Charnes Road, Ashley	0.50	10	Greenfield	£518,320
NCFS104	Land off Newcastle Road (Rowney Farm)	0.42	8	Greenfield	£412,573
NCFS111	Land off Meadow Way, Baldwins Gate	1.17	23	Greenfield	£1,180,469
NCFS13	Land at Pinewood Road, Loggerheads	2.08	42	Greenfield	£2,144,024
NCFS14	Land at the Dale, Ashley	0.59	12	Greenfield	£584,632
NCFS20	Pasture Close, Baldwins Gate, Newcastle-under-Lyme, ST5 5DQ	2.64	53	Greenfield	£2,563,599
NCFS6	Land at Church Road, Ashley	1.67	34	Greenfield	£1,689,262
NCFS7	Land at Church Road, Ashley	2.48	50	Greenfield	£2,481,007

## Mixed Housing – Highest Zone 4 – 11-15 Year Delivery

Mixed Housing Viability Results		Highest Zone	11-15 Year Delivery		
Ref	Site	Size	Units	Type	Viability
204	Land rear of Fox Hollow, Loggerheads	0.99	20	Greenfield	£1,266,144
205	Land at Hugo Way, Loggerheads	0.33	7	Greenfield	£462,319
354	"Maer Hills Plantation, MaerHills"	123.34	2467	Greenfield	£150,497,309
401	Newcastle Road (A53), Loggerheads	0.47	9	Greenfield	£574,325
407	Newcastle Road/Birks Drive, Loggerheads (land at)	0.33	7	Greenfield	£462,319
NCFS77a	Land at Knighton	2.54	51	Greenfield	£3,072,794
NCFS77b	Land at Knighton	2.90	58	Greenfield	£3,492,428

# 7 Conclusions

7.1 The Stoke on Trent and Newcastle under Lyme Core Spatial Strategy sets out the strategy to deliver housing over the plan period. The SHLAA Viability assessment illustrated that firstly, in general terms, housing development proposed by the SHLAA in all locations in the Stoke on Trent and Newcastle under Lyme Core Spatial Strategy are broadly viable. The assessment of residential land and property values indicated that the Authorities did possess significantly different residential sub-markets that warrant differential value assumptions being made in the SHLAA Viability Assessment based on four geographical zones.

7.2 The viability testing of proposed residential sites in Stoke on Trent and Newcastle under Lyme has been undertaken, accounting for the following policy impacts and key assumptions :-

- Greenfield or Brownfield Development
- Delivery Timescale
- Affordable Housing Delivery of 25% (including 20% Starter Homes)
- Key Planning Policy Cost Impacts
- Planning Obligation Allowances
- Site Specific Abnormal Costs and Mitigation Factors

7.3 The study is a strategic assessment of the viability of SHLAA sites and as such is not intended to represent a detailed viability assessment of every individual site. The study applies the general assumptions in terms of affordable housing, planning policy costs impacts and identified site mitigation factors based on generic allowances. It is anticipated that more detailed mitigation cost and viability information may be required at planning application stage to determine the appropriate level of affordable housing and planning obligation contributions where viability issues are raised. The study will help to inform the future development strategy within the Joint Local Plan. A toolkit has been provided to enable the respective councils to add in and update development assumptions as further sites are submitted.

## Stoke on Trent Viability Appraisal Results

7.4 A large number of residential sites in Stoke on Trent, particularly brownfield sites in the 0-5 year projected delivery period, demonstrate negative viability based on the parameters and assumptions of the viability model. This is largely due to the assumed high levels of contamination on many sites in the Stoke on Trent area. However, this negative viability is not necessarily a fair reflection of actual market circumstances. An extract of the first set of negative 0-5 year results table below demonstrates this issue. All of the individual site assessments make allowances for abnormal costs and site specific mitigation factors. These factors are not taken into account in the land value allowance for the site. In order to reflect a reasonable return to the landowner (as required by the NPPF for the purposes of viability appraisal), the land value must assume that the site can gain planning permission and be in a developable state. Therefore the abnormal costs of bringing a site into a developable state would normally be deducted from the site value. This would certainly be the assumption adopted by any house builder in purchasing land.

# 7 Conclusions

SHLAA Sites 0-5 Year Delivery							
Ref	Site	Size	Units	Type	Viability	Abnormal Costs	Land Value
0121	Adj to, Furnival Street, Cobridge	0.6438	31	Brownfield	-£159,075	£217,345	£494,881
0127	Beresford Trading Estate, High Street, Tunstall, Stoke on Trent	1.3	47	Brownfield	-£818,386	£841,100	£750,304
0131	Boon Avenue	0.99	40	Brownfield	-£260,929	£324,250	£638,557
0132	Berry Hill High School and Sports College, Bucknall, Stoke on Trent	7.88	221	Brownfield	-£1,188,334	£2,627,660	£3,528,026
0140	Bucknall Hospital, Eaves Lane, Bucknall, Stoke on Trent, ST2 8LD	8.89	201	Brownfield	-£883,003	£1,150,300	£3,208,748
0152	Eastwood Road, Hanley	4.74	263	Brownfield	-£3,024,969	£3,185,900	£4,198,511
0153	City Waterside	2.91	111	Brownfield	-£1,845,131	£1,890,300	£1,771,995
0154	Ludlow Street, Hanley	0.91	58	Brownfield	-£217,601	£325,650	£925,907
0157	Pyenest Street, Shelton	2.07	100	Brownfield	-£1,344,782	£1,417,540	£1,596,392
0167	Crownford Works, Newcastle Street/Packhorse Lane, Burslem, Stoke on Trent, ST6 3QB	0.53	24	Brownfield	-£324,413	£349,200	£383,134
0193	Former Ashfields Cottages, Sturgess Street, Stoke on Trent	0.62	43	Brownfield	-£376,328	£434,720	£686,448
0201	Former Co-op Bakery Site, Newport Lane, Middleport, Stoke-on-Trent	1.98	96	Brownfield	-£1,286,009	£1,356,360	£1,532,536
0206	Former Dyson Thermal Technologies, Shelton New Road, Hartshill, Stoke-on-Trent, ST4 6EP	4.57	131	Brownfield	-£2,981,035	£2,912,300	£2,091,273
0216	Former Marychurch CE Primary School, Piggott Grove, Stoke on Trent, ST2 9BZ	1.04	32	Brownfield	-£310,055	£350,480	£510,845
0221	Former pottery works, Crane Street, Cobridge	4.07	201	Brownfield	-£1,139,119	£1,380,550	£3,208,748
0222	Former pottery, Parsonage Street, Tunstall	0.49	28	Brownfield	-£115,692	£171,150	£446,990
0228	Former Simpsons Pottery, Grange Street, Cobridge, Stoke-on-Trent	0.73	34	Brownfield	-£187,683	£244,950	£542,773
0229	Former St Dominic's School, Hartshill Road, Stoke-on-Trent	1.28	29	Brownfield	-£387,450	£417,860	£462,954
0232	Former Tunstall Health Centre, Dunning Street, Tunstall, Stoke On Trent, ST6 5AP	0.47	19	Brownfield	-£120,566	£153,950	£303,314
0240	Hamilton Training Service, Glebedale Road, Fenton, ST4 3AQ	0.42	19	Brownfield	-£257,105	£276,700	£303,314
0245	Heathfield Special School, Chell Heath Road, Chell Heath, Stoke on Trent, ST6 6PD	1.08	35	Brownfield	-£293,698	£342,500	£558,737
0252	Just Mugs, College Road, Hanley	0.49	33	Brownfield	-£292,456	£336,900	£526,809
0256	Keele Street, Tunstall, Stoke on Trent, ST6 5AR.	0.28	17	Brownfield	-£166,111	£190,000	£271,387
0294	Land at Bournes Bank and Woodbank Street, Burslem, Stoke on Trent	2.47	103	Brownfield	-£1,588,688	£1,643,070	£1,644,284
0301	Land at Brownhills Road, Tunstall.	4.07	171	Brownfield	-£2,626,265	£2,664,300	£2,729,830

# 7 Conclusions

7.5 Taking the above sample of 0-5 year delivery sites as an example, the table illustrates that the negative viability is at a level where the deduction of the level of negative margin within the amount of abnormal costs from the land value would make the development viable (ie the deduction of a substantial proportion of the abnormal costs to bring the site up to a developable state would still leave a positive competitive return to the landowner and therefore render the site 'deliverable' under the terms of the NPPF). As an example, the first large site 0132, Berry Hill High School demonstrates negative viability of -£585,000 as a result of the abnormal site development costs of £2,750,000 (including contamination costs allowance of £2,167,000). If the negative element of £585,000 is deducted from the land value of £5,031,000 leaving a site value allowance of £4.45 Million. This is significantly over its alternative brownfield use value of £3.3 Million and it may therefore be deemed reasonable to assume the site is still viable, as the landowner would have to accept a reduction in land value expectations due to abnormal development cost. Based on this approach most of the sites in Stoke on Trent may be deemed viable with only a relatively small number exhibiting negative viability that exceeds the land value allowance (highlighted in blue in the table above).

7.6 It is also worth noting that a number of the sites in the assessment that are identified as unviable, are currently complete or under construction. In some cases this will be because the assumed costs in the study, including abnormal costs, are higher than the costs achieved by developers and in others, sites have relied on public intervention by way of site remediation grants to enable them to be delivered in an economically viable way.

7.7 Viability improves over time with nearly all low zone sites in the 11-15 year period deemed to be viable. The viability picture is also better in the medium value zone in Stoke on Trent with many more sites demonstrating positive viability in the 0-5 year period and nearly all sites demonstrating positive viability in the 6-10 year period. If the approach illustrated above were adopted, all medium zone sites would demonstrate positive viability and may be deemed viable.

## Newcastle under Lyme Viability Appraisal Results

7.8 The study illustrated that all greenfield sites in the initial 0-5 year delivery period (ie the 5 year land supply) are broadly viable based on the adopted assumptions. A small number of sites in the Medium Value sub-market area, demonstrated marginal (ie 'amber') viability. Those sites that were marginally negative were due to the abnormal costs associated with bringing the sites into a developable condition, so it may be reasonably assumed that the land value will be adjusted to enable these sites to be viably delivered (it is normal practice for land prices to be reduced in ratio with any identified abnormal development costs).

7.9 Viability improves in both the medium term (6-10 years) and longer term (11-15 years) with all housing sites demonstrating positive viability.

# 7 Conclusions

7.10 As a general point it is recommended that the Councils undertake direct discussions with the landowners of sites that are not viable in Stoke on Trent and marginally viable in Newcastle under Lyme to determine whether a landowner is willing to accept a lower land value.

7.11 In conclusion, the assessment of all proposed residential sites in Newcastle under Lyme has been undertaken with due regard to the requirements of the NPPF and the best practice advice contained in 'Viability Testing Local Plans'. It is considered that all sites are broadly viable across the entire plan period taking account of the Affordable/Low Cost Housing requirements and all policy impacts of the Core Spatial Strategy.

7.12 It should be noted that this study should be seen as a strategic overview of plan level viability rather than as any specific interpretation of Stoke on Trent City and Newcastle under Lyme Borough Councils policy on the viability of any individual site or application of planning policy to affordable housing or developer contributions. Similarly, the conclusions and recommendations in the report do not necessarily reflect the views of Stoke on Trent City and Newcastle under Lyme Borough Councils.

## Viability Study Updates

7.13 The viability models used within this study have been provided to the two Authorities to enable officers to update the assumptions associated with any individual site (eg unit numbers, abnormal costs, sale values, construction costs etc). The study represents a 'snapshot in time' and as more detailed information becomes available, particularly on site specific abnormal cost elements, the toolkit will enable the Authorities to update the viability position of the SHLAA sites and re-assess deliverability where appropriate.

**Heb Surveyors  
Valuation Report  
July 2016**

**Gleeds Update  
Construction Cost Study  
June 2016**