

North Hertfordshire District Council

Viability Assessment –

**Community Infrastructure Levy and
Affordable Housing**

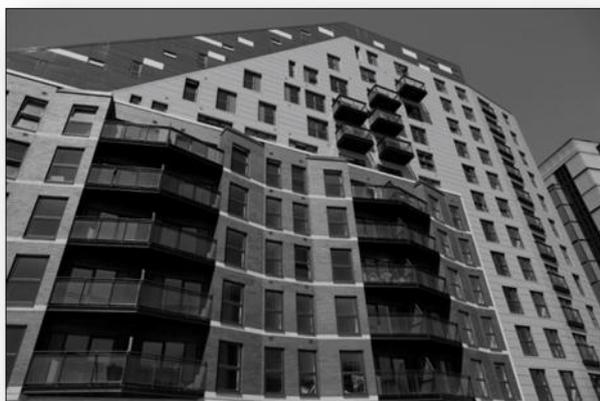
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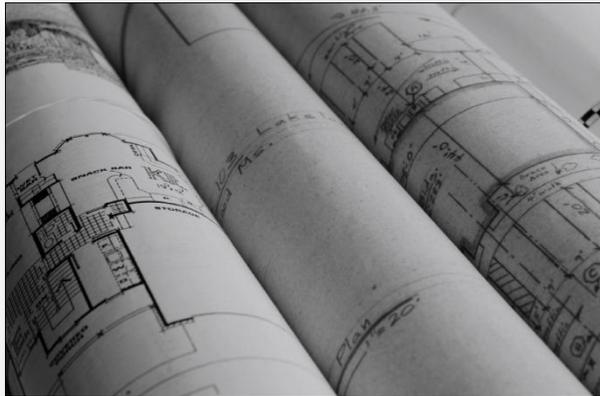


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Executive Summary

1. The Community Infrastructure Levy (CIL) has been introduced by the Government as a means of Local Authorities pooling development contributions to help fund the provision of the local infrastructure needed to support the planned growth in their area. By 2014 it will largely, though not entirely, replace section 106 (s.106) as a means of securing such contributions (after then, pooling of s.106 contributions to fund wider infrastructure provision will be limited).
2. The CIL will be chargeable on a per square metre (sq m) basis; on all new development exceeding 100 sq m (including extensions) and including new dwellings (only) of less than 100 sq m. Affordable housing and developments by charities will not be subject to CIL charging. Subject to certain rules, the CIL will not apply to any existing accommodation on a development site (whether demolished or reused) – that floor area may be deducted (“netted-off”) from the chargeable development floor area within the payment calculation.
3. In the process of considering its local implementation of the CIL, North Hertfordshire District Council appointed Dixon Searle Partnership (DSP) to review the development viability scope for a range of development types (residential and commercial / non-residential) to support CIL funding in the District.
4. CIL viability studies usually assume a fixed level of affordable housing in common with the adopted or emerging development plan (Local Development Framework - LDF) i.e. as contained in a Council’s Core Strategy (or emerging ‘Local Plan’ as it may now be called). In this case the Council has asked us to consider the key variable of affordable housing alongside CIL, in order to inform its ongoing work on formulating Core Strategy policy development on that area in parallel with its preparatory work towards the potential local implementation of the CIL. Affordable Housing and CIL / other planning obligations (e.g. through existing section 106 mechanisms) influence development viability significantly overall, and need to be considered together. Affordable housing has significantly more impact on viability than the CIL. This type approach to reviewing viability (i.e. taking account of collective impacts) is also included in the Government’s National Planning Policy Framework (NPPF) which has been published at the point of us finalising the drafting of this report.

5. Therefore the main purpose of this resulting study is to further inform the Council's consideration of proposed CIL charging rate(s) in the District, by use type and potentially also by locality – depending on viability, varying charging rates may be set. In doing so, through exploring varying combinations of costs and key obligations, the study will also further inform the Council's ongoing consideration of its approach to affordable housing policy targets alongside CIL. These viability influences cannot be separated, and this presents a good opportunity for the Council to consider whether to review its affordable housing policy headlines as well.
6. In setting CIL charging rates that strike an appropriate balance between contributing to local infrastructure funding needs (the funding gap) and development viability, Local Authorities also need to consider a wide range of other information. This includes information on site supply and likely frequency and development plan relevance of various development types to their area. These are very similar principles to those relevant for considering affordable housing policies.
7. The study involved the key stages of research; assumptions setting; running a wide range of development viability appraisals; and, finally, analysis and review. The appraisals used residual land valuation principles, as have become the main established approach to this type of study and have been used over the last several years to consider affordable housing viability.

Residential overview

8. For residential development, suitable parameters for CIL charging were found to be £80 to £120/sq m overall, dependent on the chosen approach to applying CIL across the district and therefore with lower rates also a potential option. The selection of a charging rate or rates is likely to be within that range. This will be linked also with consideration of the affordable housing target assumption, the view on a locality based (differential) or single district-wide approach and also the site types most relevant to the proposed plan led delivery of growth in the district - as the Core Strategy approach is considered further. Dependent on the Core Strategy direction and the importance within that of various site supply streams, options for a single or varied CIL rate for residential development may be considered; in our view either approach could be supported, depending largely on the approach to and main

locations for housing growth. The findings consider this further and in our view are most likely to point to more than a single charging rate being considered.

9. With regard to strategic development in typically lower value areas of the district (e.g. potentially at the Stevenage fringe or East of Luton) we go on to also raise the possibility of a charging rate at a level beneath £80/sq m as an option; including a nil or significantly lower rate for particular localities where s.106 might continue to play a more significant role with regard to on-site infrastructure. In adding sensitivity scenarios including greater notional costs levels (e.g. site / infrastructure / s.106 costs) we could see how the CIL rate scope reduces so that there may not be scope to bear that alongside significantly increased site / other obligations costs. In viability terms, the same principles could be considered, as an option in other locations accommodating large scale development – for example Baldock. This viability study identifies parameters for CIL charging (i.e. up to £120/sq m upper end) within which the Council could operate various approaches. Depending on circumstances and subject application of the CIL Regulations, some or all of this potential CIL funding scope could be applied instead to provision in-kind and / or s.106 (subject to future limitations of s.106 usage). Ultimately there is a limit to the workable level of collective costs and obligations on development, but those could take various forms and combinations.
10. In all cases, (and applicable also to commercial/non-residential scenarios) any charging rates considered below the levels and parameters that we set out are within the scope of our viability findings. For example, in seeking the appropriate balance for the local implementation of CIL the Council could consider varying rates (adjusting downwards) in combination with particular starting positions on affordable housing and / or the extent to which s.106 obligations will continue to be relevant.
11. Varying house prices as seen in the district affect the development viability of residential schemes. Overall, therefore, mixed viability outcomes were seen through our overview. Although these could be interpreted to support higher CIL rates in some instances, in considering this work and taking CIL implementation plans forward, the Council must be careful not to place an undue level of added risk to development which could undermine the delivery of its Development Plan. This means the wider characteristics and costs of development need to be considered,

including a range of factors such as the ongoing uncertain market conditions and variable land value levels.

12. Therefore, at this stage, an appropriate balance between the infrastructure funding needs and viability was found to be at levels no higher than £120/sq m in the North Hertfordshire context; which, viewed as a whole, includes some relatively modest market housing value levels, mixed site types coming forward and significant affordable housing needs.
13. On balance, we consider that a rate at up to this level could be supported for residential development in most locations on greenfield land with no major abnormal infrastructure or other costs and usually alongside 40% affordable housing expectations (subject to tenure based primarily on affordable rent).
14. The location of any such greenfield development, depending on the Core Strategy direction, may well be a key influence in terms of the development values available to support various planning obligations (including CIL contributions). Looking at this currently, values anticipated for the Stevenage fringe or East of Luton, for example, would be lower than those typically seen elsewhere in the District. We consider that the significantly lower land price expectations likely to be applicable for greenfield sites could be a key ingredient in the sustainability of a 40% affordable housing target (albeit practically applied) alongside CIL and site-specific s.106 obligations in such lower value locations.
15. Previously developed land (PDL) scenarios present different factors for consideration. Whilst the completed scheme values typically seen in the main towns (Hitchin, Letchworth, Baldock and Royston), and even more so in the smaller and rural area settlements, will usually be higher, the associated land price expectations of site owners are likely to have an increased impact on viability compared with greenfield scenarios. Outcomes will be under further pressure in such scenarios, as is likely to be seen through reduced collective scope for planning obligations – be those in the form of affordable housing, CIL charging and /or continued use of s.106.
16. There is scope for the Council to continue with the existing sliding scale policy approach for affordable housing as set out within its Core Strategy Preferred Options.

However, unlike s.106, CIL will be non-negotiable. As an option, therefore, for PDL scenarios the Council could consider reviewing the affordable housing proportions sought, whilst continuing to work with the sliding scale type principles explored previously. Those principles are now in operation in many local authority areas and, if amended, could still be tailored to the overall viability circumstances. Their application would be of benefit in our view, regardless of the headline affordable housing target proportions applicable to the larger sites. The mechanisms for affordable housing provision and other site-specific obligations / mitigation are not changing currently, so that s.106 provides a negotiable, flexible route for providing those and is likely to continue to do so. This potential flexibility could be a key feature in considering the overall obligations packages to be optimised in varying site-specific circumstances.

17. There are several key themes and potential options that emerge and inform the Council's ongoing work. These can be related to potential options for CIL charging rates and also to the consideration of affordable housing targets:

Option A: Differential rates not exceeding £80/sq m for lower value areas and not exceeding £120/sq m for higher value areas.

Option B: Single district-wide flat rate, not exceeding £100/sq m.

This means accepting a degree of compromise in respect of the higher value localities - so as to respect the sensitivities to the viability of a higher rate in the lower value scenarios. This assumes a range of non-complex greenfield sites and PDL scenarios coming forward.

Option C: Lower single district-wide flat of up to £80/sq m.

An option to be considered if the overall housing numbers planning and distribution develops so that there becomes a large degree of reliance on strategic greenfield development associated with significant site specific or local (non-CIL) infrastructure improvements costs alongside CIL in combination with lower sales values – e.g. Stevenage fringe or (if applicable in due course), with even greater sensitivity to the potential market sales values levels, East of Luton. In this case, the selection of the charging rate would also be dependent on the approach taken

as a starting point to affordable housing and site specific planning obligations in the form of s.106.

This option varies the residential CIL charging rate by geographical location bearing in mind that site supply (the distribution and nature of sites) will be highly influential in determining achievable obligations packages. This could be set at up to £80/sq m for the lower value, more complex site release route if that direction of planning develops (as per option B above, for example); alongside a rate suggested not exceeding £120/sq m for the rest of the District – to include all other areas and therefore all other site types. For clarity, again, any rates set beneath these levels as part of a differentiated approach (following further consideration by the Council) would be within the scope of our viability findings.

Option D: Potential in viability terms to consider alongside or in combination with any of the above a differentiated approach to include a lower or nil CIL charging rate applicable to strategic housing development localities where a more area / site specific approach involving substantial ongoing use of s.106 for on-site infrastructure may be applicable, for instance. This may be appropriate in the case of the Stevenage fringe, for example, where the typically lower values if combined with significant site specific obligations and costs might better suit the flexibility offered by s.106. This potential could be applicable also in any other large scale development localities, depending on the nature of infrastructure provision required. In the event of significant development in other lower value areas of the district, for example at East Luton where at this stage we would anticipate the potential for lower market values than the Stevenage area, then the Council will need to consider the application of lower charging rates – again within the overall parameters put forward. The Council will need to consider how to apply CIL (which offers certainty) and s.106 (which offers more flexibility but usually less certainty) in the various circumstances. Provided it keeps track of the collective costs and obligations that schemes are expected to support, there appears to be scope to consider various routes on this.

Affordable housing

18. The overall 40% affordable housing headline target (with sliding scale beneath) could be maintained for all site types given the need levels, but subject to a suitable level of emphasis (including acknowledgement in policy wording) on appropriate practical application. This means use of the targets to inform an optimal affordable housing delivery level as the circumstances vary by site. This could continue to be implemented, as it is currently, through the detailed consideration of appropriate viability evidence presented with individual planning applications where that becomes necessary.
19. As a potential alternative on affordable housing, and given the non-negotiable nature of CIL together with the potential ongoing role for s.106 in some cases, consideration could also be given to reducing the affordable housing targets that were previously put forward in the Core Strategy drafting. Whilst there is no single adjusted target % that would ensure consistent, reliable viability outcomes, in that scenario the Council could consider a 10% - 15% reduction in policy targets. This would be most relevant for schemes on previously developed land – PDL and those carrying significant abnormal / infrastructure improvement costs. If pursued, that could mean setting a headline target at 25% or 30% affordable housing for PDL (with related sliding-scale reductions); and potentially maintaining an expectation of 40% as the headline for greenfield scenarios. This alternative would move the approach away from a simple district-wide one and would need further defining and supporting explanation.
20. Given the level of need, therefore, and the variable capacity of schemes to support the obligations in any event, a maintained single set of challenging affordable housing targets (i.e. not varied by location or site type) may be the most practical way forward; allied to an adaptable approach, subject to viability and other factors.
21. In any event (i.e. whether with maintained or reduced affordable housing target expectations) the sliding scale principles, particularly for PDL schemes, should be retained. This could continue to include the theme of seeking financial contributions rather than on-site provision from the smallest schemes if those are to remain within the affordable housing policy scope.

22. The study assumed up to date affordable housing assumptions. Whilst exploring the viability of varying affordable housing scenarios alongside CIL, we found that social rented tenure generally produces a greater viability impact (reduces scheme RLVs) than affordable rent (the latter being the current main tenure model as was introduced by the Homes and Communities Agency (HCA) affordable homes programme funding framework in 2011); assuming a no-grant basis in both cases. The relative positions, in viability terms, of these tenure forms can be dependent on a number of factors, however. These include the level (%) of market rent appropriate for the property type(s), location and particular scheme details - bearing in mind affordability constraints and also the particular approach of the involved Registered Provider (RP) of the affordable housing (usually a Housing Association or Group; formerly referred to as a Registered Social Landlord – RSL). As part of the overview, low cost home ownership (assumed as shared ownership for this study) remains the most viable affordable tenure in this context – i.e. the level of contribution to the developer’s overall revenue stream from the affordable housing. The sensitivity results included in the study provide more detail on the variations to affordable housing tenure mix that were considered.

Potential prioritising / trade-offs

23. Following discussion of the assessment findings with Council officers over a period of time Autumn 2011 to summer 2012, the report was revisited in summer to Autumn 2012 enabling further consideration of the potentially workable (viable) combinations of / trade-offs between affordable housing proportion, tenure mix, potential CIL charging rate and other (site-specific) s.106 obligations funding scope. This additional review layer further considered a range of illustrative scenarios, looking at the potential ingredients associated with larger scale development most likely on Greenfield land.

24. The sensitivity tests on affordable housing, looking at varying proportions (%s) and including varying tenure mix (affordable rent / social rent / mix combined with shared ownership), suggest that affordable rented tenure is likely to need to play a significant role within scheme mixes. Basing affordable housing requirements wholly or significantly on social rent is likely to have a restrictive effect on the scope for supporting a combination of CIL and s.106 obligations.

25. The tables added (6a, 6b and 6c) in the full report Appendices in this respect show a range of potential obligations combinations or “trade-offs” relegating to large scale greenfield development. The Council may wish to review this information in considering the scope to fix CIL charging rates (as a non-negotiable part of the obligations package) alongside the affordable housing targets, tenure approach and s.106 scope. This picture is shown at values levels (VLs) 1 (most closely representing the Stevenage fringe based on current estimates) and VL2 (representing higher value greenfield / future growth in current lower values). The trade-offs also consider the influence of varying land value benchmarks on viability; at £250,000, £375,000 and £500,000/Ha. RLV results that meet or exceed each of these increasing levels are associated with increasing confidence in viability and deliverability at the stated levels of affordable housing and s.106 combinations.
26. Bearing in mind that the CIL rates shown are maximums, and although there are elements of buffering within our prudent assumptions setting approach, to view the CIL rate scope for large scale Greenfield development we consider that the first row of boxes at Table 6a potentially best represents the scope if 40% affordable housing is to be assumed; and in combination with a land value target / benchmark of £375,000/Ha. This would assume rented tenure based on affordable rent (in combination with shared ownership) and indicates that approximately £10,000 per dwelling s.106 could be available alongside a CIL rate of £82/sq m (maximum). An alternative combination is approximately £8,000 s.106 alongside £120/sq m CIL, maximum. Clearly there are a wide range of potential combinations and outcomes, but this suggests that if a 40% affordable housing target is to be maintained and applied to such scenarios then the CIL rates should be pulled back from the £120/sq m level combined with £8,000/unit s.106. In this case a CIL charge set at £80/sq m would be at 2/3 of the maximum level (with other obligations assumed at these levels) and then there may be some room for adjusting the s.106 sum upwards depending on site specific viability.
27. Overall, we suggest that for large scale greenfield development in the lower value localities where a 40% affordable housing target is to be maintained that the relevance of affordable rent be considered; and that the CIL charging rate should be set no higher than £80/sq m. Depending on site-specifics, a lower charging rate may

allow some more scope for flexibility on s.106 at the site specific level. This report sets out overall parameters and depending on the location and distribution of development it may be necessary for the Council to consider operating well within those rather than at the upper end of the viable parameters.

28. A move to VL2 market sales value levels (as are behind the table 6b variations) significantly improves the viability outcomes so that there is scope to support a higher land value (up to £500,000/ha) if required along with the 40% affordable housing (again based on affordable rent) but with approximately doubled s.106 scope of potentially £16-18,000/unit alongside £120/sq m CIL; again allowing for further buffering in considering the CIL rate. Looking at this currently, we consider that this enhanced viability scenario would only be relevant in the North Hertfordshire context away from the Stevenage fringe.

29. On the other hand, the introduction of social rented tenure to the affordable housing mix (so that on a trial basis it makes up 50% of the rented tenure) – as in the table 6c variations – has a significant negative impact on viability compared with an all affordable rented assumption. At VL1 we can see that whilst this would not necessarily point to a lower CIL charging rate needing to be set for this scenario, the s.106 scope alongside becomes more limited as expected. The £80/sq m trial CIL rate would probably need to be combined with s.106 scope of say £4-5,000/unit still allowing for some buffering in the CIL rate. That picture would improve with VL2 values available to underpin a scheme, so that there should be greater scope for s.106 sums and / or rented affordable tenure variations in any higher value instances (with other assumptions remaining similar).

Commercial / non-residential overview

30. The viability of a range of commercial / non-residential development types in the District was found to be highly variable – with only retail development capable of supporting significant CIL contributions. This is a common finding in our wider CIL work and that of other Local Authorities.

31. Whilst, in theory, we found CIL charging rates for large retail developments (supermarkets and, in particular, retail warehousing) could be set as levels at least as high as the maximum trial rates we have tested (£140/sq m) and probably beyond those levels in viability terms, we recommend in preference a slightly lower rate of £120/sq m for large retail – i.e. to align to the upper parameters suggested for residential rates.
32. If following a differentiated route between retail types as per a main option from our findings, for smaller retail development (principally assuming any new convenience stores but also applicable to other types - within Use Classes A1-A5), we recommend a rate set at around half the large retail level; i.e. £60/sq m. However, there could also be a suitable alternative overall (single) charging rate for retail, depending on the Council's overview of the types most likely to come forward during the lifespan of the Charging Schedule. This could see the Council setting an intermediate rate for retail if it were to take this overview; not exceeding a mid-range figure between our £60/ sq m and £120/sq m suggested levels.
33. In testing other forms of commercial / non-residential development, it was found that any level of CIL charging could generally either exacerbate the viability issues associated with marginal schemes or unviable schemes by placing undue added risk to other forms of new development coming forward. This added risk needs to be balanced against the likely frequency of such schemes, their role in the development plan delivery overall and perhaps also the level of CIL "yield" (total monies collected) that they might provide.
34. At the current time and for the foreseeable future we recommend a nil (£0/sq m) charging rate applicable to business development (B uses). The viability results were typically very poor for these scenarios, such that only most favourable combinations of assumptions produced potentially viable scenarios, and then only in particular site and scheme circumstances. This is not an unusual finding in our experience – it is consistent with our and others' findings in a wide range of local authority areas. It is a reflection of the poor relationship between development values and costs, as compounded by uncertain market conditions.

35. The same applies to a wide range of forms of new development, so that we recommend that the Council considers a £0 (nil) charging rate for those. We include agricultural development within this.
36. In all cases the resulting CIL charging rates parameters are considered to represent an appropriate approach and balance in the local circumstances. In arriving at a suitable overall approach, the Council will need to consider this information and the viability scope explained alongside the wider picture on the likely distribution and frequency of various forms of development.
37. Since it is likely to be such a variable factor, none of our appraisals make allowance for viability improvements which might be seen through the “netting-off” (subject to the Regulations) of existing floorspace. In a range of situations this is expected to provide some level of positive viability influence through a reduced floor area being subject to CIL charging. It could help to counter-act the negative viability affects of other costs and obligations relative to a scenario with no such deduction of existing floor area.
38. The report includes detailed information and commentary. It also makes associated recommendations relating to regular monitoring and potential review of the local CIL charging regime.
39. The following table provides a summary of the potential CIL charging rates scope, in viability terms:

Summary on CIL Viability – Potential Rates and Guidance for the Council’s consideration
<u>Residential</u>
<p><i>Recommendation:</i></p> <p><u>Differential Rates -</u></p> <p>In lower value areas not exceeding £80/sq m in any event (e.g. Stevenage fringe; with East of Luton, if applicable, also needing consideration within these parameters – i.e. £0 - 80/sq m overall).</p> <p>Potential as an alternative to consider a nil / nominal charging rate; or a rate at any point between £0 and £80/sq m where key housing delivery will be dependent on strategic sites underpinned by s.106 remaining the principal approach to securing obligations; or where more significant site and infrastructure costs are relevant alongside affordable housing requirements. A lower CIL rate could provide more flexibility on other areas – e.g. s.106, although there is no guarantee of that, and CIL is intended to add valuable certainty. The assessment results show that the CIL rate needs to change significantly to trade-off meaningfully with other costs and obligations; most notably affordable housing and its tenure.</p> <p>In higher value areas not exceeding £120/sq m (rest of District and where CIL will be the principal mechanism for infrastructure contributions).</p> <p><u>Alternative potential:</u></p> <p>Single residential rate – not exceeding £100/sq m District-wide (but still including the same alternative considerations regarding strategic development areas where s.106 will continue to play a key role).</p> <p>Affordable Housing:</p> <p>Overall, scope to re-affirm the 40% affordable housing target as a headline if this remains a strategic priority (with sliding scale beneath) and in all cases for flexible operation in specific cases and circumstances vary and viability difficulties are demonstrated;</p> <p>Particular tenure priorities and arrangements are likely to vary from site to site</p>

<p>but at a high level we consider that it will be necessary for affordable rent to play a dominant or significant role within affordable housing tenure mixes.</p> <p>In the current funding circumstances, reliance on social rent as a rigid starting point would have a restrictive effect on scheme viability and therefore on the scope to support the affordable housing headline proportion (%), and or CIL / s.106.</p> <p>Whilst an alternative of an adjustment to the affordable housing proportions sought could be considered, in our experience that could still not guarantee to support scheme viability across the board and an adaptable approach to any revised target proportion would still be needed. However, the assessment results, sensitivities and comparisons enable the Council to consider various priorities and potential trade-offs.</p> <p>Residential rates to apply to sheltered housing.</p>
<p><u>Retail – generally - option to differentiate; alternative to set a single rate.</u></p>
<p><u>Retail – A1 – A5 – larger, usually out-of-centre retail</u> Superstores / supermarkets and retail warehousing</p>
<p><i>Recommendation:</i> Rate – suggested not exceeding £120/sq m (being within greater viability scope) - if differentiating.</p>
<p><u>Retail A1 to A5 – in-centre retail of any size and small (<280m²) out-of-centre retail</u></p> <p>(Principally convenience stores but also applicable to all other categories including A1-A5, comparison shopping and (if the Council expects significant provision of any such developments within the life of the charging schedule) potentially to retail linked uses (e.g. motor sales, wholesaling clubs - should the Council include those).</p>
<p><i>Recommendation:</i> Up to approximately half large format retail rate – suggested not exceeding £60/sq m - if differentiating (again being within viability scope).</p>
<p>Retail alternative – intermediate charging rate – mid-point within range £60-</p>

<p>£120/sq m bearing in mind that those are both within viability scope. In comparison with a differentiated approach, this means compromise on potential CIL yield in some cases and in our view reduced viability consideration afforded to smaller retail developments (greater risk to the viability of those).</p>
<p><u>Business Development - Office and Industrial (B1, B1a, B2, B8)</u></p>
<p><i>Recommendation:</i> Zero rate (£0)</p>
<p><u>Hotels and Care Homes</u></p>
<p><i>Recommendation:</i> Zero rate (£0) on balance in preference to a low / nominal rate (Alternative: nominal / low CIL rate, but difficult to justify in viability terms and added risk to potentially marginal schemes).</p>
<p><u>Community and other uses, including Agricultural</u></p>
<p><i>Recommendation:</i> Zero rate (£0) on balance in preference to a low / nominal rate (Alternative: nominal / low CIL rate, but difficult to justify in viability terms and again added risk to potentially marginal schemes).</p>

Notes:

- In all cases CIL charging rates pitched beneath our quoted levels / parameters would also be within the scope of our viability findings.
- With these charging rate parameters a proportion of the fund could be directed to provision in-kind and / or s.106. The potential funding scope could be considered in various ways – again, subject to the CIL Regulations.

**Executive Summary ends.
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1 Introduction

1.1. Background – Community Infrastructure Levy and Purpose of this Report

- 1.1.1 The Community Infrastructure Levy ('CIL') came into force in April 2010 and allows local authorities in England and Wales to raise funds from developers undertaking new developments in their area. In this case, North Hertfordshire District Council will be the charging authority.
- 1.1.2 CIL takes the form of a charge levied per square metre (sq m) of net additional floorspace of development. The levy is chargeable on most types of new development that involve an increase in floor space. The majority of developments providing less than 100 sq m in gross internal floor area will not pay - for example, a small extension to a house or to a commercial / non-residential property; or a non-residential new-build of less than 100 sq m. However, development that involves the creation of a new residential unit (such as a house or a flat) will pay the charge, even if the dwelling is below 100 sq m in area. The charge will be expressed as a rate in £s per sq m of development.
- 1.1.3 The funds raised are to be allocated towards infrastructure needed to support new development in the charging authority's area, in accordance with its development plan (Core Strategy Development Plan Document – DPD – prepared within the Local Development Framework – LDF; or Local Plan as it may now be known). Proposed Legislation being consulted on at the time of this study preparation will require that charging authorities allocate a meaningful proportion of the levy revenue raised in each neighbourhood back to those local areas.
- 1.1.4 Under the Government's regulations, affordable housing and development by Charities will not be liable for CIL charging. This means that within mixed tenure housing schemes, it is the market dwellings only that will be liable for the payments at the rate(s) set by the charging authority.
- 1.1.5 The levy rates will have to be informed and underpinned firstly by evidence of the infrastructure needed to support new development, and therefore as to the

anticipated funding gap that exists; and secondly by evidence of development viability.

- 1.1.6 North Hertfordshire District Council has been working with infrastructure providers and agencies in considering and estimating the costs of the local requirements associated with supporting the Core Strategy. This work forms the basis of identifying the total cost of infrastructure associated with supporting the growth identified in the District's Core Strategy and the funding gap that will be supported in part through CIL.
- 1.1.7 Infrastructure is taken to mean any service or facility that supports the Council's area and its population and includes (but is not limited to) transport, energy, water, drainage, waste, open space, affordable housing, education, health community services and culture and leisure. In the case of the current scope of the CIL, and therefore this assessment, affordable housing is assumed to be outside that and dealt with in the established way through site specific planning (s.106) agreements. Affordable housing has been allowed for in addition to testing potential CIL charging rates - as a consistent appraisal theme. As a key element of this study, we have also explored the impact of varying affordable housing proportions (%s) alongside considering a range of "trial rates" for potential CIL charging. In this sense, the collective planning obligations (affordable housing, CIL and any continued use of s.106) cannot be separated. The level of each will play a role in determining the potential to bear this collective cost; therefore each of these cost factors influencing the available scope for supporting the others. It follows that the extent to which s.106 will have an ongoing role in varying circumstances may also need to be considered in determining suitable CIL charging rates, bearing in mind that CIL will be non-negotiable. This could be a significant consideration, for example, in respect of strategic development associated with high costs and obligations levels and particularly in lower value areas.
- 1.1.8 Any authority wishing to charge CIL must produce a charging schedule setting out the levy's rates in its area. The CIL rate or rates should be set at a level that ensures that development within its area is not put at serious risk.

- 1.1.9 A key requirement of CIL and setting the charging schedule is that it should strike an appropriate balance between the desirability of funding infrastructure from the levy and the potential effects that imposing the levy may have upon the economic viability of development (development viability). In order to meet the requirement of Regulation 14 of the CIL Regulations April 2010 (as amended) the Council therefore appointed Dixon Searle Partnership to provide the evidence base to inform the development of and support the Council's draft charging schedule in viability terms. At the same time, this work will inform the further consideration and development of local planning-led affordable housing targets (proportions) and the picture on the collective costs and obligations as those affect development viability.
- 1.1.10 This study investigates the potential for charging CIL by showing the likely impact on the economic viability of residential and commercial / non-residential development scenarios across North Hertfordshire. It aims to provide the Council with advice as to the likely viability of seeking developer contributions towards infrastructure in the form of CIL charging. This includes the consideration of viability and the potential rate or rates appropriate in the local context and affordable housing targets at levels which are also set as part of a suitable and achievable overall package of planning obligations. This is quite a complex set of outcomes to consider, since effectively we are looking at the interaction of CIL rate and affordable housing proportion. Within any given scheme there are many other variations and details that can also influence the specific viability outcome.
- 1.1.11 The approach used to inform the study applies the well recognised methodology of residual land valuation. Put simply, the residual land value ('RLV') produced by a potential development is calculated by subtracting the costs of achieving that development from the revenue generated by the completed scheme (the gross development value – 'GDV').
- 1.1.12 The residual valuation technique has been used to run appraisals on residential and commercial / non-residential scheme types (notional or hypothetical schemes) representing development scenarios that are considered relevant to the development plan and could come forward within the District. The essence of the viability overview process is that the RLVs generated by the appraisals for the purposes of this study and for indicating the potential viability of a scheme need to

exceed a certain level of land value – which is usually linked to some measure of an existing or alternative use value of a site ('EUV' or 'AUV') plus in some cases a level of "premium" – with any surplus then potentially available for CIL payments. In considering the relationship between the RLV created by a scenario and some comparative level that might need to be reached, we have to acknowledge that in practice this is a dynamic one – land value levels and comparisons will be highly variable in practice. It is not an exact science, as is acknowledged in a range of similar work and in technical papers and guidance notes on the topic of considering and assessing development viability. Therefore, so as to inform our judgments in making this overview, our practice is to look at a range of potential land value levels that might need to be reached in various scenarios.

- 1.1.13 The process produces a large range of results relating to varying potential CIL charging rates and the exploration of affordable housing content, as well as other variables. As with all such studies using these principles, an overview of the results and the trends seen across them is required - so that judgments can be made to inform the Council's ongoing work.
- 1.1.14 The potential level of CIL charge viable in each scenario has been varied through an iterative process exploring trial charging rates over a range £0 and £140 per sq m – for both residential and commercial scheme test scenarios.
- 1.1.15 The results of each of the appraisals are compared to a range of potential existing or alternative land use value benchmarks or other guides relevant to the circumstances. These are necessary to determine the potential scope for various CIL rate contributions according to development type and with varying completed scheme value levels (GDVs). The results sets have been tabulated in summary form and those are included as Appendices IIa (residential) and IIb (commercial).
- 1.1.16 In the background to considering the potential charging rates we have also reviewed the results alongside a variety of additional measures as to the scale of the potential CIL charging rates (trial rates) that we have explored here. This includes reviewing the potential CIL rates in terms of percentage of development value, percentage of development cost; and the equivalent sum in £s per unit or by scheme total. All of these areas help us and the Council to consider the likely proportional effects and the

level of CIL that could reasonably be expected to be charged on development without putting it unduly at risk across North Hertfordshire.

1.1.17 The report then sets out findings for the Council to consider in taking forward its further development work on the local implementation of the CIL and in particular the Council's Preliminary Draft Charging Schedule. The implications for affordable housing policy development (headline % targets) are also considered and covered by the report findings.

1.2 Notes and Limitations

1.2.1 This study has been carried out using well recognised residual valuation techniques by consultants highly experienced in the preparation of strategic viability assessments for local authority policy development including affordable housing and CIL economic viability. However, in no way does this study provide formal valuation advice. It should not be relied on for other purposes.

1.2.2 In order to carry out this type of study a large quantity of data is reviewed and a range of assumptions are required alongside that. It is acknowledged that these rarely fit all eventualities - small changes in assumptions can have a significant individual or cumulative effect on the residual land value generated and / or the value of the CIL funding potential (the surplus after land value comparisons).

1.2.3 It should be noted that in practice every scheme is different and no study of this nature can reflect all the variances seen in site specific cases. The study is not intended to prescribe assumptions or outcomes for specific cases.

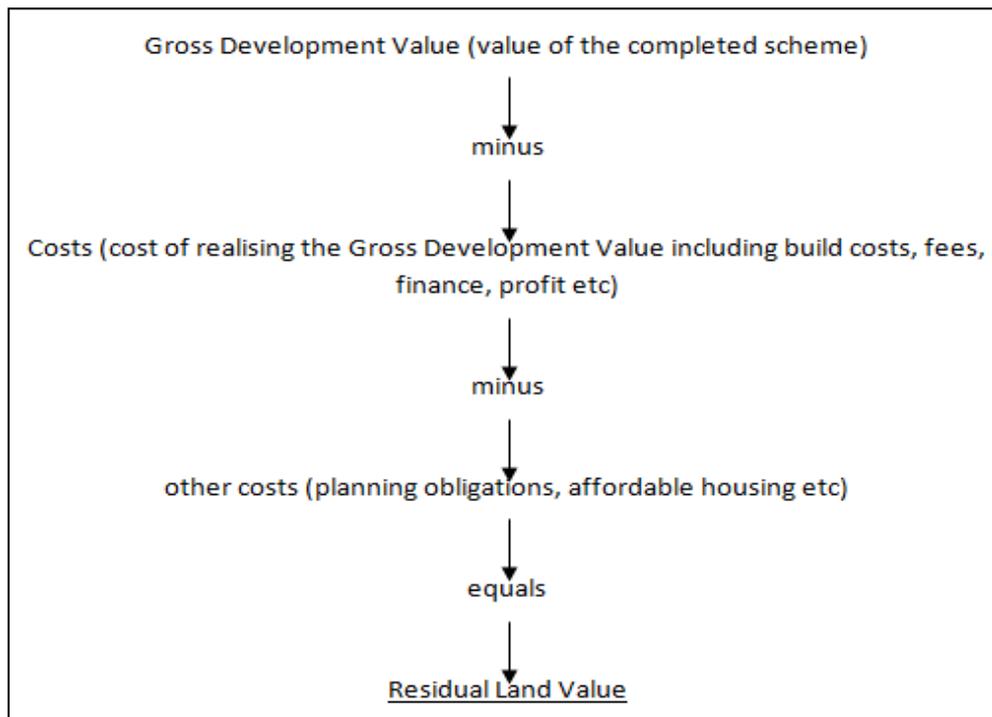
1.2.4 Specific assumptions and values applied for our schemes are unlikely to be appropriate for all developments and a degree of professional judgment is required. We are confident, however, that our assumptions are reasonable in terms of making this viability overview and informing the Council's work on its CIL preliminary draft charging schedule preparations together with further consideration of affordable housing policy targets.

2 Assessment Methodology

2.1 Residual valuation principles

- 2.1.1 This study investigates the potential for a range of development types to contribute to infrastructure provision funding across North Hertfordshire through local implementation of the CIL.
- 2.1.2 By varying the affordable housing content (%) and type within the residential scenarios tested as well as exploring a range of potential CIL charging rates, we are also able to investigate how these key obligations interact and how one may have to vary to accommodate the other, given that a development generally provides a fixed amount of value (the gross development value – GDV) from which to meet all necessary costs.
- 2.1.3 In order to do this we have run development appraisals using the well recognised principles of residual valuation on a number of notional scheme types, both residential and non-residential/commercial.
- 2.1.4 Residual valuation, as the term suggests, provides a “residual” value from the gross GDV (sale proceeds) of a scheme after all other costs are taken into account. Figure 1 below shows the basic principles behind residual valuation, in highly simplified form:

Figure 1: Simplified Residual Land Valuation Principles

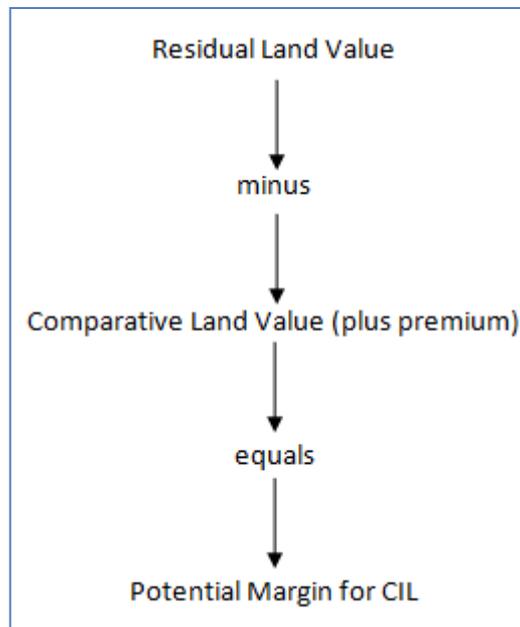


- 2.1.5 Having allowed for the costs of acquisition, development, finance, profit and sale, the resulting figure indicates the sum that is potentially available to pay for the land – i.e. the residual land value (RLV).
- 2.1.6 In order to guide on a range of likely viability outcomes the assessment process also requires a benchmark, or range of benchmarks of some form, against which to compare the RLV - such as an indication of existing or alternative land use values (EUVs or AUVs) relevant to the site use and locality; including any potential uplift required to encourage a site to be released for development (which might be termed a premium, over-bid, incentive or similar). Essentially this means taking an appropriate high level view around the potential level(s) that land value (i.e. the scheme related RLV) may need to reach in order to drive varying prospects of schemes being viable.
- 2.1.7 The level of land value sufficient to encourage the release of a site for development is, in practice, a site specific and highly subjective matter. It often relates to a range of factors including the actual site characteristics and/or the specific requirements or circumstances of the landowner. Any available indications of land values using

sources such as the Valuation Office Agency (VOA) reporting, previous evidence held by the Council and any available sales, or other evidence on value, are used for this purpose in making our assessment. Recently there has been a low level of activity on land deals and consequently there has been very little to go on in terms of examples; a range of reporting as mentioned above has to be relied upon to inform our assumptions and judgments. This is certainly not just a local factor, but one that we are experiencing on a consistent basis in carrying out these types of studies. In assessing results, the surplus or excess residual (land value) remaining above these indicative land value comparisons is shown as the margin potentially available to fund CIL contributions.

- 2.1.8 From an overview of those relationships, in the context of the range of wider assumptions within particular scenarios, we can see results trends. These show deteriorating RLV and therefore viability outcomes as scheme value (GDV) decreases and / or costs rise – e.g. through adding / increasing affordable housing, increasing build costs (as with varying commercial development types) and increasing trial CIL rates.
- 2.1.9 Any potential margin (CIL funding scope) is then considered in the round so that charging rates are not pushed to the limits but also allow for some other scope to support viability given the range of costs that could alter over time or with scheme specifics. In essence, the steps taken to consider that potential margin or surplus are as follows (see figure 2 below):

Figure 2: Relationship Between RLV & Potential Maximum CIL Rate (surplus or margin potentially available for CIL)



2.1.10 The range of assumptions that go into the RLV appraisals process are set out in more detail in this chapter. Further information is also available at Appendices I and III. They reflect the local market (through research on local values, costs and types of provision, etc) and locally relevant planning policies (taking into account the policies as were set out within the previous stage Core Strategy preparations¹). At key project stages we consulted with the Council's officers and sought soundings as far as were available from a range of local development industry stakeholders as we considered our assumptions.

2.2 Site Typologies / Notional Site Types - Residential development scenarios

2.2.1 Appraisals using the principles outlined above have been carried out to review the viability of different types of residential and commercial non-residential developments. The scenarios were developed and discussed with the Council following a review of the information it provided. In the case of the residential

¹ North Hertfordshire District Council – Preferred Options Core Strategy & Development Policies Consultation stage 2007

scenarios, these included earlier Core Strategy preferred options stages background, 'Planning Obligations' SPD, Monitoring Reports, Strategic Housing Land Availability Assessment (SHLAA) and other data. It was necessary to determine scenario types most relevant and likely to come forward across the District. The scheme types were then proposed to and agreed with the Council as reasonably representative for the purposes of this high level overview viability assessment.

- 2.2.2 For residential schemes, 6 main scenario types were tested with the following mix of dwellings and including affordable housing provision (where required by and in accordance with the Council's previous stages preferred policy options):

Figure 3: Residential Scheme Types

Scheme Type	Overall Scheme Mix
1 House	1 x 4BH
5 Houses	2 x 2BH; 3 x 3BH
15 Houses	5 x 2BH; 10 x 3BH
25 Mixed	4 x 1BF; 4 x 2BF; 5 x 2BH; 10 x 3BH; 2 x 4BH
100 Mixed	12 x 1BF; 20 x 2BF; 16 x 2BH; 36 x 3BH; 16 x 4BH
500 Mixed	60 x 1BF; 100 x 2BF; 80 x 2BH; 180 x 3BH; 80 x 4BH

Note: BH = bed house; BF = bed flat; Mixed = mix of houses and flats

- 2.2.3 The assumed dwelling mixes were again based on the range of information reviewed, combined with a likely market led mix. They reflect a range of different types of development that could come forward across the District so as to ensure that viability has been tested with reference to the ongoing housing supply characteristics. Each of the above main scheme types was also tested over a range of value levels representing varying residential values seen currently in the area and also allowing us to consider the impact on development viability of changing market conditions over time (i.e. as could be seen through falling or rising values). The scheme mixes are not exhaustive – many other types and variations may well be seen. This fits the necessary overview process.
- 2.2.4 As above, a key area of the assumptions setting for the residential scenarios was to reflect and further test the Council's approach and policies, including on affordable housing – as was set out at Core Policy G of the Preferred Options stage Core Strategy document.

- 2.2.5 The scheme typologies and appraisals sets used in this study cover a range of affordable housing scenarios (%s) following its 2007 and 2008 affordable housing viability study and affordable housing financial contributions work; and also reflecting the Council's ongoing consideration of potential affordable housing policies.
- 2.2.6 Overall, for the residential scenarios this meant carrying out sets of appraisals over the range 20% to 40% affordable housing on the notional scenarios of 15 to 500 dwellings. Affordable housing was varied by 5% steps, where it was possible to reasonably accurately include this level of refinement, so as to see sufficiently the steps in the results (schemes of 25, 100 and 500 dwellings).
- 2.2.7 On smaller schemes (15 dwellings and fewer) this was not possible. Approximating through further numbers rounding would not have been meaningful in terms of clearly demonstrating the effects of the steps in requirements. The small numbers of affordable units within those schemes do not allow sufficient flexibility for that degree of variance and the numbers rounding tends to distort the affordable housing proportion.
- 2.2.8 Schemes of 15 dwellings were therefore reviewed with 20% affordable housing (i.e. including 3 affordable units); 30% (5 units, rounded from 4.5); 40% (6 units). The 5 dwelling scenario was assumed to provide 20% affordable housing (i.e. a single affordable dwelling as part of a market scheme of 5), that being the only workable mix in that case without over-stretching viability and yet providing a whole unit. Finally, and following the previously identified sliding scale principles, the single dwelling scenario was reviewed with an assumption that it included a financial contribution towards affordable housing – based on a 10% equivalent proportion.
- 2.2.9 Full details of the private and affordable housing numbers assumed within each scheme scenario can be seen in Appendix I – Assumptions Spreadsheet.
- 2.2.10 The dwelling sizes assumed for the purposes of this study are as follows (see figure 4 below):

Figure 4: Residential Unit Sizes

Unit Sizes (sq m)	Affordable	Private
1-bed flat	50	45
2-bed flat	67	60
2-bed house	75	75
3-bed house	85	95
4-bed house	110	125

2.2.11 As with many areas of the study assumptions there will be a variety of dwelling sizes coming forward in practice, varying by scheme and location. No single size or even range of assumed sizes will represent all dwellings coming forward. Since there is a relationship between dwelling sizes, their values and their build costs, it is the levels of those that are most important for the purposes of this study (i.e. expressed in £ sq m terms) rather than the specific dwelling sizes to which those levels of costs and values are applied. With this approach, the indicative 'Values Levels' (VLs) used in the study can then be applied to varying (alternative) dwelling sizes, as can other assumptions. This approach also fits with the way developers tend to price and assess schemes; and is consistent with CIL principles. It provides a more relevant overview context for considering the potential viability scope and then also, purely as an additional measure, reviewing the potential CIL charging rate outcomes as proportions of the scheme values and costs (see Chapter 3 - section 3.11 - for more on those indications).

2.2.12 The dwelling and development sizes indicated are gross internal areas (GIAs). They are reasonably representative of the type of units coming forward for smaller and average family accommodation, within the scheme types likely to be seen most frequently providing on-site integrated affordable housing. We acknowledge that these 3 and 4-bed house sizes, in particular, may be small compared with some coming forward. All will vary, and from scheme to scheme. However, our research suggests that the values (£ sales values) applicable to larger house types would generally exceed those produced by our dwelling size assumptions but usually would be similarly priced in terms of the relevant analysis – i.e. looking at the range of £ per sq m 'Value levels' basis. In summary on this point, it is always necessary to consider the size of new build accommodation in looking at its price rather than its price

alone. The range of prices expressed in £s per square metre is therefore the key measure used in considering the research, working up the range of values levels for testing and in reviewing the results.

2.2.13 During the course of 2012 after completing an initial study report version, further work was carried out to look at the relationship between the affordable housing (% and tenure), trial CIL charging rates and the scope for continued funding of site-specific s.106 requirements.

2.2.14 This resulted in the exploration of a series of illustrative scenarios, the outcomes from which are shown at added tables 6a, 6b and 6c of Appendix IIa (residential results summaries). The process was such that these needed to cover fixed iterations, noting that in practice there could be many other variations. Nevertheless this helped to inform the ongoing consideration of the various main local authority planning-led influences or demands on the development viability scope. The focus for this aspect was large scale Greenfield development using the appraisal assumptions and outcomes already generated but display those and example iterations in a different way; aiming to further understand the principles and the potential combinations or trade-offs that might be relevant for consideration. Section 3 of this report deals with the interpretation of those tables and summarises the key findings, as were outlined in the Executive Summary (paragraphs 22 to 28).

2.2.15 During this final stage of the assessment and associated dialogue with the Council officers, the research and assumptions were not revisited. The market had not moved significantly so as to warrant further review; the assumptions remained appropriate.

Commercial development scenarios

2.2.16 In the same way, the commercial scheme scenarios were developed through the review of information supplied by, and through consultation with, the Council following the basis issued in its brief. This was supplemented with and checked against wider information including the local commercial market offer – existing development and any new schemes / proposals. The following (see Figure 5 below)

sets out the various notional scheme types modelled for this study, covering a range of uses in order to test the impact on viability of requiring CIL contributions from key types of commercial development considered likely to be relevant in the District. Affordable housing did not feature in any of these scenarios, of course, meaning the commercial / non-residential aspect of the study process dealt with considering at a suitable level the variables of values and costs associated with different scheme types, following a typical CIL viability study approach.

Figure 5: Commercial Development Types Reviewed - Overview

Development Type	Example Scheme Type(s) and potential occurrence	GIA (m ²)	Site Coverage	Site Size (Ha)
Large Retail - supermarket	Large Supermarket – typically out of / edge of town – greenfield / PDL	4000	35%	1.14
Medium/Large Retail – retail warehousing	Retail warehouse – in / edge of town – greenfield / PDL	1000	40%	0.25
Small Retail – convenience store (to include comparison, A1-A5)	Convenience Store - various locations. Also includes food and drink, financial services. Greenfield / PDL.	400	60%	0.07
Business development - B1(a) Offices - town Centre	In town office building - PDL	1000	200%	0.05
Business development - B1(a) Offices - edge of town	Edge of town / business park type office building. Greenfield / PDL.	3000	40%	0.75
Business development - B1 , B2, B8 - Industrial / Warehousing	Move-on type industrial unit including offices - industrial estate. Greenfield / PDL.	250	40%	0.13
Business development - B1, B2, B8 - Industrial / Warehousing	Larger industrial / warehousing unit including offices - industrial estate. Greenfield / PDL.	3000	40%	0.75
Hotel	Budget Hotel – various locations – edge of town	3000	50%	0.35
Residential Institution - Care home	Nursing home. Greenfield / PDL.	2100	60%	0.5

2.2.17 Although highly variable in practice, these types and sizes of schemes are thought to be reasonably representative of a range of commercial scheme scenarios that could

come forward in the District. As in respect of the assumptions for the residential scenarios, a variety of sources were researched and considered for guides or examples; including on values, land values and other development appraisal assumptions. DSP used information sourced from Estates Gazette Interactive (EGi), the VOA Rating List and other web-based searching. We also received some additional indications through our process of seeking local soundings. Further information is provided within Appendix III to this report.

- 2.2.18 The site coverage percentages indicated in Figure 5 above are based on information provided by, and discussed with, the Council's planning officers - using their local knowledge and monitoring records. This is supplemented / verified by local development examples and case studies from our research where possible. Additional information included articles and development industry features sourced from a variety of construction related publications; and in some cases property marketing details. Collectively, our research enabled us to apply a level of "sense check" to our proposed assumptions, whilst necessarily acknowledging that this is high level work and that a great deal of variance is seen in practice from scheme to scheme.
- 2.2.19 In addition to testing the commercial uses of key relevance above, further consideration was given to other development forms that may potentially come forward locally, although this could not be exhaustive by any means for any such study. These include, amongst others, non-commercially driven facilities (community halls, medical facilities, schools, etc) and other commercial uses such as motor sales / garages, depots, workshops, agricultural storage, surgeries / similar, and day nurseries.
- 2.2.20 Clearly there is potentially a very wide range of such schemes that could come forward. Alongside their viability, it is also relevant for the Council to consider the likely frequency as new builds or major extension schemes, the distribution of these and their role in the delivery of the development plan (Core Strategy) overall. For these scheme types, as a first step it was possible to review in basic terms the key relationship between their completed value per square metre and the cost of building. We found that this presents a sufficiently clear picture to demonstrate the range of situations in which the development costs will largely take up or even out-

weigh the value created, so that such schemes do not show development viability. The nature of this key “value minus costs relationship” follows the basis of residual valuation thinking (it is the essence of that) so that we can see the wider range of scheme types unlikely to show any level of viability in this sense.

- 2.2.21 Where it can be quickly seen that the build cost (even before all other costs such as finance, fees, profits, purchase and sale, etc are allowed for) outweighs or is close to the completed value, it becomes clear that a scenario is not financially viable in the usual development sense being reviewed here and related to any CIL contributions scope. We are also able to consider these value / cost relationships alongside the range of main appraisal assumptions and the results that those provide (e.g. related to business development). This is an iterative process in addition to the main appraisals, whereby a further deteriorating relationship between values and costs provides a clear picture of further reducing prospects of viable schemes. This starts to indicate schemes that require other support rather than being able to produce a surplus capable of some level of contribution to CIL.
- 2.2.22 Through this iterative / exploratory process we could determine whether there were any further scenarios that warranted additional viability appraisals. Having explored the viability trends produced by examination of the cost / value relationships we found that in many other cases, completed scheme values were at levels insufficient to cover development costs and thus would not support any level of CIL, certainly not on any regular basis.
- 2.2.23 Further information on this section of the review process is provided within the findings commentary in Chapter 3.

2.3 Gross Development Value (Scheme Value; ‘GDV’) - Residential

- 2.3.1 For the residential scheme types modelled in this study a range of (sales) value levels (VLs) have been applied to each scenario. As mentioned previously, this is in order to test the scope for and the sensitivity of scheme viability to the requirement for a range of potential CIL charging rates (potentially including geographical values variations and / or with changing values as may be seen with further market variations). In the case of this North Hertfordshire study, this has been carried out

whilst also considering an expanded range of potential affordable housing policy scenarios.

- 2.3.2 As above, the trial CIL rates were explored iteratively. This involved increasing the trial rate applied to each scenario, over a scale at £20/sq m steps from £0 up to £140/sq m. By doing this, we could consider the potential for schemes with varying affordable housing content and having varying sales values (as expressed by a series of VLs) to support CIL contributions at various potential rates. From our wider experience of studying and considering development viability and given the balance also needed with other planning obligations including affordable housing, exploration beyond that £140/sq m potential charging rate level was not considered relevant in North Hertfordshire, given the way we could see the results developing.
- 2.3.3 We carried out a range of our own research on residential values across the Council's area (see Appendix III). It is always preferable to consider a range of information so as to look for common themes and pointers to inform the assumptions setting and review of results stages. Therefore we also considered existing information for example contained within the Council's previous Affordable Housing Viability Study Viability research documents, and from sources such as the Land Registry, Valuation Office Agency (VOA) and a range of property websites. Our practice is to consider all available sources to inform our up to date independent overview.
- 2.3.4 A framework needs to be established for gathering and reviewing property values data. Our first stage desktop research considered the previous affordable housing study background research in conjunction with Land Registry House Prices Index trends for Hertfordshire, together with a review of new build housing schemes of various types being marketed at September - October 2011. That informed a District-wide view of values – based on all available property at the time of our review (across the market and so predominantly re-sales based, but including new builds as we encountered those when gathering information). We were able to look at particular settlements, and consider how the prevailing values varied between those. This research is set out at Appendix III (overall market review section – starting on page 3 of that Appendix).

2.3.5 Following this research, variable values were observed in all areas. This is as would be expected – a common finding. Values patterns are often blurred to some extent. However, some key themes on values patterns emerged. For example, we noted:

- i) Relatively consistent value levels between (looking across) the 4 main towns – Hitchin, Letchworth, Baldock and Royston. All contain variable values, but on average there is little difference, certainly not to the extent that a clear justification could be made to differentiate between them in viability terms for CIL and Affordable Housing.
- ii) The rural areas / smaller settlements typically see values higher than those in the 4 main towns, although that is not always the case. This might indicate that if the smaller settlements were likely to be making a significant contribution to overall housing supply in terms of development plan delivery, then potentially this general trend on values could become a consideration for varying CIL rates.
- iii) Some Stevenage fringe area values are typically relatively low in the District context – lower than the average values seen across the 4 main North Hertfordshire towns for example. Depending on the policy directions regarding housing and other growth distribution, this could become a key influence on the CIL approach and affordable housing considerations. Once again, this is not always clear-cut and variations are significant. As an example, areas such as Wymondley, Graveley and Knebworth have higher values than Great Ashby – characteristics change quickly over relatively short distances, so that any developing of approaches in response to local variance would need to be very carefully considered and mapped.
- iv) On high-level initial review during the final study stages, property values relevant to the existing East of Luton outer / fringe residential areas were noted to be potentially beneath the levels considered relevant to the Stevenage fringe. This may need to be considered in further detail by the Council when looking at the overall viability parameters that we set out,

depending on how its proposals develop in regard to the potential distribution of new housing development in the district.

- 2.3.6 We were then able to test and consider variations on a theme which respected the picture seen and confirmed through our further work. Ultimately this leads to the consideration of viability variations as would affect the potential CIL funding and affordable housing scope and therefore any differentiation needed for that by locality. As will be outlined in Chapter 3, this process informed a developing view of how to most appropriately describe and cater for the values and viability levels seen. Through ongoing discussion and consideration of the various data and knowledge sources, this evolved to a settled, evidenced view of the key characteristics of the District - to inform potential options for an appropriate local approach to CIL charging and affordable housing targets on residential developments.
- 2.3.7 The detailed research and data sources behind our assumptions on values are included in Appendix III – Background Data - and are not included in the main part of this report. However, a summary of the values range applied for each residential scenario (expressed as 'Value Levels' - VLs) is shown in Figure 6 below. Each residential scheme type was appraised at 5 value levels. Purely for the purposes of indicating what those £ per sq m values mean for the pricing of our assumed unit sizes, those are also set out – as follows:

Figure 6: Residential Values range in £s / sq m

Revenue (GDV) - Sales Value Level (VL) & indicative relevance by locality	VL 1	VL 2	VL 3	VL 4	VL 5
	e.g. Great Ashby / Stevenage fringe / other lower value	e.g. Hitchin, Letchworth, Baldock, Royston / other typical values		e.g. Knebworth and rural / smaller settlements / other higher end values	
£ per sq m	2,400	2,700	3,000	3,300	3,600
£ per sq ft equivalent	223	251	279	307	334

Revenue – assumed dwelling sizes only (£)	VL 1	VL 2	VL 3	VL 4	VL 5
1-b flat	108,000	121,500	135,000	148,500	162,500
2-b flat	144,000	162,000	180,000	198,000	216,000
2-b house	180,000	202,500	225,000	247,500	270,000
3-b house	228,000	256,500	285,000	313,500	342,000
4-b house	200,000	337,500	375,000	412,500	450,000

2.3.8 In addition to the market housing we have assumed a requirement for affordable housing (where applicable) varied to allow for exploration of potential policy target (%) positions that could be workable in tandem with the various CIL trial rates. Within the proportions (overall %) of affordable housing, we have assumed that approximately 65% is rented tenure and 35% is ‘intermediate’ (although again it should be noted that this tenure mix was accommodated as far as best fits the overall scheme mixes and affordable housing proportion in each scenario). The intermediate affordable housing is usually in the form of shared ownership or similar. This is a fairly typical approach to targeting an appropriate affordable housing tenure

mix. For the main appraisals we assumed 65% affordable rented tenure / 35% shared ownership given the Government's and HCA's stance on the role of affordable rent at the current time.

2.3.9 In addition we looked at the sensitivity of the results to affordable housing tenure mix varying by running sample appraisals replacing the affordable rented element with social rent. Further sensitivity testing has also been carried out on the basis of 1/3 social rent, 1/3 affordable rent and 1/3 shared ownership. The results relating to these are within tables 4 and 5 at Appendix IIa. Further work was also added on exploring the implications of this for the wider package of potential s.106 / CIL costs – as per tables 6a to 6c. It must be noted that in practice many tenure mix variations could be possible; as well as many differing levels of rents derived from the affordable rents approach as affected by local markets and by affordability.

2.3.10 For the affordable housing, the revenue that is assumed to be received by a developer is based on only the capitalised value of the net rental stream (affordable rent) or capitalised net rental stream and capital value of retained equity (in the case of low cost / affordable home ownership – i.e. typically shared ownership). Currently the HCA expects affordable housing of either tenure on s.106 sites to be delivered with nil grant input. At the very least this should be the starting assumption pending any review of viability and later funding support for specific scenarios / programmes. We have therefore made no allowance for grant (assumed no reliance on it).

2.3.11 The value of the affordable housing (level of revenue received for it by the developer) is variable by its very nature. Revenue assumptions were reviewed in the context of our extensive experience in dealing with affordable housing policy development and site specific viability issues (including specific work on affordable rents for other authorities). In addition we carried out appraisals using the HCA's Development Appraisal Tool ('DAT') which can be used to calculate affordable housing revenue. It was decided to base our revenue assumptions on the average percentage of market (sales) value ('MV') generated from a number of trial scenarios for each tenure considered; Affordable Rent, Social Rent and Shared Ownership. Those revenue assumptions were then applied within our viability appraisals.

- 2.3.12 For affordable rented properties the assumption has been made that the Local Housing Allowance (LHA) levels will act as an upper level above which rents will not be set (i.e. that they represent 80% of market rent including service charge). This is to ensure that the percentage of MV figure does not reach a point that in practice would be unaffordable or impractical. For the purposes of this study we have used the Stevenage and North Herts Broad Rental Market Area (BRMA) LHA rates as the upper limit because this BRMA covers a vast majority of the District. It is also the BRMA with the lowest LHA rates - ensuring that we have taken an appropriately cautious view on rental income levels and therefore affordable housing transfer price (revenue to the developer).
- 2.3.13 Using the LHA rate for the purposes of determining what an RP will use to calculate the transfer value of an affordable rented property means that in practice, the transfer price as a proportion of open market value generally reduces as the Value Level increases. This is reflected in our appraisals. In broad terms, the transfer price assumed in this study varies between 40% and 50% of market value (MV) dependent on unit type and Value Area. In practice, as above, the values generated would be dependent on property size and other factors including the RP's own development strategies and therefore would vary significantly from case to case when looking at site specifics. The RP may have access to other sources of funding, such as related to its own business plan, funding resources, cross-subsidy from sales / other tenure forms, recycled capital grant from stair-casing receipts, for example, but such additional funding cannot be regarded as the norm for the purposes of setting viability study assumptions – it is highly scheme dependent and variable and so has not been factored in here.
- 2.3.14 A similar approach has been taken with Social Rent and Shared Ownership transfer values with values ranging between 30% and 35% of MV for social rent; up to 65% of MV for shared ownership.
- 2.3.15 It is worth noting again that affordable housing will not be liable for CIL payments. This is the case under the regulations nationally, not just in the North Hertfordshire context. The market dwellings within each scenario will carry the CIL burden at the Council's specified rate(s).

2.4 Gross Development Value (Completed Scheme (capital) Value) - Commercial

- 2.4.1 The value (GDV) generated by a commercial or other non-residential scheme varies enormously by specific type of development and location. In order to consider the viability of various commercial development types a range of assumptions needed to be made with regard to the rental values and yields that would drive the levels of completed scheme values which would then be compared with the various development costs to be applied within each commercial scheme appraisal. Broadly the commercial appraisals process follows that carried out for the residential scenarios, with a range of different information sources informing the values (revenue) related inputs. Data on yields and rental values (as far as available) was from a range of sources including the VOA, EGi and a range of development industry publications, features and web-sites. As with the residential information, Appendix III sets out more detail on the assumptions background for the commercial schemes.
- 2.4.2 Figure 7 below shows the range of rental values assumed for each scheme type. These were then capitalised based on associated yield assumptions to provide a GDV for each scheme dependent on the combination of yield and rental values applied.
- 2.4.3 The rental values were tested at varying levels and are representative of low, medium and high values assessed as relevant for each commercial / non-residential scheme type in the District. They are necessarily estimates. These were assumed for new builds, consistent with the nature of the CIL regulations in that refurbishments / conversions / straight reuse of existing property will not attract CIL contributions. In many cases, however, limited or nil new build information for use of comparables exists, particularly given recent and current market circumstances. Therefore, views have had to be formed from local prevailing rents / prices and information on existing property. In any event, the amount and depth of available information varied considerably by development type.
- 2.4.4 These varying rental levels were combined with yields assumed initially at between 6.5% and 7.5% (varying dependent on scheme type). Most were appraised at 7.5% (which, following further review, we considered appropriate to develop for various forms of commercial / non-residential development envisaging good quality new premises, rather than much of the limited transactional evidence – which relates

mostly to older accommodation). Some scenarios were also appraised at a 6.5% yield assumption; which was felt to be more reflective of levels for large retail (supermarkets / retail warehousing) and hotel developments. This range, overall, enabled us to explore the sensitivity of the outcomes to such variations, given that in practice a wide variety of rental and yield expectations or requirements could be seen. We settled our view that the medium level rental assumptions combined with 7.5% base yield (6.5% for large retail and hotel overviews) were the most appropriate at the current time in providing context for reviewing results and considering viability outcomes. Taking this approach also means that it is possible to consider what changes would be needed to such assumptions to sufficiently improve the viability of non-viable schemes or, conversely, the degree to which viable scheme assumptions and results could deteriorate whilst still supporting the collective costs, including CIL.

- 2.4.5 More positive yield assumptions (rental capitalisation) could well be relevant to the retail scenarios. These are assumptions that leave some room for manoeuvre in relation to site-specific viability outcomes aside from the business development (B use class) scenarios. In fact, in our experience yields of more like 4.75% - 6% could well be seen for some of these scenarios (retail in particular), so a fairly prudent view has been taken on the yield positions. Yields reset towards those more positive levels produce a considerably stronger capitalisation of the rents. However, the selected range, overall, enabled to us to explore the sensitivity of the outcomes to values variations, given that in practice a wide variety could be seen.
- 2.4.6 It is important to note here that small variations, particularly in the yield assumption, but also in rental value assumptions, can have a significant impact on the GDV that is available to support the development costs (and thus the viability of a scheme) together with any potential CIL funding scope. We consider this very important bearing in mind the balance that must be found between infrastructure funding needs and viability. Overly optimistic assumptions, or assumptions that would rely on infrequent circumstances in the local context, could well act against finding that balance.
- 2.4.7 Overall, this approach enabled us to consider the sensitivity of changes in the capitalised rents to the likely viability outcomes and allowed us to then consider the most relevant areas of the results in coming to our overview. As with other study

elements, particular assumptions used will not necessarily match scheme specifics and therefore we need to look instead at whether / how frequently local scenarios are likely to fall within the potentially viable areas of the results (including as values vary). This is explained further in Chapter 3.

Figure 7: Rental Value for Commercial Schemes

Scheme Type	Value Level (Annual Rent Indication £ / sq m)		
	("Low")	("Medium")	("High")
Large Retail (supermarket – convenience)	£200	£230	£260
Large Retail (retail warehouse type)	£130	£160	£190
Small Retail (convenience and including A1-A5)	£125	£150	£175
Business development - Town Centre offices	£120	£160	£200
Business development – Out of /edge of town	£120	£160	£200
Business development - B1, B2, B8 - Industrial / Warehousing - Small	£80	£90	£100
Business development - B1, B2, B8 - Industrial / Warehousing - Larger	£65	£75	£85
Hotel (budget)	£150	£188	£225
Residential Institution (care/nursing home)	£160	£180	£200

2.4.8 We are making this viability assessment following a period of significant recession which has seen a major downturn in the fortunes of the property market – from an international and national to a local level, and affecting all property types (residential and commercial). At the time of writing we still have a weak economic backdrop feeding through in to significant ongoing property market uncertainty. Although there were a range of mixed signs in 2011, we are still seeing low levels of development activity. This is caused by a cocktail of factors e.g. as a result of low occupier demand, and related to poor availability of attractively priced and readily available finance for property development and purchasing. The latest available RICS Commercial Market Survey states for Q3 of 2011 that *“tentative recovery in real estate shows signs of faltering”*. It goes on to say *“that tenant demand retreated over the quarter which, coupled with rising available space, is resulting in a more negative*

view on rental expectations. Surveyors attribute the fall in sentiment to the uncertain outlook for the wider economy... Significantly, sentiment has fallen across all sectors of the market. Retail demand slipped furthest into negative territory, while available space also rose fastest in the retail sector. However, rental expectations at the national level were most negative for offices”.

2.4.9 In order to track trends through the complete study period to the October 2012 report re-issue, on closing our work the RICS Q3 2012 Commercial Property Market Survey themes were similar:

‘The latest UK Commercial Market Survey shows that occupier demand has weakened alongside rising supply, leading to a further deterioration in rental expectations.

- *Demand weakens while supply continues to edge upwards*
- *Rent expectations remain negative at headline level; London offices continue to buck the trend*
- *Investment enquiries fall and capital value expectations are rooted in negative territory.’*

(Source: RICS Commercial Property Market Survey)

2.4.10 As with residential development, consideration was given to whether there should be any varying approach to CIL charging levels for commercial and other developments in North Hertfordshire.

2.4.11 On review, it was considered that the key types of schemes could occur in some form at the 4 main towns or potentially any growth areas associated with Stevenage as well as, in some cases, at larger villages. Larger retail and business scenarios would primarily be related to the 4 main towns and could also come forward associated with growth in the Stevenage fringe areas.

2.4.12 However, in each case it was considered that variations in values and viability outcomes would be more likely to be the result of detailed site and scheme specific characteristics, and not necessarily driven by distinctions between general location (area) within the District. This was borne out on review of the commercial values

data, as per the examples included at Appendix III. As can be seen there, whilst Hitchin and Letchworth are the key commercial property stock locations, there is great variety in terms of values within each of the towns and across the full range of locations in the District. However, there were tones of values which informed our rental and other assumptions for the appraisals, based on the upper end rental indications seen for Business uses (offices and industrial / warehousing) and the variety of indications seen for retail – in both cases from a combination of the Rating List, EGi and other sources as available.

2.4.13 While the highest in-town retail rents are typically in Hitchin, we consider that out of town / edge of town retail, supermarket and convenience store developments of the types likely to be more relevant as new builds would tend to generate similar values in a range of locations across the District. The highest office rents tend to be seen in the 4 main towns, although some rural and other scattered schemes indicate similar value levels. In general, we consider office rents in the District to be modest. The retail values in general are similar to those we have seen in a range of locations; although larger retail values (large supermarkets and retail warehousing) appear to be lower than we have seen in some areas outside North Hertfordshire. Industrial / warehousing rents are at similar levels to those we have seen in a range of local authority areas. Locations within the District seem to have more established and larger scale provision for industrial / warehousing than for offices. As a general observation, this does not appear to be an area that has attracted higher-end purpose built offices, research facilities and the like to any significant degree. Much of the office stock is in smaller suites, older buildings and conversions, etc.

2.4.14 Overall, we found no clearly justifiable or readily definable approach to varying the potential CIL charging on commercial / other development types through viability findings based on location / geography. Whilst certain specific scheme types could create more value in one location compared with another in the District, typically there was felt to be no clear or useful pattern which might be described for that. We therefore continued our work on the basis of a uniform approach District-wide to exploring the CIL charging rate scope in viability terms for commercial uses. It must be accepted that there will always be variations and imperfections in any level of overview approach; with or without area based differentiation.

2.5 Development Costs – General

2.5.1 Total development costs can vary significantly from one site or scheme to another. For these strategic overview purposes, however, assumptions have to be fixed to enable the comparison of results and outcomes in a way which is not unduly affected by how variable site specific cases can be. As with the residential scenarios, an overview of the various available data sources is required; and is appropriate. Each area of the development cost assumptions is informed by data - from sources such as the RICS Building Cost Information Service (BCIS), any locally available soundings and scheme examples, professional experience and other research. For this overview we have not allowed for abnormal costs that may be associated with particular sites as these are highly specific and can distort comparisons at this level of review. In our view, and again related to the need to consider balance (and not “push to the limits”) in setting CIL charging rates, this is another factor that should be kept in mind; in some circumstances and over time, overall costs could rise from current / assumed levels. The interaction between values and costs is important and, whilst any costs rise may be accompanied by increased values from assumed levels, this cannot be relied upon.

2.6 Development Costs – Build Costs

2.6.1 The base build cost levels shown below are taken from the BCIS. In each case the median figure, rebased to Q4 2011 and a North Hertfordshire location index (109 relative to a national level of 100) is used. As with other cost-side assumption areas, this needs to be built in to the study thinking as part of finding the right local balance through avoiding assumptions that leave insufficient scope when the CIL charging is applied in practice. Costs shown are for each development type (residential and commercial) – see Figure 8 below:

Figure 8: Build Cost Data (BCIS Median, Q4 2011, Location Index 109)

Use	Property Type	BCIS Build Cost (£/m ²)*
Residential	One off housing	£1,280
Residential	Mixed developments	£846
Residential	Flats	£1,002
Large Retail	Supermarket	£1,209
Large Retail	Retail warehouse	£624
Small Retail	Convenience Store	£757
Business development	Town Centre Office Building	£1,382
Business development	Out of / edge of town office building	£1,291
Business development	Industrial unit including offices	£866
Business development	Larger industrial / warehousing unit including office element	£627
Hotel	Budget hotel	£1,410
Residential Institution	Nursing (care) Home	£1,418

*excludes externals and contingencies (these are added to the above base build costs)

- 2.6.2 As noted, the above build cost levels do not include contingencies or external works. An allowance for externals has been added to the above base build cost on a variable basis depending on the scheme type. This is typically between 14% and 21% of base build cost for flatted and housing schemes, respectively, based on analysis of specific schemes within the BCIS dataset. A notional allowance for externals of 20% of base build cost has been added for all commercial schemes, based on a range of information sources and cost models.
- 2.6.3 For this broad test of viability it is not possible to test all potential variations to additional costs. There will always be a range of data and opinions on, and methods of describing, build costs. In our view, we have made reasonable assumptions which lie within the range of figures we generally see for typical new build schemes (rather than high specification or particularly complex schemes which might require particular construction techniques or materials). As with many aspects there is no single appropriate figure in reality, so judgments on overview assumptions are necessary. As with any appraisal input of course, in practice this will be highly site specific. In the same way that we have mentioned the potential to see increased costs in some cases, we could also see cases where base costs, externals costs or

other elements will be lower than those assumed. Once again, in accordance with considering balance and the prospect of scheme specifics varying in practice, we aim to pitch assumptions which are appropriate and realistic through not looking as favourably as possible (for viability) at all assumptions areas.

- 2.6.4 An allowance of 4% has been included for sustainable construction standards to Code for Sustainable Homes level 4 energy equivalent standards, given evolving Building Regulations (over and above Part L 2010 compliance).
- 2.6.5 As a general basis, build contingencies at 5% of build cost have also been allowed. This is a relatively standard assumption in our recent experience. We have seen variations either side of this level in practice.
- 2.6.6 Standard survey (£500) and normal site preparation costs (£4,000) per unit respectively have also been allowed for on a notional basis for residential scenarios; variable within the commercial schemes. For the sensitivity tests on the 500 dwellings scenario additional cost assumptions were made (representing a potential range or combination of increased cost factors).
- 2.6.7 The interaction of costs and values levels will need to be considered again at future review points. In this context it is also important to bear in mind that the base build cost levels will also vary over time. In the recent recessionary period we have seen build costs fall, but moving ahead they are expected to rise again. The latest BCIS data indicates that tender prices increased by 0.9% compared to the previous quarter (the 5th consecutive rise since 2nd quarter 2010) and 3.7% over the preceding year. As at the research point, the forecasts suggest continued fluctuation in tender prices but with a general upwards trend currently predicted. The forecast to 2013 suggests the following:

“Following the sharp rise in the 2nd quarter, the rate of increase in materials prices is expected to slow down in the second half of the year. Energy, fuel and raw materials prices continue to drive up the unit costs of materials. It is therefore anticipated that materials prices will continue to rise for the foreseeable future at a pace below the rate of inflation. General inflation is expected to peak just below 6% towards the end of 2011, falling to around 3% over the forecast period.”

It is anticipated that the deteriorating economic outlook is going to keep wage inflation at bay in the first year of the forecast period. Wage awards are expected to rise well behind the rate of general inflation, with workloads still well below pre-recession levels. However, wages are expected to rapidly increase in the medium term to recover some of the lost income following the expected return to above long term growth in 2013.

After a relatively positive start to 2011, new work output stalled in the 2nd quarter and it is now anticipated to fall in both 2011 and 2012, with growth only returning in 2013. Revised output figures revealed that the impact of the public sector cutbacks is already having a negative effect on the construction industry, with private sector growth only expected to start mitigating the decline in public spending in 2012 and 2013. However, despite the cuts in public sector investment, it is anticipated that the infrastructure sector will grow over the forecast period, but with relatively modest growth in 2011 and 2012".²

2.7 Development Costs – Fees, Finance & Profit (Residential)

2.7.1 The following costs have been assumed for the purposes of this study and vary slightly depending on the type of development (residential or commercial). Other key development cost allowances for residential scenarios are as follows (Appendix I provides a further summary):

Professional,

planning and other fees: Total of 12.5% of build cost

Site Acquisition Fees:

1.0% agent's fees

1.0% legal fees

Standard rate (scale) for Stamp Duty Land Tax (0 to 5%)

Finance:

6.0% interest rate (assumes scheme is debt funded)

Arrangement fee variable – basis 1% of loan

² RICS BCIS News – “Tender Price Update” (25/10/11) http://service.bcis.co.uk/V3_BCIS/template.html

<u>Marketing costs:</u>	3.0% sales fees £750 per unit legal fees
<u>Developer Profit:</u>	Affordable Housing – 6% of GDV (affordable housing revenue) Open Market Housing – 20% of GDV

Note: For the 500 dwelling scenarios, professional fees were assumed at 8%; contingencies at 3%.

2.8 Development Costs – Fees, Finance & Profit (Commercial)

2.8.1 Other development cost allowances for commercial development are as follows:

<u>Professional planning and other fees:</u>	Total of 12% of build cost
<u>Site Acquisition Fees:</u>	1.0% agent's fees 0.75% legal fees Standard rate (scale) for Stamp Duty land Tax (0 to 5%)
<u>Finance:</u>	6.0% interest rate (assumes scheme is debt funded) Arrangement fee variable – 1% loan cost
<u>Marketing / other costs:</u>	(Cost allowances – scheme circumstances will vary) 1% promotion / other costs (% of annual income) 1.5% sales / other fees (of sales price where applicable) 10% letting / management / other fees (% of assumed annual rental income)
<u>Developer Profit:</u>	20% of GDV

2.9 Build Period

2.9.1 The build period assumed for each development scenario has been based on BCIS data (using its Construction Duration calculator - by entering the specific scheme types modelled in this study) alongside professional experience and informed by examples where available. The following build periods have therefore been assumed. Note that this is for the build only; lead-in and extended sales periods have also been allowed for on a variable basis according to scheme scale, having the effect of increasing the periods over which finance costs are applied (see Figure 9 below):

Figure 9: Build Period

Scheme Type	Build Period (months)
1 Unit Housing Schemes	6
5 Unit Housing Scheme	6
15 Unit Housing Scheme	9
25 Unit Mixed Housing Scheme	12
100 Unit Mixed Housing Scheme	24
500 Unit Mixed Housing Scheme	12 months lead in (from site purchase to construction start). 60 month construction period. All affordable sold by end of Month 60 and all private sold by end of month 96.
Large Retail -supermarket	9
Medium/Large Retail – retail warehousing	7
Small Retail (principally convenience stores)	3.5
Business - Town Centre Offices	6
Business - Business Park Offices	10

Business - Industrial (small)	6.5
Business - Industrial / Warehousing (larger)	8
Hotel (budget)	10
Care Home	16

2.10 Other section 106 Costs

2.10.1 An ongoing site specific section 106 (s.106) planning obligations allowance (financial contribution) has been factored into the appraisal assumptions as well (alongside affordable housing and CIL trial rates in all cases for residential schemes). On discussion with the Council it was considered that a majority of existing Planning Obligation requirements on future schemes (with the potential exception of some larger scheme scenarios) would be taken up within the CIL proposals, but nevertheless that small scale site specific requirements (perhaps dedicated highways improvements / alterations or similar) could remain in some circumstances. For residential scenarios up to and including 100 dwellings, the appraisals therefore included a notional sum of £1,000 per dwelling on this aspect purely for the purposes of this study and in the context of seeking to allow for a range of potential scenarios and requirements.

2.10.2 For the 500 dwelling scenario, typically envisaged as major greenfield development in the context of this district, this base assumption was increased to £10,000 per market dwelling (equivalent to approximately £8,000 per dwelling overall) as a notional level to account for potential scheme specific related infrastructure improvements / alterations. In looking at sensitivities to increased costs, for the 500 dwellings appraisals this cost assumption was also increased by a further £10,000 per dwelling representing potentially increased s.106 obligations, other / site related costs or a combination of such added cost factors. From our understanding of likely site supply scenarios under consideration, these types of scenarios and considerations could be relevant for example to potential large scale Greenfield development in the Stevenage fringe areas; and potentially to growth at Baldock. Overall, clearly a range of scenarios could be relevant. In practice these would be highly variable but, as above, we consider that undertaking the review with this general approach is all a

part of seeking the right balance – again, rather than effectively pulling all potential headroom out of the assumptions and therefore the outcomes.

2.10.3 As noted at 2.2.13 to 2.2.15, the final work stages (for the October 2012 report re-issue to the Council) included further review of the type of potential assumptions combinations and trade-offs that might be relevant for the Council to consider in fixing CIL charging rate(s) alongside other obligations including affordable housing and s.106 (for site-specific obligations). The resulting information (iterations) can be seen at tables 6a, 6b and 6c within Appendix IIa (residential results summaries). It is possible to use those, in conjunction with the preceding results tables, to compare outcomes from varying combinations of obligations and also to consider combinations that provide similar outcomes.

2.11 Land value comparisons

2.11.1 As discussed previously, in order to consider the likely viability scope for affordable housing and a range of potential (trial) CIL contribution rates in relation to any development scheme, a comparison needs to be made between the out-turn results of the development appraisals (the RLVs) and some level of benchmark or known land value. As suitable context for a high level review of this nature, DSP's practice is to compare the wide range of appraisal RLV results with a variety of potential land value comparisons. This allows us to consider a wide range of potential scenarios and outcomes and the viability trends across those. This approach reflects the varied land supply picture that the Council expects to see in coming years, including from greenfield sites to schemes coming forward on previously developed land (PDL) comprising former commercial / employment uses and in some cases the reuse and intensification of existing residential and other sites.

2.11.2 Reviewing the scale of the difference between the RLV and a comparative land value level (i.e. surplus after all costs, profit and likely land value expectations have been met) in any particular example, and as that changes between scenarios, allows us to judge the potential CIL funding scope. It follows that, in the event of little or no surplus, or a negative outcome (deficit), we can see that there is little or no CIL contribution scope alongside the other costs assumed. The same applies in some instances as affordable housing % assumptions increase.

- 2.11.3 In order to inform these land value comparisons or benchmarks we sought to find examples of recent land transactions locally. No firm evidence of such was available from the various soundings we took and sources we explored. We reviewed data sourced from the VOA, previous research / studies / advice provided by the Council, consultation, EGi and from a range of property and land marketing web-sites.
- 2.11.4 Each of the RLV results is compared to a range of land value levels representing potential values for sites of varying types, both greenfield and brownfield (PDL). Again, scheme specific scenarios and the particular influence of site owners' circumstances and requirements will be variable in practice.
- 2.11.5 In terms of the VOA, data available for comparison has reduced significantly since the July 2009 publication of its Property Market Report, with data provided only on a limited regional basis in the later reporting. None of the information in the latest report is sufficiently local to North Hertfordshire for anything other than a general / relative picture between regions and certain locations which are listed. Information has been sourced from existing data and research together with general indications and soundings - all as far as were available to source.
- 2.11.6 As can be seen at Appendices IIA and IIB, we have taken the view that the minimum land value likely to incentivise release for development under any circumstances is around £100,000/acre in the North Hertfordshire context; say £250,000/Hectare. This could be relevant for consideration as the lowest base point for enhancement to greenfield land values (with agricultural land in Hertfordshire reported by the VOA to be valued at £15,000 - £20,000/Ha in existing use). The HCA issued a transparent assumptions document which referred to guide parameters of an uplift of 10 to 20 times agricultural land value. This sort of level of land value could also be relevant to a range of less attractive locations or land for improvement. From this type of comparison level we consider that there is a range up to about £1.8m/Ha within which a variety of scenarios would be viable (i.e. with the scheme RLV becoming increasing likely to mean that sites come forward as it rises). This is not to say that land value expectations would not go beyond these levels – they could well do in a range of circumstances. We were supplied with a brief 2010 report on Hertfordshire land values by the Council, prepared by Lambert Smith Hampton in 2010. That

quoted agricultural land prices at approximately £12,000 to £36,000/Ha dependent on lot size; garden allotment land at approximately £12,000/Ha; horticultural land at approximately £18,000/Ha and garden land indicatively at say £850,000/Ha (worked up from a guide of circa £8.00/sq ft).

- 2.11.7 The same Lambert Smith Hampton information indicated employment land values for Royston at £618,000/Ha (say £600,000/Ha), Hitchin at £1,483,000/Ha and Letchworth at £1,853,000/Ha. It quoted “residential” land value guides of circa £2.3m/Ha, although that figure did not vary by location within the District (so that for example the Stevenage fringe would not be differentiated from say Hitchin, Royston, Knebworth or the smaller settlements / rural North Hertfordshire in general. We believe that care needs to be taken not to over-state land value comparison levels, particularly in this type of market. Adjusted expectations will be necessary – as influenced by the policy climate as well as the market and wider economic backdrop.
- 2.11.8 Considering indications, such as they are available, on land being marketed at the time of the study, we have seen indications ranging from £275,000 through to £1,360,000/Ha for greenfield and PDL (commercial sites), with an example in between those of circa £740,000/Ha – all unconfirmed in terms of the details.
- 2.11.9 Overall, we have formed the view that the land value comparisons range £250,000 - £1.85m/Ha is likely to cover quite a wide range of potential scenarios in the current North Hertfordshire market. As this suggests, there is a range of potentially viable scenarios between these points, and our results summary tables in Appendices IIA and II B develop this theme.
- 2.11.10 Within this range, for the added review of potential obligations combinations as mentioned at 2.2.13 to 2.2.15 and at 2.10.3 above, comparisons were also made for the large scale greenfield scenario at a land value of £375,000/ha; a mid-range figure between the £250,000 likely minimum level and £500,000 upper comparison level for Greenfield enhancement. We considered this mid-level to be a key area of the range based on experience of site-specifics both locally and in other Council areas;

given that in our experience Greenfield values do not tend to vary greatly by specific location assuming similar circumstances.

2.11.11 As well as a level of value relating to an existing or alternative use driving a site's value ('EUV' or 'AUV'), there may be an element of premium (an over-bid or incentive) required to enable the release of land for development. In our view, this would not apply, however, in situations where there is no established ready market for an existing or alternative use. The HCA's draft document 'Transparent Viability Assumptions' that accompanies its Area Wide Viability Model suggests that *"the rationale of the development appraisal process is to assess the residual land value that is likely to be generated by the proposed development and to compare it with a benchmark that represents the value required for the land to come forward for development"*. This benchmark is referred to as threshold land value in that example: *"Threshold land value is commonly described as existing use value plus a premium, but there is not an authoritative definition of that premium, largely because land market circumstances vary widely"*. Further it goes on to say that *"There is some practitioner convention on the required premium above EUV, but this is some way short of consensus and the views of Planning Inspectors at Examination of Core Strategy have varied"*. These types of acknowledgements of the variables involved in practice align to our thinking on the potential range of scenarios likely to be seen. As further acknowledged later, this is one of a number of factors to be kept in mind in setting suitable rates which balance viability factors with the infrastructure needs side.

2.11.12 We would stress here that any overbid level of land value (i.e. incentive or uplifted level of land value) would be dependent on a ready market for the existing or other use that could be continued or considered as an alternative to pursuing the redevelopment option being assumed. The influences of existing / alternative uses on site value need to be carefully considered. At a time of a low demand through depressed commercial property market circumstances, for example, we would not expect to see inappropriate levels of benchmarks or land price expectations being set for opportunities created from those sites. Just as other scheme specifics and appropriate appraisal inputs vary, so will landowner expectation.

2.11.13 The range of land value comparisons (overall at £250,000 – circa £1.8m/Ha) is set out beneath the results tables (at Appendices IIa and IIb) and further information as far as was available is set out within the wider research as included at Appendix III. The results trends associated with these are seen at Appendices IIa and IIb, as explained in chapter 3 below.

3 Findings

3.1 Introduction

3.1.1 Results summaries are included at Appendix IIa (residential scenarios) and Appendix IIb (commercial/non-residential). In each case these reflect the scenarios explained in Chapter 2 and set out at Appendix I. Within Appendices IIa and IIb there are different tables according to the type of host site assumed for the scenarios and bearing in mind the variables / dynamics introduced at 2.1.6 and discussed at section 2.11 above – e.g. greenfield and PDL (e.g. former commercial).

3.1.2 In the case of the commercial results, there are 2 sets covering alternative yield views of 6.5% (considered most relevant to retail and hotel scenarios) and 7.5% (on all scenarios); as discussed, in relation to exploring the sensitivity of the results to these factors.

3.1.3 In summary Appendix IIa and IIb results tables show:

- Left side column: Scheme scenario (dwelling numbers/scheme type and affordable housing proportion).
- Under each residential scheme type: Increasing value (GDV) level (VL 1-5).
- Under each commercial scheme type: Increasing value (GDV) – L (low); M (Medium); High (H). The 'M' value levels considered the key area regarding current time balanced interpretation of results, 'L' and 'H' looking at the sensitivity of outcomes flowing from lower or higher values, related to varying scheme type / location and / or market movements.
- Left hand side of main table area: RLV appraisal results expressed in £s.
- Right hand side of main table area: RLV appraisal results expressed in £s per Ha equivalent, given the assumed scenarios on type, density/coverage, etc.

- Far right side – 2 columns showing the range within which the potential theoretical maximum CIL charging rate lies for each scenario based on the assumptions made. The lowest of these figures (left side column of these 2) shows the maximum charging rate assuming the highest land value comparison in each case had to be met. The higher figure (far right column) shows the theoretical maximum charging rate in each scenario in the event that the lower of the land value comparison levels in each case were relevant. This is calculated by deducting the benchmark land value plus premium (where applicable) from the residual land value created by the appraisal (our RLV outcome) with £0 CIL and dividing the result by the assumed relevant floor area of the development to get a theoretical maximum CIL rate per sq m.
- Within each of those sections the coloured cells (see the explanatory text below) are the key areas in terms of reviewing trends. The trial CIL rates – in £s per sq m are shown across the top row - applied as a key part of the iterative process of exploring the effect on likely viability (or risk to the scheme proceeding) of those rates increasing over the scale tested. As discussed earlier, realistically this has to be carried out in steps to control to reasonable parameters the extent of the appraisal modelling exercise overall. Providing these trial rates span a sufficient range and the steps between each trial level are not too large, the iterative process can be applied and considered successfully. It is not necessary, and would not be practical or economic to further extend this process. In North Hertfordshire’s case, we considered rates of £0 to £140/sq m covering the range of scenarios that in our experience and from review of emerging results provided us with suitable parameters and context for review with the Council.
- It is important to note that the colour-coding at Appendices IIa and IIb, and in the other summary tables included in the report text below, is intended to provide a rough guide to the nature of the results only – it helps to highlight the general results trends. Based on the accepted nature of such an exercise, i.e. not being an exact science, this must not be over-interpreted as representing any strict cut-offs as regards viability / non-viability. In practice, switch points between viability and non-viability will be variable and this process explores the likelihood of various realistically assumed values and costs (including potential

CIL rates) proving to be workable and therefore achieving the most appropriate points for finding balance between CIL rates and the high level of the local infrastructure needs. We can see the results trends as indicative outcomes vary with increasing sales values (GDVs – as expressed through increasing VLs 1 to 5; L, M & H values for commercial); increasing CIL trial rate; changing scheme type and affordable housing content with that.

- Taking into account the above comments, the colours therefore indicate general trends as follows:
 - Darkest green coloured table cells (results) - Considered to be good viability prospects (RLVs > £1.85m/Ha in respect of PDL based schemes; >£750,000/Ha upper level in respect of greenfield based schemes)
 - Paler green coloured table cells (results) - Considered to be reduced viability prospects in comparison, but still potential for a range of workable schemes – potentially ranging from marginal to more clearly viable, depending on particular details – i.e. still some reasonable viability prospects for PDL, still considered a range good viability prospects for greenfield (RLVs between £618,000 and £1.85m/Ha PDL; above £250,000 base level but not exceeding £750,000/Ha greenfield).
 - Palest grey/green coloured table cells (results) – Positive RLVs, but which are under our base land value comparison of £250,000/Ha for greenfield and under £618,000/Ha for PDL – i.e. likely to be very limited viability prospects / workable in certain circumstances only.
 - Red coloured table cells (results) – negative RLVs – schemes in financial deficit representative of clearly poor viability outcomes – no prospect of viable schemes based on assumptions collection used.

- Footnotes at the bottom – reminder of land value benchmark (comparison) indications and ranges; all bearing in mind the context and explanations provided within this report.

3.1.4 At the end of Appendix IIa, the 3 tables titled 6a, 6b and 6c related to the added consideration of the potential wide range of iterations between the certain key assumptions and potential obligations packages (see 2.2.13 to 2.2.12, 2.10.3 and 2.11.10 above); the balance / trade-offs that might be seen or considered between those. The key variables considered there, in respect of the 500 dwellings notional portion of large scale Greenfield development, are:

- affordable housing proportion (%);
- affordable housing tenure mix (affordable rent combined with shared ownership as the base assumption, but looking also at the impact of introducing some social rent);
- land value benchmark / target;
- influence of market values moving from VL1 to VL2;
- varying CIL charging rate and s.106 assumption (potential switch of emphasis between those as one increases and the other reduces to compensate).

3.1.5 In each of those tables, the illustrative balance (trade-off) between s.106 scope and potential CIL charging rate is considered at increasing steps of £2,000/dwelling in terms of s.106, until such point that an interval of less than £2,000 needs to be assumed to balance out with a £0/sq m CIL trial. Each single table within the larger contains this information based on the stated combination of affordable housing % and land value benchmark. We consider that the most relevant are the central table within each row (assuming a £375,000/ha land value benchmark); those either side show the influence of a lower (to the left - £250,000/ha) or higher (to the right - £500,000/ha) land value benchmark in expanding or reducing (respectively) the viability capacity of the scenario to support the noted combination of s.106 (per dwelling) and CIL charges (per sq m of chargeable development).

3.1.6 At the top of each sheet (first row of grey shaded tables), we begin with illustrative outcomes (potential iterations) related to 40% affordable housing; the Council's preferred target position owing to the level of need. Beneath that the combinations

shown within each row are based on the affordable housing test % reducing by 5% each time; down to a 20% sensitivity test / information layer at the bottom. Again, each set of potential affordable housing % iterations is shown at each of the 3 land value benchmark tests.

- 3.1.7 The individual tables are seen to widen from top to bottom of the sheet, because with reducing affordable housing % it is possible to support larger sums for s.106 and / or CIL so that a greater number of £2,000 step tests on s.106 are workable.
- 3.1.8 The Council may wish to use these results to guide its ongoing consideration of the interaction of these various factors. If the approach to affordable housing is to be continued based on a 40% target, albeit necessarily applied flexibly as needed, then the focus for reviewing potential outcomes will need to be on the top row of these tables. Then, while the £250,000/ha land value benchmark may be workable in some situations, we suggest that reference to the middle section tests at £375,000/ha provide outcomes associated with a greater degree of confidence in delivery.
- 3.1.9 Table 6a relates to VL 1 market values; considered relevant currently to the Stevenage fringe but also noting the potential implications of lower-still values, subject to further review, regarding any East of Luton urban area strategic scale development should that be relevant. Table 6b relates to VL2; more likely to be relevant away from there – e.g. to similar circumstances adjacent to the 4 main North Hertfordshire towns (Baldock, Hitchin, Letchworth and Royston). A marked difference is seen moving from VL1 to VL2; the increased values significantly boosting the viability scope to support a package of obligations, with all other assumptions being equivalent. As can be seen, the table widths (range of supportable obligations) grow and in some cases steps of more than £2,000 / dwelling are used to show the expanded costs / obligations scope.
- 3.1.10 Both tables 6a and 6b relate to an affordable housing tenure mix assumed to include 65% (approximately 2/3) affordable tenanted and 35% (approximately 1/3) intermediate tenure (assumed in the form of shared ownership). This is the base affordable housing tenure mix assumption.

- 3.1.11 Table 6c shows equivalent obligations potential but based on an affordable tenure mix to include 50% of the affordable rent substituted with social rent. So that represents an overall affordable housing mix split approximately evenly (in thirds) between social rent, affordable rent and shared ownership. The difference indicated between the costs / obligations scope (capacity to bear those) in tandem with this less favourable tenure mix for overall scheme viability is clear to see. Table 6c indicates considerably reduced capacity to support CIL and / or s.106 costs alongside this more demanding affordable housing scenario. There may be instances where the Council prefers to prioritise the affordability of at least a proportion of the affordable homes, over their overall numbers. Such matters will be for site-specific consideration, depending on local needs, priorities and viability.
- 3.1.12 In general, all tables within Appendix IIa may be used to consider and compare assumptions combinations that provide similar or differing outcomes. When viewing tables 6a to 6c it must be kept in mind that the stated potential CIL rates (alongside the s.106 sums per dwelling) are maximums because one has to be fixed in order to consider the potential scope for the other. Given the characteristics of CIL, as noted elsewhere, including its non-negotiable nature, and the possibility that other costs could be identified at a site-specific level, rates should not be set at the maximum levels shown in combination with the accompanying s.106 levels. We recommend some pulling-back from those maximum rates to allow for additional buffering. It should not be assumed that the maximum of both could always be achieved in combination. Clearly, s.106 levels will not be fixed; they will continue to be negotiable as at present. Combined with leaving some tolerance in CIL rate(s) setting, this should provide suitable capacity to deal with variable site-specifics.
- 3.1.13 Each results Appendix (IIa and IIb) also contains sample appraisal summary sheets, which display the key input areas, relationship between those and the outputs (Indicative RLVs) they produced (as transposed to the table discussed above). Bearing in mind the study purpose and nature, these are not the full appraisals, given the volume and added complexity of information that would involve displaying. They are intended to provide an overview of the main assumptions areas and the outcomes,

and to further help an understanding of how the residual land valuation process has been used here to consider the value / costs relationships.

3.1.14 On reviewing the results and the Council taking this further in to the wider consideration of its affordable housing policy development and preliminary draft charging schedule CIL rate(s) proposals, a number of key principles have been, and are to be, kept in mind – for example:

- We can clearly see the significance of the affordable housing impact on development viability (as the % affordable content increases), in comparison with that from CIL where stepped trial charging rate increases generally produce small or graded viability impacts.
- In terms of the “trade off” between CIL and affordable housing this means that quite a significant drop in the potential CIL rate is needed to replace a RLV level that is produced by a step-up in affordable housing proportion. Comparisons would all be affected by factors such as the affordable housing policy step being made, market value levels, affordable housing tenure and affordable housing revenue levels. However, it appears necessary to reduce a CIL rate by perhaps two or more £20/sq m steps in order to replace the scale of land value reduction resulting from by a 10% increase in affordable housing. There is a form of double viability effect from affordable housing when considering it in parallel with the CIL, in that firstly by itself it has a significant viability impact and, secondly, affordable homes will not pay the CIL charge. Therefore the cost burden will fall on the market homes.
- The CIL charging rates should not be set up to their potential limits. Bearing in mind that in practice:
 - i. Costs will vary from these assumptions levels with varying circumstances and over time (build costs being a key example) – we have allowed appropriately and have not kept these to what might be regarded minimum levels by any means. Some scope may be needed where costs are higher, however, by

reason of site specific abnormalities, increasing national level carbon reduction agenda requirements, etc.

- ii. Land owners' situations and requirements will vary. While, as stated, those will need to be realistic (and, as part of that, assessments will need to be made as to whether there are realistic prospects of securing significant value from existing or alternative uses in the prevailing market), they could be outside the ranges we have explored in making our overviews; including at higher levels.
- iii. The economic backdrop and property market remains uncertain and could continue to falter. Reducing sales volumes could further affect prices in time directly impacting the GDV assumptions. This is why we have explored a range of value levels.
- iv. The need for residential developments to also accommodate affordable housing provision (as has been assumed, and varied, alongside the trial CIL rates) together with other wider planning objectives such as sustainability and any on-site / local measures needed under s.106. Such aspects will also need to remain priorities of the Council. HCA funding for affordable housing appears to be uncertain and likely to continue being limited in application for the foreseeable future. Again, appropriate revenue assumptions (without grant) have been made.
- v. Developer's profit level (and related funders') requirements could well vary. Particularly in the case of commercial schemes, we could see lower profit level requirements than those we have assumed. However, we felt it appropriate in particularly poor commercial market conditions to acknowledge that there may need to be some scope in this regard; or in respect of other commercial scheme costs/risks. This, again, is part of setting assumptions which fit with a balanced approach by ensuring that costs are included at an appropriate level overall, and in any event not so low as to make the viability outcomes look falsely positive.

- The potential CIL charging rates need to be considered alongside other factors relevant to the locality and the Council's further progression of the development plan, for example regarding:
 - i. Location and frequency of scheme types relevant to key portions of the local growth planning – considering where development will be located (in relation to the values patterns for example) and on what site types.
 - ii. Types and frequency of schemes likely to be relevant including accepting that, in practice, variation is very wide – particularly for commercial/non-residential development, where schemes could be seen in many shapes and sizes, uses and combinations thereof. However, it is necessary to consider the local relevance of those alongside their likely typical viability in terms of any scope to support viability.
 - iii. Respecting any clear values patterns but also understanding that there are bound to be imperfections in defining any viability zones or similar. In practice values can change over a very short distance (within schemes, different sides or ends of roads, with different aspects, school catchments, with other local variations, etc). The charging schedule should be as simple as possible including where there are to be variations by geographical / other zones.
 - iv. Some schemes will have inherently poor levels of viability even before affordable housing and / or CIL requirements. There will be instances where no amount of adjustment to CIL rates, for example, would overcome viability issues. The economy / market, funding availability and therefore the underlying demand for property of any type and the value flowing from that is likely to be a bigger determinant of viability so that affordable housing and / or CIL charging are not likely to render an otherwise viable scheme unviable providing they are not fixed at too high a level.
 - v. Conversely some schemes / scheme types may in theory have been able to fund a greater level of CIL payment than the recommended levels (and/or greater levels of other obligations including affordable housing). However,

this is appropriate in the context of balance in setting levels, i.e. not adding undue risk to delivery and therefore moving forward with the local economy and growth in accordance with the development plan.

- vi. The variety of site types that is expected to come forward – meaning reviewing the results scales in the context of a range of potential land value comparison levels. We do not consider it appropriate to rely on comparisons at a single land value level for each scenario as development will come forward in various forms and on a range of site types over time. In assessing results it has been necessary to consider viability outcomes across the results sets, including the various land value comparison levels.
- vii. The scale of affordable housing and local infrastructure needs, and therefore likely provision shortfall and funding gap relating to these, in assessing the balance. The Council needs to optimise affordable housing provision in the circumstances, and secure a meaningful but realistic level of funding through CIL as a key ingredient of the overall funding packages.
- viii. The collection of CIL payments from net new development. In practice we understand that a number of developments in the District will entail some level of “netting-off” of existing accommodation in the CIL charging calculations. CIL will not be paid on existing floorspace that is being retained or replaced – it will be charged only on new / added floorspace, subject to certain stipulations (within the CIL Regulations) on the lawful use of any existing buildings in the period prior to the re-development. This means that the CIL rate will not be applied to the full scale of new development in many cases. This could be by way of replaced or re-used / part re-used buildings. Our appraisals have not factored-in any “netting-off” in this way, because this will have a highly variable influence on scheme outcomes. The “netting-off” effect is however expected to further contribute to ensuring that schemes remain deliverable and that the charging rates(s) are not set “right up to the margin of economic viability” as part of this overall theme (see 3.1.6 below). In some scenarios the ability to “net-off” existing floor space could significantly help overall scheme viability and act as a balance against other costs and obligations.

- ix. Continued practical application of affordable housing policy targets and detail (including collective consideration of the effects of numbers rounding, dwelling and tenure mix, dwelling size and construction specification).

- x. Potential scope to consider CIL contributions or part contributions ‘in-kind’ and maintaining a general awareness that whether through payments, provision in-kind, or alongside other costs / obligations, what counts above all for viability is the collective costs and obligations that could be applicable to developments (the costs / obligations could be in various forms and combinations subject to balancing-out within the available viability scope and the operation of the Procedures and Regulations). It follows that a lower CIL rate could provide more flexibility on s.106 for example.

3.1.15 It is important to ensure that affordable housing targets are balanced and with regard to CIL it is important to avoid “setting a charge right up to the margin of economic viability”³ in accordance with the tone of the Government (CLG) guidance. Local authorities have significant scope to consider exactly how they will assess and arrive at the right balance in a particular area.

3.1.16 A common theme running through all of the results (commercial and residential) is that they are highly sensitive to varied appraisal inputs and to the range of land value comparisons. A relatively small adjustment, particularly in some assumption areas can have a significant effect on the result.

3.1.17 This assessment process explores the degree to which changes in key assumptions produce varying results. In this way it is not a specific valuation exercise (it cannot be) but it has enabled us to consider the likelihood of a wide range of potential CIL charging rates being achievable and suitable. In the case of poor viability results (no or low viability prospects), this included looking at the extent to which assumptions would need to vary in order to improve the viability appraisal outcomes sufficiently

³ DCLG – Community Infrastructure Levy Guidance – Charge Setting and Charging Schedule Procedures (March 2010)

to create workable scenarios. The opposite was considered for scenarios with good viability prospects (i.e. the potential leeway for those outcomes to decline but still be potentially viable). In both of these cases we considered whether those changes in assumptions amounted to realistic scenarios or not, given what we can currently see of market conditions, etc.

3.1.18 There may be cases where specific developments are unable to bear some or all of the additional cost of CIL (in the same way that is sometimes seen with other obligations on a scheme). Such viability outcomes are unlikely to be solely limited to CIL charging, however. They are more likely to be associated with market conditions (arguably the biggest single factor), affordable housing, scheme design / construction / specification requirements (including but not limited to sustainable construction) and wider planning objectives. Usually the collective costs impact on schemes will be relevant for consideration where viability issues arise, so that some level of prioritisation may be required – bearing in mind that CIL payments will be non-negotiable. Consideration of the detail on this could be relevant to North Hertfordshire DC.

3.1.19 As discussed above, one of the variable factors which will contribute positively to viability in some circumstances and could affect the collective view of costs and obligations is the potential deduction of existing floor space from the scale of development that will trigger CIL charging.

3.1.20 It is important to note generally that, when we refer to highly variable outcomes / sensitive results:

- This is not just a North Hertfordshire area factor, but one that we firmly believe will have to be recognised in any similar assessment and practical local application of affordable housing targets and the Government's CIL regime – regardless of location.
- These characteristics would apply regardless of the CIL rate(s) set, so that with particular scheme difficulties (for all development types) setting a significantly lower CIL rate would not necessarily resolve any viability issues; we could still

see a range of unviable or marginally viable schemes with even a zero (£0) CIL rate. As above, other more significant factors are likely to be tipping such schemes into non-viable territory. The overall results include a range of unviable results in relation to particular scenarios; and especially on some commercial types as will be seen.

Values Patterns

- 3.1.21 In the assessment stages, we relied on the market research before deciding on whether any sufficiently clear values patterns were evident for a reliable link with CIL charging rates or affordable housing approach for the District – i.e. that might be varied in some way by geography – particular zones / key settlements / localities or similar.
- 3.1.22 With reference to the research summarised at Appendix III, we found a range of clear and relatively consistent pointers to residential values variations and patterns that were seen in the District.
- 3.1.23 These showed overall that values within and across the 4 main towns of Hitchin, Letchworth, Baldock and Royston are quite consistent. We have found no clear justification for varying the Council’s approaches to affordable housing and CIL between those main settlements.
- 3.1.24 There were limited geographical areas showing generally lower values than elsewhere in the District – most clearly and typically limited to the Stevenage fringe, for example including the Great Ashby area; and potentially to the East of Luton area. These are areas that we understand to be under consideration for the focus for further housing growth – all subject to ongoing review by the Council. Values there are likely to be around the levels where viability outcomes are particularly sensitive to changes in other appraisal assumptions (e.g. increasing costs, site abnormalities and / or falling values). In our view scheme viability (with a meaningful proportion of affordable housing and CIL charging level) is likely to be heavily reliant on greenfield enhancement type land values. The ongoing role for s.106 and / or other site costs could also be relevant in determining the Council’s approach to CIL rate setting with regard to these circumstances, especially given that the typically lower values will

mean careful consideration of the scope to support CIL alongside those other cost areas and affordable housing.

- 3.1.25 Significant improvements in viability are seen on moving to a VL 2 to 3 assumption with VL3 indicating the point at which we consider generally a range of PDL scenarios also become workable with affordable housing and CIL contributions. This aligns more closely with the values seen in the main towns and smaller settlements. They would produce significant viability scope allied to a greenfield land scenario.
- 3.1.26 Moving to higher values, we noted the smaller settlements and rural areas on average to have generally higher values than the urban areas (4 main towns). A purely viability based distinction could be made between the main towns, rural areas / smaller settlements and the Stevenage fringe – should that be significant in future housing growth terms. However, our understanding is that seeking to differentiate between the towns and villages for CIL charging rates would over-complicate the local approach given that the smaller settlements and rural areas are likely to play a relatively small role in future growth (housing numbers delivery) terms. In that case the potential added CIL funding yield would not sufficiently balance the added complexity, monitoring and management involved.
- 3.1.27 This leads to an additional option to differentiate only for a defined geographical area of the Stevenage fringe – for example in the Great Ashby area where the values are currently typically lower than elsewhere in the District. However, we are of the view that such differentiation need not be considered a necessity unless it is known that sites coming forward in this area will also require significant planning obligations packages relating to necessary scheme specific infrastructure improvements which are to be secured under s.106 in addition to planning obligations / contributions for non-scheme specific items and / or other site issues and costs. Realistically priced land at greenfield enhancement value levels and some economies through scale of development can help to support viable schemes driven by relatively low sales values at around VL 1 (as could be the case there). However, we consider that there would be insufficient scope to bear collective costs and obligations i.e. including CIL at say £80/sq m) at higher levels than those we have assumed in our 500 dwellings greenfield trial appraisals, for example (affordable housing at up to 40% trialled alongside CIL and also s.106 sums totalling approx. £8,000 per dwelling overall. Our

further sensitivity (increased costs) tests show how the RLV reduces to potentially unworkable levels unless an alternative view is taken on the potential CIL charging rate / affordable housing or other cost implications.

3.1.28 Unless significant s.106 contributions will regularly impact schemes key to the District's housing growth in this typically lower value area (scenario as above), we consider that there may be an alternative to a variable CIL rate as a viability concession. This could involve looking at affordable housing targets and, for example, introducing a distinction between affordable housing targets for brownfield (PDL) and greenfield land. The summary results tables and graphs below (at section 3.2) will provide examples of the types of trade-offs that might be considered on introducing CIL if this alternative is taken further – again, therefore, purely as indications rather than as definitive / guaranteed outcomes.

3.1.29 A similar process was considered with respect to commercial (non-residential) schemes – i.e. whether or not there were any particular values patterns or distinct scenarios that might influence the implementation of a charging schedule on these for this area.

3.1.30 No clear values distinctions for commercial uses were seen by settlement / area. Here the variations are more specifically driven – i.e. by development quality, type, precise location, orientation, visibility, access and parking provision etc; rather than necessarily by the settlement in which a proposal is situated.

3.1.31 In reality, most types of commercial or non-residential development could occur across a wide range of locations within the District. Conversely, but supporting the same thinking, any “out of town centre” larger retail proposals, larger scale office development and industrial / warehousing is likely to occur in a relatively limited range of locations between which it may well be difficult to distinguish values on general geographical location alone – edges of main settlements. This can be seen from existing development. The quality of individual schemes and their particular details seem to be more of a driver of any significant values differences locally.

3.1.32 It was decided that the local commercial property market should and can only logically be treated as a District-wide one in practical terms, which is part of a larger

sub-regional market. We consider that otherwise we would be seeking to fragment it unduly, adding complication and not reflective of the fairly consistent values seen between the main commercial development locations for the better quality space.

3.1.33 Overall, following the consideration of options we are of the opinion that a clear District-wide application of the CIL by commercial / non-residential development type will be most appropriate here, as has been the case in several other local authority cases progressed to this extent to date (including based on our studies). No clear evidence has been found to support and justify an alternative approach. No amount of attempted sensitivity to particular local value variations is likely to be capable of actually respecting the variations likely to be seen in practice. There are no clear broad patterns without this becoming very complicated. Appendix III contains information on examples.

3.1.34 In carrying out the research for this study however, we developed the view that the key variable characteristics associated with different types of commercial / non-residential development require an approach that varies the CIL rate by commercial use.

3.1.35 Therefore the outcomes of the assessments will now be discussed by development type / use, starting with residential and then moving on to commercial / non-residential development scenarios. For clarity, our intention is that the residential outcomes and recommendations also apply to sheltered housing schemes (where nursing home style care and support is not being provided).

3.2 Residential scenarios – Findings

3.2.1 Here we will discuss features of the results which help us to interpret the findings overall and make our recommendations. At the end of section 3.2 we refer to the sensitivity tests on residential scenarios that were added on our iterative basis (i.e. exploring and expanding certain areas as needed during progress). Firstly, these covered varying affordable housing tenure mix assumptions (as at 2.3.9) on trial scenarios of 25 and 100 dwellings (residential results tables 4 and 5 within Appendix IIa). The further sensitivity tests also went on to add costs (an additional £10,000 per dwelling – all dwellings) in respect of a potential range of matters that could be most

relevant to larger / strategic development (for example but not limited to increased use of / sole reliance on s.106, increased site specific / other development costs). This latter set and corresponding outcomes could be most relevant for the Council's consideration, for example, of the application of CIL to the Stevenage fringe in areas such as Great Ashby.

3.2.2 The following summary tables use figures extracted from the full results tables at Appendix IIa to further demonstrate the results trends and in particular the relationship between the varying affordable housing proportion (%) and the potential CIL charging rate. These relate to the 25 mixed dwellings scheme. The graphs at Figures 10 to 13 each show:

- Increasing appraisal result (RLV £/Ha) on the vertical axis (from bottom to top) with orange and red dotted lines indicating potential land value comparison levels. Those are £250,000/Ha, £500,000/Ha and £750,000/Ha for greenfield scenarios; £618,000, £1,483,000/Ha and £1,853,000 for PDL. Given that sites and owners' criteria etc vary, the implications of other land value comparisons that may be relevant between these levels may also be considered (e.g. at the £375,000/ha intermediate greenfield level considered for the later stage work).
- Plotted parallel green RLV results lines sloping left to right, indicating falling RLVs with increasing affordable housing % in each case (affordable housing % is noted across the horizontal axis – base of each graph).
- The lowest of the plotted green lines represents the RLV results from the highest trial CIL rate - £140/sq m. Then, as per the key at the foot of each chart, each line above that represents a £20/sq m step down in the trial CIL rate – so that the uppermost plotted line in each case represents the RLV trend line from a £0 CIL rate trial – the best of RLV the results as would be expected.

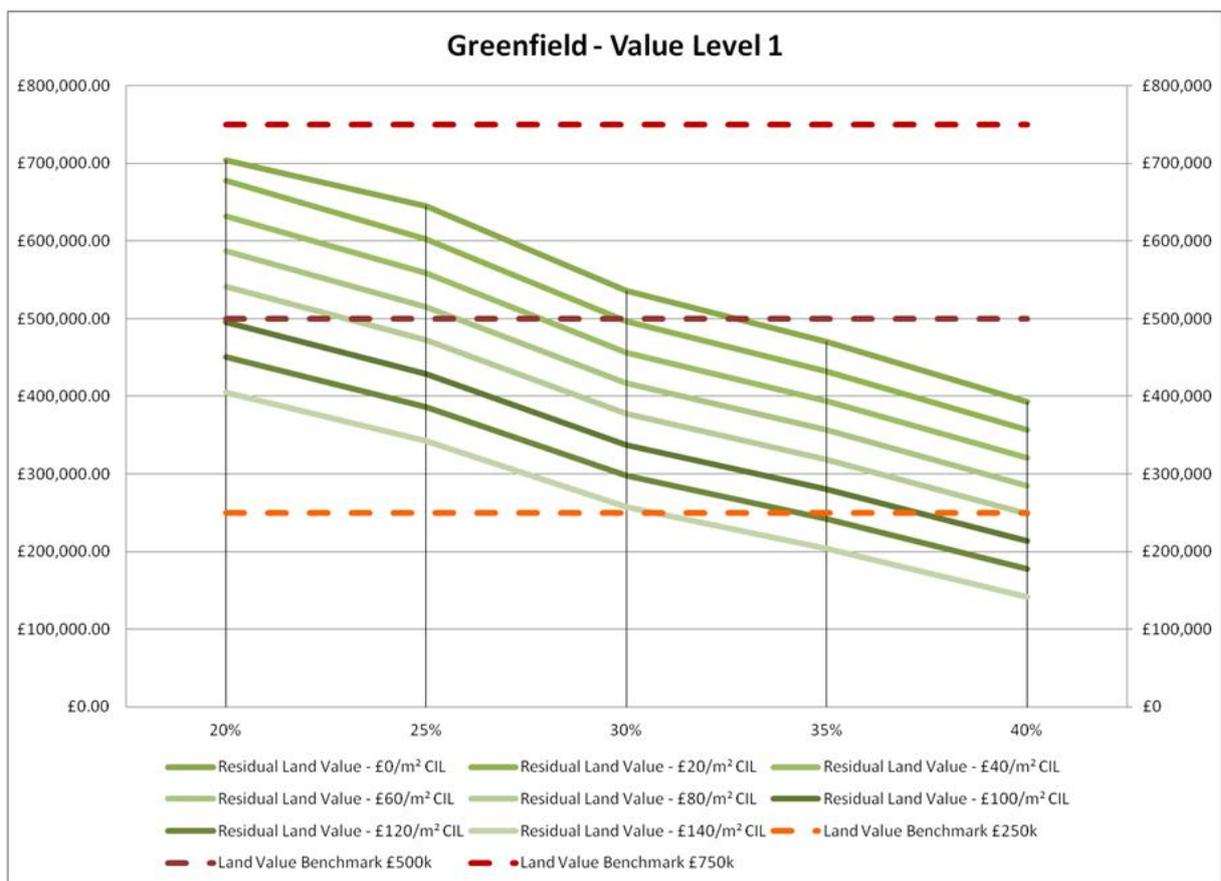
3.2.3 Using this information we can see:

- RLV results at the points where the plotted lines cross the vertical lines representing the affordable housing proportion.

- The combinations of affordable housing proportion and CIL charging rate that give similar RLV (and therefore viability) outcomes.
- How the plotted RLV trend lines and the combination of those (crossing points with affordable housing %s) that compare favourably or unfavourably with (fall above or below) the dotted land value comparison indications.

3.2.4 Note that to demonstrate the trends and potential trade-offs these charts have been prepared to show the value level and policy combination points at which we consider a range of greenfield schemes work with regularity (VL1) and PDL schemes (VL3). It would be possible to show many more of these examples.

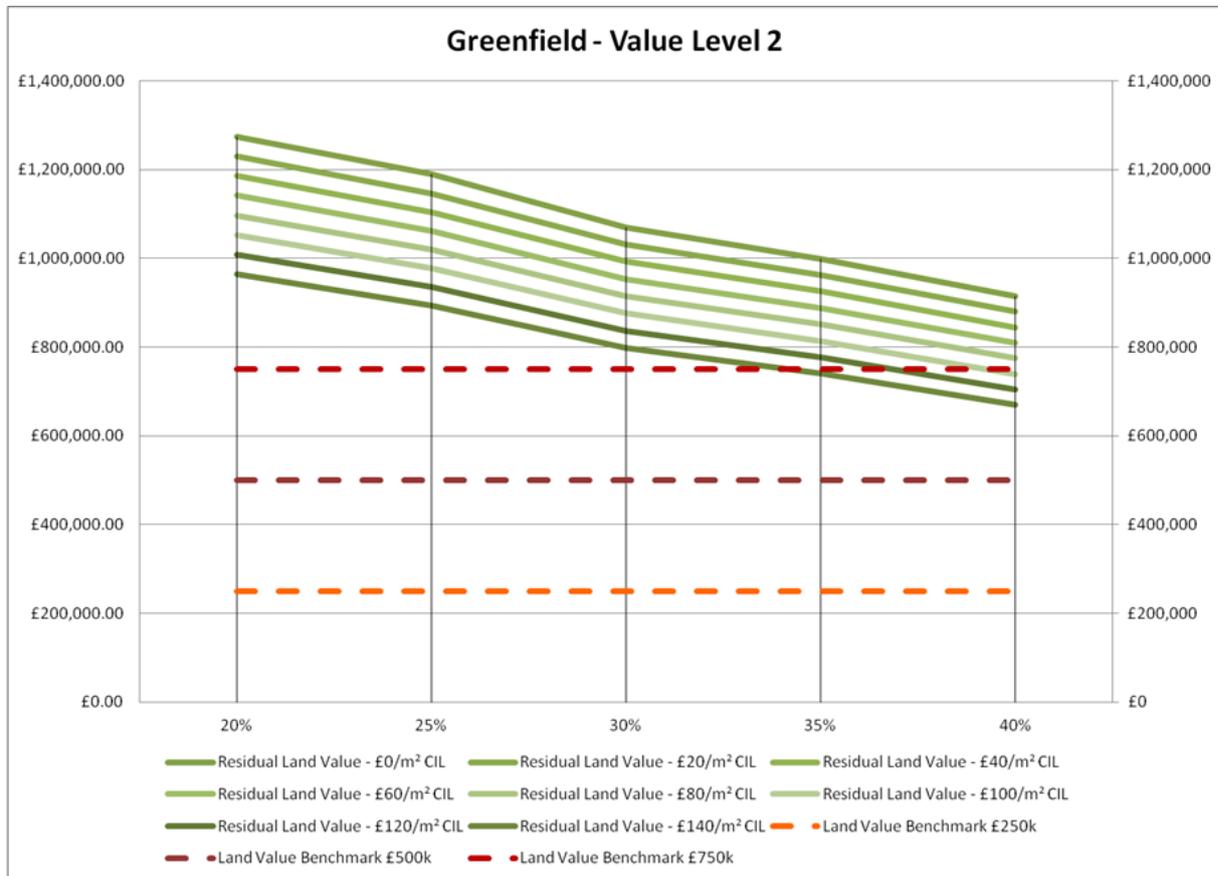
Figure 10: RLV summary results – 25 unit scheme VL1 – Greenfield comparison levels



3.2.5 As an example, from Figure 10 above we can see VL 1 RLV with £100/sq m CIL and 40% affordable housing falls just beneath the lower land value comparison. This

produces a similar result to a £140/sq m CIL with between 30-35% affordable housing.

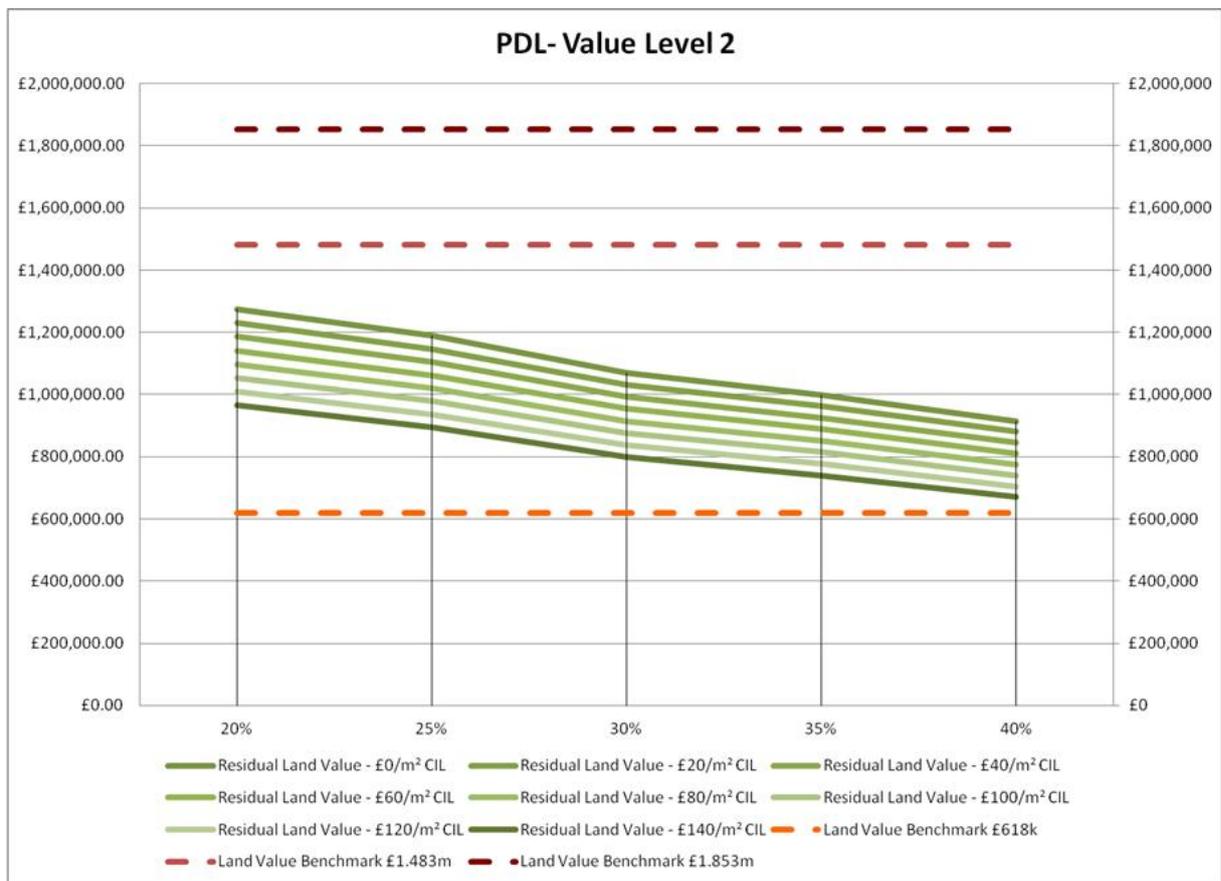
Figure 11: RLV summary results – 25 unit scheme VL2 – Greenfield comparison levels



3.2.6 In Figure 11 above, we see the improvement in results trends from the equivalent scenarios at VL 1 (Figure 10), whereby VL2 value on greenfield land are capable of supporting full affordable housing requirements, potentially alongside the highest CIL rates tested given that all outcomes are above the £500,000 greenfield enhancement value level and most are also favourable in terms of the £750,000/ha comparison level. Again we can see the potential trade-offs between affordable housing and CIL in the event our RLV had to better the £750,000/Ha level. In that case, between 35% and 40% affordable housing, we can see that a £40/ sq m reduction in CIL (e.g. from £140 to £100/sq m) or a 5% reduction in affordable housing (from 40% to 35%) would bridge a similar viability gap to £750,000/Ha if that were relevant.

3.2.7 In all cases (including with greenfield enhancement comparisons) we need to bear in mind that with increasing house prices (i.e. with increasing value level) we may also tend to see higher land price expectations. This needs to be kept in mind when viewing increased RLV results and therefore CIL funding scope for example at higher value levels.

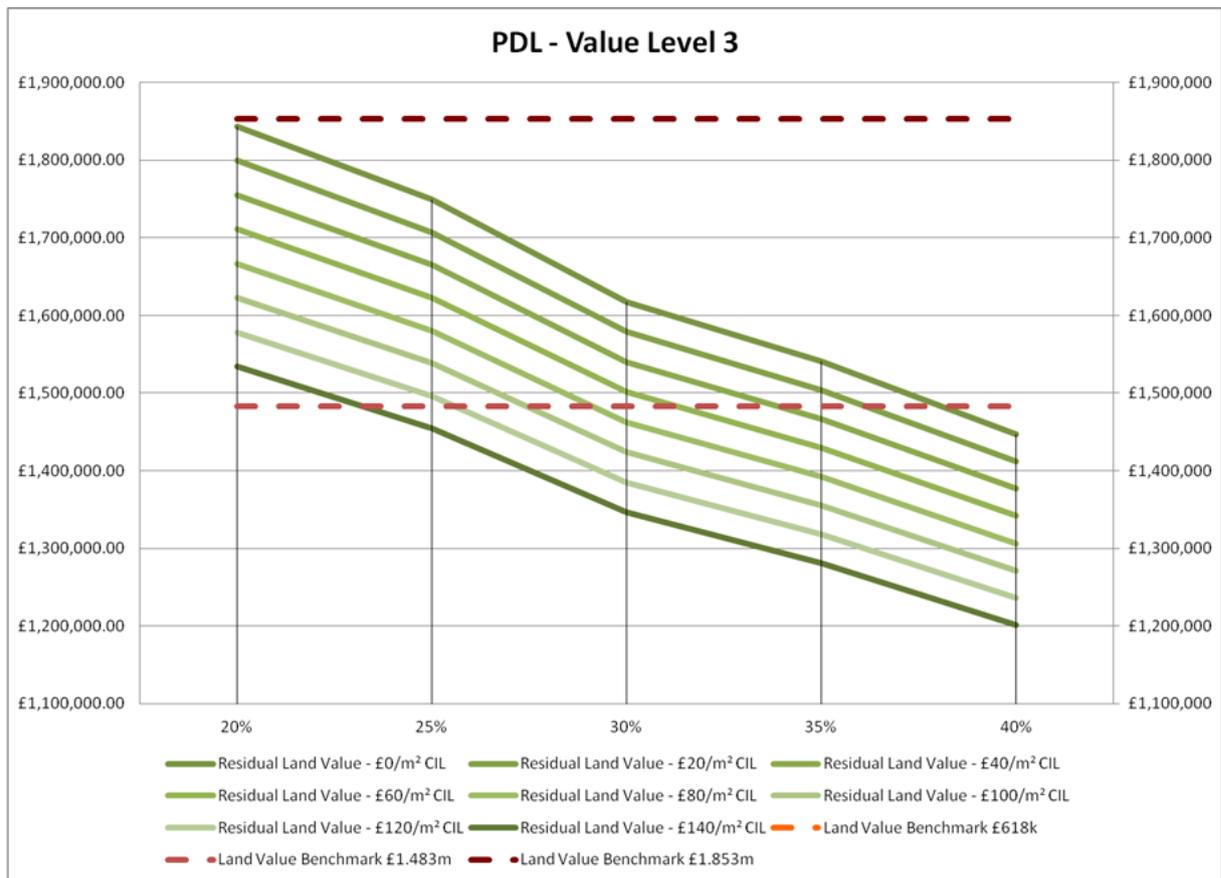
Figure 12: RLV summary results – 25 unit scheme VL2 – PDL comparison levels



3.2.8 Figure 12 above may be considered in the same way. In this case it shows VL2 results producing RLVs between the lower and mid value comparison levels.

3.2.9 Again we can see comparative results – just for example reaching approximately £1m/Ha with 35% affordable housing and little or no CIL; 30% affordable housing an approx. £40/sq m CIL; £25% affordable housing and £80-100/sq m CIL.

Figure 13: RLV summary results – 25 unit scheme VL3 – PDL comparison levels



3.2.10 At VL3 on PDL we see all affordable housing and CIL charging rate combinations provide RLV results above the lower land value comparison and, as mentioned above, which suggest reasonable viability prospects in a range of circumstances.

3.2.11 Again we see a 25% to 30% affordable housing proportion helping to support a £100+/sq m CIL rate in comparison with deteriorating RLV results from 35%+ affordable housing combined even with low CIL rates; assuming a c£1.5m/Ha land value target for this purpose.

3.2.12 As considering the relationship (“trade-off”) between affordable housing and CIL charging rates using our results is a matter looking for similar (RLV) results that are provided by different combinations of affordable housing % and CIL rate assumptions, it is possible to present the results in a way which colour-code (match-up, broadly) similar results, as follows (Figure 14):

Figure 14: RLV Results summary – 25 unit scheme, VL3.

AH %	Residual Land Value - £0/m ² CIL	Residual Land Value - £20/m ² CIL	Residual Land Value - £40/m ² CIL	Residual Land Value - £60/m ² CIL	Residual Land Value - £80/m ² CIL	Residual Land Value - £100/m ² CIL	Residual Land Value - £120/m ² CIL	Residual Land Value - £140/m ² CIL
20%	£1,840,000	£1,800,000	£1,760,000	£1,710,000	£1,670,000	£1,620,000	£1,580,000	£1,530,000
25%	£1,750,000	£1,710,000	£1,670,000	£1,620,000	£1,580,000	£1,540,000	£1,500,000	£1,450,000
30%	£1,620,000	£1,580,000	£1,540,000	£1,500,000	£1,460,000	£1,420,000	£1,390,000	£1,350,000
35%	£1,540,000	£1,500,000	£1,470,000	£1,430,000	£1,390,000	£1,360,000	£1,320,000	£1,280,000
40%	£1,450,000	£1,410,000	£1,380,000	£1,340,000	£1,310,000	£1,270,000	£1,240,000	£1,200,000

3.2.13 The colour-coding shown in Figure 14 is not intended to show viability outcomes, (for greenfield comparison all of these results would show strong viability) although the dark green colours represent the strongest outcomes. Principally it shows assumptions combinations (affordable housing % and CIL charging rate) which are likely to produce similar RLVs to each other (i.e. by comparing results picked-out with similar colour shading). Routes can be followed through the table linking results with similar colouring – note the trends on diagonal lines moving broadly from bottom left to top right of the table. In addition, this again shows how a 25-30% affordable housing proportion combined with up to £100-£120/sq m CIL would compare with 40% affordable housing and a lower CIL rate.

3.2.14 These are potential themes and routes for the Council to consider – in our view, as a potential alternative to continuing with a widely applied 40% target, there could be some merit in considering an affordable housing target adjustment down from the 40% considered in the pre-market slump period of 2007-08 when the previous viability work considered the Core Strategy Preferred Options approach. This is suggested for potential consideration only in respect of PDL schemes where land value comparisons are likely to be significantly higher and stronger sales values will therefore be needed to generate the required development values to support the range of costs and obligations alongside suitable RLVs. We have identified a range of factors that need to be kept in mind alongside the values levels. Above all, a continued practical, adaptable approach to affordable housing targets will be needed; this theme applies whether or not the targets are adjusted. Therefore, on

balance, the Council may prefer to continue with a challenging target justified by the needs levels and operated flexibly as needed so as to optimise affordable housing delivery on / contributions from schemes across a range of varying site circumstances.

3.2.15 There may be instances of lower value schemes and localities where developments struggle in viability terms, even without any significant CIL and / or affordable housing contribution. Wider scheme details or costs and obligations / abnormals can render schemes marginally viable or unviable prior to the consideration of affordable housing or CIL. In some cases, viability is inherently low or marginal, regardless of CIL or other specific cost implications. In this sense, CIL is unlikely to be solely responsible for very poor or non-viability. Once again, these are not just local factors; we note them in much of our wider viability work. The same principles apply to commercial schemes too.

3.2.16 Associated with this, we think it will be necessary to monitor outcomes annually as part of the Council's normal monitoring processes, with a view to informing any potential / necessary review in perhaps 2 or more years time as other policy developments take place; and in response to market and costs movements together with any other key viability influences over time. Paragraph 3.12.8 also touches on the monitoring and review aspects.

3.2.17 The results of the residential appraisals are typically most sensitive to the Value Levels assumed for the market housing that will drive scheme viability. Other factors which can also have a significant effect on viability outcomes are:

- Scheme density – linked to land take (site area occupied) and the land value requirement / expectation.
- Build costs – generally, but including related to sustainable design and construction.
- Other costs side influences – profit levels, finance, fees, etc.
- Any abnormal development costs.

- 3.2.18 We carried out additional exploratory appraisals on the single unit residential scenarios. These are not included within the final reporting owing to the need to produce a realistically scoped scale of work and documentation.
- 3.2.19 On this point, however, we found that, for low value scenarios, increasing the dwelling size reduced the RLV and viability outcome further; and for higher viability scenarios (scenarios with already positive outcomes) the opposite was seen – viability indications were improved. As seen through those appraisals, this is simply a case of increasing the direction of an existing outcome – either way (depending on whether as a starting point it is a viable scenario given the typical relationship between costs and values seen at the particular point on the values scale). The indications are that larger dwelling sizes, as may be seen more on the smallest schemes, will tend to show better viability outcomes than those expressed, providing they are in situations and locations that support at the mid to upper range values typical for the District.
- 3.2.20 The assumptions used also include what we consider is a potentially high level of base build cost for some small developments (and especially for some individual houses that are modestly sized - consistent with our main dwelling type assumptions). We think it likely that, generally, dwellings of those sizes would be constructed at a lower base cost reflecting appropriate specification for those in many cases. Larger dwelling types might well be associated with the higher costs levels we have assumed as a default for single new house schemes.

3.3 Residential – further sensitivity tests

- 3.3.1 Tables 4 and 5 within Appendix IIa (residential results) show how the RLVs vary with altered affordable housing tenure mix assumptions from the base scenarios that assume 65% affordable rented / 35% shared ownership – as at 2.3.9 and 3.2.1. Tables 4 and 5 also include the comparable base affordable housing tenure mix results so that the affect on the RLV can be viewed as the tenure mix varies between the assumptions noted in the left hand ('Development Scenario' titled) column. As with other elements of the results, it is possible to consider which assumptions combinations produce similar RLVs, and which assumptions changes are having the greatest impact on results.

- 3.3.2 Just as one example of interpreting these sensitivity results (25 dwellings including 40% affordable housing with £80/sq m CIL trial at value level 3), we can see within Table 5 that moving from 65% affordable rented to 65% social rented content within the affordable housing (in both cases combined with 35% shared ownership – LCHO – ‘low cost home ownership’) reduces the RLV from £1,306,604/Ha to £926,533/Ha. As would be expected, we can also see an intermediate RLV result of £1,071,899 by applying an alternative tenure mix of 34% social rent / 33% affordable rent / 33% shared ownership.
- 3.3.3 We can draw out of this the expected conclusion that social rent with no grant generally produces a greater viability impact than affordable rent (again on a no-grant basis). The greater impact is likely to be significant. Low cost home ownership (assumed as shared ownership) remains the most viable affordable tenure in this context – i.e. contribution to the developer’s overall revenue stream.
- 3.3.4 As was acknowledged at 2.3.9 and related sections, in practice the location and scheme specifics will mean a multitude of varying potential outcomes from affordable rent given that it is market rent derived, but then potentially capped for affordability. Affordable rents may in practice be pitched in the range 60–80% market rents and with this in mind we have made suitable assumptions for this overview. Affordable rent driven revenues could be higher than those we have assumed; which in some cases would have the effect of widening the gap between the viability impact seen from it and social rent. In practice, however, so far we have seen from RPs a wide range of reactions to and therefore financial proposals relating to affordable rent, hence the relatively cautious setting of assumptions on it.
- 3.3.5 Turning to the sensitivity review of the 500 unit residential scenario (envisaging as primarily relevant to larger scale Greenfield development and most likely in the Stevenage fringe area) the Table 3a results (i.e. those from increased costs assumptions as per sections 2.6 – 2.10) can be compared with the table 3 base results.
- 3.3.6 So again on a single example basis from this spread of potential results, and looking at 40% affordable housing at value level 1 with £80/sq m CIL trial, our £429,496/Ha

base RLV reduces to £176,952/Ha after the added £10,000 per dwelling costs in that scenario (costs from a potential ranges of sources, trailed at a notional rate for sensitivity). Since this takes the RLV beneath of lower end potential land value comparator of £250,000/Ha we could reasonably expect this range of assumptions to be unworkable. In this scenario the trial CIL rate has to be reduced to £0/sq m (nil) to improve the land value back to a point over that lower end comparison). Reading up sensitivity trial table 3a then shows results improving again with reducing trial levels of affordable housing in these various test scenarios. Also we can see the significant improvement in RLVs, and therefore likely viability, on moving from a value level 1 to value level 2 scenario. Again, in practice site specific outcomes will be highly variable. However, these relative outcomes are a pointer to the impact of added scheme costs, from any source (but including site related costs and / or increased use of or reliance on s.106). This could be relevant therefore to the Council's consideration of CIL implications for scenarios such as strategic development in the Stevenage fringe or other typically lower value areas where the values tone may combine with additional development costs to reduce the viability and CIL funding scope.

3.3.7 As has been noted, following discussion of the assessment findings with Council officers over a period of time from Autumn 2011 to summer 2012, the report was revisited subsequently enabling further consideration of the potentially workable (viable) combinations of / trade-offs between affordable housing proportion, tenure mix, potential CIL charging rate and other (site-specific) s.106 obligations funding scope. This additional review layer particularly considered a range of illustrative scenarios, looking at the potential ingredients associated with larger scale development most likely on Greenfield land.

3.3.8 The further consideration of affordable housing impacts alongside CIL and s.106, looking at varying proportions (%s) and including varying tenure mix (affordable rent / social rent / mix combined with shared ownership), suggest that affordable rented tenure is likely to need to play a significant role within scheme mixes in order to underpin viability. This will be the case particularly in combination with lower-end market values as are considered likely to be available to support development for example in the Stevenage fringe area. It can be seen that basing affordable housing

requirements wholly or significantly on social rent is likely to have a restrictive effect on the scope for supporting a combination of CIL and s.106 obligations.

- 3.3.9 This picture is shown at values levels (VLs) 1 (most closely representing the Stevenage fringe based on current estimates – see tables 6a and 6c). In comparison, VL2 (representing higher value Greenfield / future growth in current lower values – see table 6b) provides greater scope. The trade-offs also consider the influence of varying land value benchmarks; at £250,000, £375,000 and £500,000/Ha. RLV results that meet or exceed each of these levels are associated with increasing confidence in viability and deliverability at the stated levels of affordable housing and s.106 combinations.
- 3.3.10 Bearing in mind that, as above, the CIL rates shown are maximums, and although there are elements of buffering within our prudent assumptions setting approach, to view the CIL rate potential for large scale Greenfield development we consider that the first row of boxes at Table 6a potentially best represents the scope if 40% affordable housing is to be assumed; and in combination with a land value target / benchmark of £375,000/Ha. This would assume rented tenure based on affordable rent (in combination with shared ownership) and indicates that approximately £10,000 per dwelling s.106 would be available alongside a CIL rate of £82/sq m (maximum). An alternative combination is approximately £8,000 s.106 alongside £120/sq m CIL, maximum. Clearly there are a wide range of potential combinations and outcomes, but this suggests that if a 40% affordable housing target is to be maintained and applied to such scenarios then the CIL rates should be pulled back from the £120/sq m maximum level combined with £8,000/unit s.106 (or £82/sq m with £10,000/dwelling s.106).
- 3.3.11 In this case, in combination with an £8,000/dwelling s.106 assumption a CIL charge set at £80/sq m would be at 2/3 of the maximum level (with other assumptions as per the study levels) and there may be some room for adjusting the s.106 sum upwards depending on site specific viability including the occurrence of any abnormals, etc.

- 3.3.12 Overall, we suggest for large scale greenfield development in the lower value localities where a 40% affordable housing target is to be maintained, that the relevance of affordable rent be considered as the starting point for underpinning viability; and that the CIL charging rate should be set no higher than £80/sq m. Depending on site-specifics, a lower charging rate may allow more scope for flexibility on s.106, although that could not be guaranteed because site-specific costs may affect the scope and outcome.
- 3.3.13 A move to VL2 market sales value levels (as are behind the table 6b variations) significantly improves the viability outcomes so that there is scope to support a higher land value (up to £500,000/ha) if required along with the 40% affordable housing (again based on affordable) rent but with approximately doubled s.106 scope of potentially £16-18,000/unit alongside £120/sq m CIL; again allowing for further buffering in considering the CIL rate. Looking at this currently, we consider that this enhanced viability scenario would only be relevant in the North Hertfordshire context away from the Stevenage fringe.
- 3.3.14 On the other hand, the introduction of social rented tenure to the affordable housing mix (so that on a trial basis it makes up 50% of the rented tenure) – as in the table 6c variations – has a significant negative impact on viability compared with an all affordable rented assumption (tables 6a and 6b). At VL1 we can see that whilst this would not necessarily point to a lower CIL charging rate needing to be set for this scenario, the s.106 scope alongside becomes more limited as expected. The £80/sq m trial CIL rate would probably need to be combined with s.106 scope of say £4-5,000/unit still allowing for some buffering in the CIL rate. That picture would improve with VL2 values available to underpin a scheme, so that there would be more scope for s.106 sums and / or rented affordable tenure variations in any higher value instances.

3.4 Commercial / Non-Residential Findings

- 3.4.1 As would be expected, the commercial / non-residential appraisal findings are very wide ranging. For this strategic overview rather than detailed valuation exercise we have essentially considered the interaction of rent and yield in presenting a view of sample ranges within which capitalised net rents (GDVs) could fall.
- 3.4.2 In this way we have explored various combinations of assumptions (including capitalised rental levels) which produce a range of results from marginal or negative outcomes (meaning very limited or nil CIL scope) to those which produce meaningful and in some cases considerable potential CIL funding scope. To illustrate the trends we see, the coloured tables in Appendix IIb use the same “colour-coding” principles as the residential results tables (bolder green table shading indicating good prospects of viable schemes through to red indicating a lack of viability).
- 3.4.3 Another factor to which the commercial outcomes are greatly sensitive is the site coverage of a scheme, i.e. the amount of accommodation to be provided on a given site area; the equivalent of residential scheme density. This can affect results considerably, combined with the assumed land buy-in cost for the scheme.
- 3.4.4 Factors such as build costs clearly have an impact, but for the given scheme scenarios are not likely to vary to an extent which makes this a more significant single driver of outcomes than the influence of values (rents and yields). The relationship between values and costs is vital. There are some commercial use types where build costs, or build and other development costs, will not be met or will not be sufficiently exceeded by the completed values (GDVs) so as to promote viable development.
- 3.4.5 We will now summarise the assessment findings for the commercial development scenarios considered.

3.5 Retail scenarios

- 3.5.1 In general, we saw good viability prospects from the sample retail scenarios that we ran, based on the range of assumptions applied. These schemes showed the best

viability outcomes from the wide range seen within commercial; and bettered the residential outcomes in many cases.

- 3.5.2 As a high level outcome this is consistent with our previous and wider work in this field, as well as with the findings of other consultants engaged in similar work. This tone of results is shown by the largely green coloured cells in the Appendix IIb results summary tables (using this measure of potential CIL scope up to £140 / sq m; and in some cases potentially well beyond that level). However, the results need to be considered collectively and rates not pushed to the margin of viability, as recognised above.
- 3.5.3 We consider that the CIL charging rate for the larger retail scenarios (supermarkets and retail warehousing) could certainly be taken up to match the upper parameter for the residential rate - put forward at £120/sq m. We arrive at this through looking at a combination of the results of the appraisals that assume both a 7.5% and 6.5% yield. We also need to take into account the potential for a relatively high land value expectation to be associated with this form of development, together with the significant overall development costs.
- 3.5.4 The retail warehousing scenario produced the most positive outcomes overall owing to the very strong relationship between the values and the relatively low development costs. However, this scenario also starts to produce less favourable outcomes as the CIL rate rises; if lower rental values are assumed to combine with highest CIL rates; or the 7.5% yield; or PDL land value comparison is assumed with either of those. There are a range of factors which, together, suggest that setting retail charging rates right up to or beyond the highest level explored may not be appropriate in North Hertfordshire at this stage. We are of the opinion that £120/sq m for larger retail would strike an appropriate balance; aligned to the suggested upper end residential rate parameters should those be pursued as part of the approach in North Hertfordshire.
- 3.5.5 In looking at potential retail CIL rates by unit type and size, by way of background testing we also considered an intermediate sized retail unit - supermarket - of circa 1,300 sq m, but were unable to distinguish that, at this level of consideration, from

the larger supermarket or retail warehousing scenarios in these overview viability terms. We have therefore not reported that variation.

3.5.6 Similarly, whilst appraising the smaller retail (A1 to A5) category, we explored the sensitivity of that scenario type to varied size (floor area). However, the key factor differentiating these types of retail scenarios from the larger ones is the basic value / cost relationship related to the type of premises and the use of them. They are simply different scenarios (or “uses”) where that relationship is not as positive as it is in respect of larger, generally out of town / edge of town stores. Regulation 13(1) of the CIL Regulations states that differential rates may be set by different intended uses of development. It does not refer specifically to “Use Classes”. We are of the opinion that a small retail use is different to a large retail use in viability terms because it displays different characteristics and serves different markets. In his Examination report into the Portsmouth CIL Charging Schedule, the Inspector agreed with the above. In reissuing this assessment report in Autumn 2012 we are also able to confirm that the CIL Examination in Public process at Wycombe District, based on DSP viability evidence, has also supported the use of these principles.

3.5.7 We explored the sensitivity of this small convenience store development use type to varied size (floor area) alone. Since this would not trigger varying values or costs at this level of review, basically the reported values / costs relationship stays constant; so that we did not see significantly altering viability prospects as we altered its floor area only within the appraisal – within the range that might be seen for this store type. Figure 11 below summarises what happened to our base appraisal outcome for the small retail unit at 400 sq m (gross) with 7.5% yield, medium value (£150/sq m rent) £60/sq m CIL trial:

- 450 sq m floor area on 0.08ha (rounded) site produces RLV £1.794m/ha
- 400 sq m floor area on 0.07ha site (rounded - base) produces RLV £1.833m/ha
- 350 sq m floor area on 0.06ha site (rounded) produces RLV £1.857m/ha
- 300 sq m floor area on 0.05ha site produces RLV £1.836m/ha

- 3.5.8 The RLV remains around £1.8m/ha and in fact is most sensitive to the assumed detail on site coverage and therefore in most cases the rounded (as viewed at 3.5.7) site size. A series of other tests within / around this bracket would show similar results, unless the use and unit type (and therefore the value generated and build costs etc) altered. A higher floor area threshold does not alter the outcome materially until a different use type is assumed.
- 3.5.9 This means that the outcomes for this scenario (as for many others, such as Business space) are not dependent only on the specific size of unit around the floor area variations likely to be relevant. The key factor differentiating these types of retail scenarios from the larger ones is the value / cost relationship related to the type of premises and the use of them; they are simply different scenarios where we find that relationship is usually not as positive as it is in respect of larger convenience stores which provide a different offer and clearly are found on different sites. Specific floor area will not produce a different nature of use and value / cost relationship, unless it relates to something such as the Sunday trading scenario that drives other considerations.
- 3.5.10 A use-type description and threshold related to the Sunday Trading provisions would provide a clear, practical approach and is justified on viability grounds. We suggest a rate no more than £60 / sq m for small convenience and all other retail scenarios; and this does not have to link to a specific floor area size from a viability viewpoint. The floor area size (threshold) could become an additional means by which to distinguish between the different uses and therefore add clarity.
- 3.5.11 Whilst it is not critical in viability terms for these reasons, we consider that creating a link with the scale of sales floor space associated with the Sunday Trading provisions (3,000 sq ft / approx. 280 sq m sales floor area) may be the most appropriate threshold for assisting the clarification of any differentiation between CIL charging rates for retail development, linked to the typical intended use.
- 3.5.12 We would recommend that the Council, should it pursue a two tier rate for retail development, considers the following principles in preparing and reviewing the detailed wording for the preliminary draft charging schedule in due course:

Small retail – i.e. in-centre retail of any size and small out-of-centre retail (suggested at <280m² sales floor space or equivalent).

Large retail (supermarkets and retail warehousing - usually out-of-centre).

3.5.13 We are envisaging the principally relevant form of development here being new convenience stores. We consider that it is widely recognised in the retail industry that small convenience stores are different in terms of their markets, the sites they occupy, their type of operation and size to supermarkets / superstores (or ‘one stop shops’).

3.5.14 DSP is aware of wider information that supports our approach to seeking to describe and consider different retail scenarios in the absence of CIL guidance on this aspect. The Competition Commission and the Office for Fair Trading⁴ have typically distinguished three different categories of grocery retail shopping:

- ‘One stop shops’ – over 1,400 sq m
- ‘Mid-range store’s – between 280 sq m and 1,400 sq m
- ‘Convenience stores’ – less than 280 sq m

3.5.15 In representations to a retail mergers report by the Competition Commission⁵, the Association of Convenience Stores (ACS) state that ‘the normal industry definition of a convenience store was below 280 sq metres (3,000 sq feet)’.

3.5.16 In a report⁶ primarily dealing with mid-range or secondary shopping, the Competition Commission consider that one-stop shops and mid-range stores (all stores of 280 sq m and above) are competitors in the same market for secondary shopping.

3.5.17 The Competition Commission do not regard convenience stores of this type as offering effective competition to mid-range stores primarily because of the very

⁴ The grocery market: the OFT’s reasons for making a reference to the Competition Commission. London: Office for Fair Trading, 2006.

⁵ Safeway plc and Asda Group Limited (owned by Wal-Mart Stores Inc); Wm Morrison Supermarkets PLC; J Sainsbury plc; and Tesco plc: A report on the mergers in contemplation, Competition Commission 2003

⁶ A report on the acquisition by Somerfield plc of 115 stores from Wm Morrison Supermarkets plc. London: Competition Commission, 2005

narrow range of goods on offer in convenience stores and the fact that a large proportion of shopping in convenience stores is characterised by impulse or distress purchases. (This refers to the small convenience store format – our clarification).

3.5.18 The fact that mid-range stores and larger superstores operate in the same market (for secondary shopping) is backed up by our assessment which considered the intermediate sized units on a trial basis but did not find distinguishable differences in viability terms between those and the larger supermarket scenarios. The evidence available indicates that 280 sq m is an appropriate threshold consistent with the distinguishable difference in markets, use and viability.

3.5.19 In the background to this recommended viability distinction, it is also likely that a less favourable rental capitalisation rate (higher yield) would be applied to smaller retail units such as these. This is a variable factor, but it may reinforce the different nature of the value levels available to outweigh the development costs. We can see also that most of the theoretical maximum CIL rates are notably lower than those indicated for the large retail scenarios.

3.5.20 Since it is likely that the Council will need to use a combination of a description (in words) and accompanying unit size threshold (to add clarity to the distinction) the outcome at Wycombe District Council could be of interest as well. There the Council offered to the CIL Examination process some additional wording to clarify what it meant by the clearly differing retail formats under consideration (particularly to help describe what it meant by the larger formats which were proposed for the higher charging rate). In that case, the Council put forward wording and the Inspector recommended its inclusion (by way of footnotes to assist the Council's Charging Schedule definitions), as follows:

- *'Superstores/supermarkets are shopping destinations in their own right where weekly food shopping needs are met and which can also include non-food floorspace as part of the overall mix of the unit.'*

- *‘Retail warehouses are large stores specialising in the sale of household goods (such as carpets, furniture and electrical goods), DIY items and other ranges of goods, catering mainly for car-borne customers.’*

(Source: Planning Inspectorate Report to Wycombe District Council 10 September 2012)

- 3.5.21 As above, an alternative would be to proceed with a single rate for retail, potentially placed at a point between our proposed lower and upper rate parameters, on the basis that in some cases the increased potential would not be yielded, and in others there may be a greater viability impact than would have been the case with a lower (smaller retail format) rate. With a single rate, the positioning would be influenced by the type of development anticipated and the principle that for CIL the test is the delivery of the plan as a whole; i.e. accepting that some schemes will not be viable.
- 3.5.22 Whilst on the face of it the rate at which small retail schemes potentially create land value appears potentially strong, as it is for the larger retail (supermarket/retail warehousing) scenarios, the actual sums of money available for land purchase can become relatively small, particularly if the CIL cost trial assumes too high a rate. These types of units could be associated with mixed uses where they will need to provide a positive contribution to overall viability (perhaps as part of supporting other non-viable or less viable uses within local centre improvements or new housing developments, etc).
- 3.5.23 Again, we can see the deterioration in results as the values reduce – to a greater extent with this smaller retail scenario. The same sensitivity to the yield assumption exists, but again is seen more clearly this time, which could be significant since the 7.5% yield scenario may be more relevant for this scenario type – depending on the investment view based on the strength of the leaseholder’s covenant, etc.
- 3.5.24 Overall, if the Council differentiates between smaller and larger retail formats for CIL charging, we consider that a small retail charging rate set at up to around half of the large retail level would be appropriate. It is possible to justify a higher rate than that (and potentially a notably higher one), but again that could begin to add an undue effect on, and therefore risk to, likely viability of smaller format retail in the local context. This could be kept under review.

- 3.5.25 On balance, we recommend that the Council considers a CIL charging rate applicable to smaller retail that is set well beneath the higher retail rate recommended level. A single rate would need to be set beneath the level supportable based on larger retail formats alone. If differentiating, this does not have to link to a specific floor area size (although it will be appropriate to define clearly at which point the higher retail rate would apply). We consider that these options would be within the viability scope. We are envisaging the most relevant form of small retail development locally being new convenience stores.
- 3.5.26 While we understand the prospect of new build comparison shopping units to be relatively limited in planning (and in economic) terms in the coming few years, we consider that – should that form of development come forward – it would be appropriate to link that to a similar level of CIL charging; rather than to the higher (larger retail) rate. This could be relevant in any parades, neighbourhood centres and similar locations, for example. Town centre shopping development would normally come with higher development costs. A number of town centre retail schemes are currently stalled - nationally. As related to other CIL matters, we suggest that the Council keeps its approach to CIL implementation under review with respect to any necessary widening-out of the current stage testing.
- 3.5.27 There are a range of retail related uses, such as motor sales units and retail warehousing / wholesale type clubs / businesses, which may also be seen in the District, although not regularly as new builds because such uses often occupy existing premises. Whilst it is not possible to cover all eventualities, and that is not the intention of CIL by our understanding, the Council may wish to consider whether any such retail parallels are appropriate within in its development plan and local context.
- 3.5.28 We assume that new fast food outlets, petrol stations etc provided for example as part of retail developments, would be treated as part of the retail scheme and (from our wider research) with values and viability at broadly similar to supermarket levels, this would be an appropriate outcome.

3.5.29 Other uses under the umbrella of retail would be treated similarly. Individual units would be charged according to their size as per the potential dual retail rate scenario put forward above.

3.6 Business Development – Office / Industrial / Warehousing scenarios (Use Classes B1, B1a, B2, B8)

3.6.1 In terms of likely scheme viability, these scenarios are simpler to discuss than retail. Whilst, again, actual proposals could be highly variable in nature, the overview results convincingly show that there is no foreseeable scope for any meaningful level of CIL charge to be applied to such schemes in North Hertfordshire (at least not without adding further delivery risk to schemes). This reflects similar findings across widely varying areas the country in a growing number of local authorities' work on the CIL to date – principally due to the recent / current economic conditions and insufficient demand to underpin development bearing in mind the risks and viability difficulties.

3.6.2 These results indicate that only with the most optimistic GDVs (highest capitalised rental scenarios produced by the most favourable yield and annual rent assumptions combinations), higher density (site coverage) and / or lower land value expectations do we see what we consider to be marginally viable schemes for high-end offices. Even then, those would be on the basis of greenfield or other relatively low value land with no more than a £60/sq m CIL charging rate. There would then be little room for increased yield assumptions, minor changes in rental levels or increases in costs / abnormals etc, leading to negative viability outcomes.

3.6.3 Overall, we consider that in order to create meaningful CIL scope on any level of regular basis, the collective assumptions would need to be moved to points that are too optimistic overall at the current time - and that this is likely to be the case for these development types for the short-term future at least. The potential 2-4 years or so likely typical CIL charging schedule review period again could be relevant here in terms of taking a further look to check this picture in the not too distant future (see also 3.12.8).

- 3.6.4 In looking at the results for offices, it should be noted that the scale of the negative RLVs expressed in £ per Ha terms in the right hand (coloured) section of the Appendix IIb tables is so great because those figures are a product of the more modest looking deficits on the left hand side (£RLVs) as applied to small site sizes.
- 3.6.5 The industrial unit type scenarios reviewed produced similar to worse results than offices on the basis of the assumptions applied. As such, we have not considered it appropriate or necessary to further explore where the potentially workable scenarios may lie in terms of wider views of assumptions. In practice, we could also see less favourable yield and rental combinations than those we have reviewed. We would certainly not want to assume more favourable rental capitalisation than from a 7.5% yield for these scheme types in the current ongoing climate of economic uncertainty.
- 3.6.6 Any funding yield benefits from seeking the collection of a nominal / modest level of CIL charge would in our view need to be considered in the context of the non-negotiable nature of CIL and associated risk scenario in light of the balance to be sought.
- 3.6.7 In summary, and in common with other similar reporting that we and others have completed, we recommend that a zero (£0) CIL charging rate be considered for these (Business) development types.

3.7 Hotels

- 3.7.1 The budget type hotel scenarios reviewed represent a range of outcomes that are again very sensitive to the values - capitalised rental assumptions (varying combinations of annual rentals and yields) driving the appraisals.
- 3.7.2 We consider that the 6.5% yield test scenarios could well be more relevant (or at least as relevant) to this development type, as those run at a 7.5% yield trial. However, only with the highest value assumptions at the 6.5% yield do we see results that suggest a reasonable to good prospect of viability (with a CIL rate of up to £100/sq m).

3.7.3 We think this represents a case where the Council will need to consider the likelihood of development of this type being pursued or occurring regularly in the coming few years (thinking about potential CIL yield etc) balanced against the potential to add further significant risk to its potential delivery. On balance, therefore, we recommend that, at the current point, a zero (£0) charging rate should be considered for this use type. In looking for the right balance, it appears that the likely limited CIL yield (contribution to funding gap) potential may not outweigh the added risk to the viability of any new build / extension proposals for hotel use. It appears to be a use where potential viability is quite finely balanced, so that as with the marginal high value office scenario discussed above, a number of factors could quickly reduce what at this stage appears a potentially workable scenario in certain circumstances. This could be considered further and, again, could be kept under review pending experience of the CIL in operation and of course varying market conditions etc. Experience in practice may influence future reviews.

3.8 Residential Institutions – Care Homes

3.8.1 Proposals falling under this category could again be highly variable in nature, including in terms of the values and other assumptions potentially applicable to varying scheme specifics. Related to the ageing population profile, it is likely to be a form of provision considered relevant as part of the overall accommodation and care offer available within the area.

3.8.2 We have not been able to identify nor been provided with any recent development examples or other comparables / guides as to clear financial assumptions associated with this form of development as would be relevant to North Herts. In the absence of such information, it has been necessary to make high level assumptions as appropriate to this level of study. In a similar way to the reviews carried out for other development types, it was possible to consider what would need to change within the assumptions to create scenarios with reasonable viability prospects on a regular basis.

3.8.3 On the assumptions applied, based around a typical suburban low rise development for this type of use, we began to detect a very similar tone of results to those

associated with hotels. Therefore, we did not continue with all higher levels of CIL rate trials only to produce another set of negative RLV results. So, similarly, our evidence suggests poor viability prospects unless assumptions are moved in favour of viability by increasing values and / or reducing costs from the levels assumed. Again, at this point we consider that would need to occur to too significant a degree in order to reliably support strong viability outcomes. Therefore, in our view the discussion on these becomes a similar one about balance and potential added risk to development. Experience in practice could show that will happen, but we are not able to clearly evidence viability to that point at present.

3.8.4 Based on very similar thinking to that above in relation to budget hotels, therefore, currently we are not able to support any meaningful level of CIL scope in respect of such developments. Within the general monitoring scenario, however, the Council should again keep this under review so as to see how experience in practice may influence any future review – as for hotel developments.

3.8.5 A zero (£0) CIL charging rate is recommended.

3.9 Agriculture

3.9.1 Given the rural setting of large parts of North Hertfordshire, we considered agricultural facilities at a high level – with barns, animal sheds, stores, packing sheds and the like in mind. These were noted to be present locally, on review of the rating list and from our visits.

3.9.2 We formed the view that whilst, by definition, these types of development would generally be on greenfield / low existing use value land, in the great majority of cases they would be examples of schemes that require investment because they would not have a sufficient market value on completion to support their development cost. Many of these facilities would be akin to light industrial construction, but usually it appears with lower-still end values.

3.9.3 Research confirmed this (as very briefly outlined at Figure 15 below) so that we did not pursue it further and recommend that agricultural development of this nature be subject to a £0 (nil) CIL charging rate.

3.10 Other uses – including Community Uses

- 3.10.1 Following our extensive iterative review process, throughout this assessment we can see that once values fall to a certain level there is simply not enough development revenue to support the developments costs, even before CIL scope is considered (i.e. where adding CIL cost simply increases the nominal or negative numbers produced by the appraisals – makes the RLVs, and therefore viability prospects, lower or moves them further into negative).
- 3.10.2 In such scenarios, a level of CIL charge or other similar degree of added cost in any form would not usually be the single cause of a lack of viability. Such scenarios are generally unviable in the sense we are studying here – as a starting point. This is because they have either a very low or no real commercial value and yet the development costs are often similar to equivalent types of commercial builds. We regularly see that the even the build costs, and certainly the total costs, exceed levels that can be supported based on any usual view of development viability. These are often schemes that require financial support through some form of subsidy or through the particular business plans of the organisations promoting and using them.
- 3.10.3 As will be seen below, there are a wide range of potential development types which could come forward as new builds, but even collectively these are not likely to be significant in terms of “lost opportunity” as regards CIL funding scope. We consider that many of these uses would more frequently occupy existing / refurbished / adapted premises.
- 3.10.4 A clear case in point will be community uses which generally either generate very low or sub-market level income streams from various community groups and as a general rule require very significant levels of subsidy to support their development cost; in the main they are likely to be a long way from producing any meaningful CIL scope.
- 3.10.5 There are of course a range of other arguments in support of a distinct approach for such uses. For example, in themselves, such facilities are generally contributing to the wider availability of community infrastructure. They may even be the very types of facilities that the pooled CIL contributions will ultimately support to some degree. For

all this, so far as we can see the guiding principle in considering the CIL regime as may be applied to these types of scenarios remains their viability as new build scenarios.

3.10.6 In any event, from our viability perspective, a zero (£0) CIL rate is recommended in these instances.

3.10.7 As a part of reviewing the viability prospects associated with a range of other uses, we compared their estimated typical values (or range of values) – with reference to values research from entries in the VOA’s Rating List and with their likely build cost levels (base build costs before external works and fees) sourced from BCIS.

3.10.8 Figure 15 below provides examples of the review of the relationship between values and costs in a range of these other scenarios. This is not an exhaustive list by any means, but it enables us to gain a clear picture of the extent of development types which (even if coming forward as new builds) would be unlikely to support CIL funding scope. We consider that these types of value / cost relationships would be seen in a wide variety of locations.

Figure 15: Other uses – example value / cost relationships

Example development type	Annual rental value (£/sq m)	Indicative capital value (£/sq m)	Base build cost –BCIS** (£/sq m)	Viability prospects and Notes
Halls – community halls, etc	£10 - 30	£100 - 300	Approx. £1,500 (General purpose halls)	Clear lack of development viability
Community centres, clubs and similar	£20 - 40	£200 - 400	Approx. £1,400 (Community centres)	Clear lack of development viability
Garages & depots	£40 – 75 (max £125)	£400 – 750 (max £1250)	£780 (Builders yards, highways depots and similar)	Similar to low grade industrial (B uses) – costs generally exceed values
Storage – e.g. on farms / other	Up to £60 - 90	Up to £600 - 900	Approx. £470 - £530	As above – assumed B type

Example development type	Annual rental value (£/sq m)	Indicative capital value (£/sq m)	Base build cost –BCIS** (£/sq m)	Viability prospects and Notes
			(agricultural storage to purpose built warehouse)	uses. Costs generally exceed values. No evidence in support of regular viability.
Surgeries / similar	£90 - 185	£900 – 1850	Approx. £1,400 - £1,500 (health centres, clinics, group practice surgeries).	Insufficient viability to clearly outweigh costs on a reliable basis.
Day nurseries	£80 - 125	£800 - 1250	Approx. £1,500 - £1,600	Costs generally exceed values. Lack of development viability
Leisure – other bowling / cinema	£115 - £125	£1533 (@7.5% yield)	Approx. £1,100- £1,200	Likely marginal development viability at best.
Leisure – private health / fitness	£120	£1600 @7.5%yield)	Approx. £1,700 (Gymnasia, fitness centres etc)	Costs outweigh values. No evidence in support of regular viability.

*£/sq m approximation only - prior to all costs allowances (based on assumed 10% yield for illustrative purposes - unless stated otherwise)

**excluding external works, fees, contingencies, sustainability additions, etc.

3.10.9 With the exception, potentially, of retail linked types such as mentioned at 3.5.15 above (should the Council consider those sufficiently relevant to the plan delivery and include those with the CIL charging scope), our recommendation is for the Council to consider a zero (£0) CIL rate in respect of a range of other uses such as these. As in other cases, this could be reviewed in future - in response to monitoring

information. Our overriding view is that the frequency of these other new build scenarios that could support meaningful CIL scope is likely to be very limited.

3.10.10As alternatives, and we understand that there is no guidance pointing either way, the Council could consider leaving such other proposals to “default” to a nominal rate; or to a higher rate to capture contributions from a small number of developments - but with the risk that a wide range of any others that come through as new builds or extension schemes exceeding the 100 sq m CIL Regulations threshold could be presented with viability difficulties.

3.11 Charge Setting and CIL Rate Review

3.11.1 To further inform the Council’s rate setting and ongoing work, we have considered the range of potential CIL rates (trial rates) that have been viability tested in terms of their proportion of completed development value (sales value or ‘GDV’) and proportion of development cost. In looking at proportion of cost, we have considered alternative comparisons – firstly against build costs (including external works, fees and contingency), and then at the potential CIL rates as a proportion of the wider development costs.

3.11.2 The cost and values assumptions used to calculate the following proportions are as assumed within the study. See the figures below:

Figure 16: CIL Trial rates as % of GDV – Residential

CIL Rate (£/sq m)	Value Level (£/sq m)				
	1	2	3	4	5
	£2,400	£2,700	£3,000	£3,300	£3,600
£20	0.8%	0.7%	0.7%	0.6%	0.6%
£40	1.7%	1.5%	1.3%	1.2%	1.1%
£60	2.5%	2.2%	2.0%	1.8%	1.7%
£80	3.3%	3.0%	2.7%	2.4%	2.2%
£100	4.2%	3.7%	3.3%	3.0%	2.8%
£120	5.0%	4.4%	4.0%	3.6%	3.3%
£140	5.8%	5.2%	4.7%	4.2%	3.9%

Figure 17: CIL Trial rates as % of GDV – Commercial

Scheme Type	CIL Trial Rate (£/sq m)	7.50% Yield			6.50% Yield		
		L	M	H	L	M	H
Large Retail - Supermarket	£20	0.8%	0.7%	0.6%	0.7%	0.6%	0.5%
	£40	1.5%	1.3%	1.2%	1.3%	1.1%	1.0%
	£60	2.3%	2.0%	1.7%	2.0%	1.7%	1.5%
	£80	3.0%	2.6%	2.3%	2.6%	2.3%	2.0%
	£100	3.8%	3.3%	2.9%	3.3%	2.8%	2.5%
	£120	4.5%	3.9%	3.5%	3.9%	3.4%	3.0%
	£140	5.3%	4.6%	4.0%	4.6%	4.0%	3.5%
Large Retail - Retail Warehouse	£20	1.2%	0.9%	0.8%	1.0%	0.8%	0.7%
	£40	2.3%	1.9%	1.6%	2.0%	1.6%	1.4%
	£60	3.5%	2.8%	2.4%	3.0%	2.4%	2.1%
	£80	4.6%	3.8%	3.2%	4.0%	3.3%	2.7%
	£100	5.8%	4.7%	3.9%	5.0%	4.1%	3.4%
	£120	6.9%	5.6%	4.7%	6.0%	4.9%	4.1%
	£140	8.1%	6.6%	5.5%	7.0%	5.7%	4.8%
Small Retail / Other (A1-A5)	£20	1.2%	1.0%	0.9%	1.0%	0.9%	0.7%
	£40	2.4%	2.0%	1.7%	2.1%	1.7%	1.5%
	£60	3.6%	3.0%	2.6%	3.1%	2.6%	2.2%
	£80	4.8%	4.0%	3.4%	4.2%	3.5%	3.0%
	£100	6.0%	5.0%	4.3%	5.2%	4.3%	3.7%
	£120	7.2%	6.0%	5.1%	6.2%	5.2%	4.5%
	£140	9.5%	7.5%	6.2%	8.3%	6.5%	5.4%

Figure 18: CIL rates as % of Build Cost – Residential

3+-Units: CIL Trial Rate (£/sq m)	Total Build Costs*	CIL Trial Rate as % of Cost
£20	£1,364	1.5%
£40		2.9%
£60		4.4%
£80		5.9%
£100		7.3%
£120		8.8%

Figure 19: CIL rates as % of Build Cost – Commercial

Scheme Type	CIL Trial Rate (£/sq m)	Total Build Costs*	CIL Rate as % of Cost
Large Retail - Supermarket	£20	£1,872	1.1%
	£40	£1,872	2.1%
	£60	£1,872	3.2%
	£80	£1,872	4.3%
	£100	£1,872	5.3%
	£120	£1,872	6.4%
	£140	£1,872	7.5%
Large Retail - Retail Warehouse	£20	£992	2.0%
	£40	£992	4.0%
	£60	£992	6.1%
	£80	£992	8.1%
	£100	£992	10.1%
	£120	£992	12.1%
	£140	£992	14.1%
Small Retail -convenience (and other related, comparison, A1-A5)	£20	£1,171	1.7%
	£40	£1,171	3.4%
	£60	£1,171	5.1%
	£80	£1,171	6.8%
	£100	£1,171	8.5%
	£120	£1,171	10.2%
	£140	£1,171	12.0%

*average including base build, externals, contingencies and fees (£/sq m)

Figure 20: CIL trial rates as % of total development cost – Residential

5+Units: CIL Trial Rate (£/sq m)	Total Development Costs*	CIL Trial Rate as % of Cost
£20	£2,369	0.8%
£40		1.7%
£60		2.5%
£80		3.4%
£100		4.2%
£120		5.1%
£140		5.9%

*total development cost (per sq m) assuming 20% developer profit and £1.85m/ha land value

Figure 21: CIL trial rates as % of total development cost – Commercial

Scheme Type	CIL Trial Rate (£/sq m)	Total Development Costs*	CIL Trial Rate as % of Cost
Large Retail - Supermarket	£20	£2,999	0.7%
	£40	£2,999	1.3%
	£60	£2,999	2.0%
	£80	£2,999	2.7%
	£100	£2,999	3.3%
	£120	£2,999	4.0%
	£140	£2,999	4.7%
Large Retail - Retail Warehouse	£20	£2,110	0.9%
	£40	£2,110	1.9%
	£60	£2,110	2.8%
	£80	£2,110	3.8%
	£100	£2,110	4.7%
	£120	£2,110	5.7%
	£140	£2,110	6.6%
Small Retail -convenience (and other related, comparison, A1-A5)	£20	£1,837	1.1%
	£40	£1,837	2.2%
	£60	£1,837	3.3%
	£80	£1,837	4.4%
	£100	£1,837	5.4%
	£120	£1,837	6.5%
	£140	£1,837	7.6%

*total development cost (per sq m) assuming 20% developer profit and £1.85m/ha land value

3.11.3 The Council may also wish to consider potential charging rates in the context of levels of previous / existing planning obligations (sought and collected) – e.g. per dwelling or per development prior the implementation of CIL. The following tables may assist in considering these comparisons by simply indicating what the various trial CIL charging rates are equivalent to, in approximate per dwelling terms. The commercial scheme examples appraised are included here after the residential ones (showing the CIL trial rates and potential charging totals per scheme).

Figure 22: Residential CIL trial rates - Charge per Dwelling Equivalent

Scheme Size / Type	£20/sq m CIL Charging Rate		
	Total Chargeable Floor Area (sq m)	Total CIL Charge	Equivalent Charge per Private Dwelling
1 Dwelling	125	£2,500	£2,500
5 Dwellings	360	£7,200	£1,440
15 Dwellings	795	£15,900	£1,060
25 Dwellings	1275	£25,500	£1,020
100 Dwellings	5255	£105,100	£1,051
500 Dwellings	26275	£525,500	£1,051

Scheme Size / Type	£40/sq m CIL Charging Rate		
	Total Chargeable Floor Area (sq m)	Total CIL Charge	Equivalent Charge per Private Dwelling
1 Dwelling	125	£5,000	£5,000
5 Dwellings	360	£14,400	£2,880
15 Dwellings	795	£31,800	£2,120
25 Dwellings	1275	£51,000	£2,040
100 Dwellings	5255	£210,200	£2,102
500 Dwellings	26275	£1,051,000	£2,102

Scheme Size / Type	£60/sq m CIL Charging Rate		
	Total Chargeable Floor Area (sq m)	Total CIL Charge	Equivalent Charge per Private Dwelling
1 Dwelling	125	£7,500	£7,500
5 Dwellings	360	£21,600	£4,320
15 Dwellings	795	£47,700	£3,180
25 Dwellings	1275	£76,500	£3,060
100 Dwellings	5255	£315,300	£3,153
500 Dwellings	26275	£1,576,500	£3,153

£80/sq m Charging CIL Rate			
Scheme Size / Type	Total Chargeable Floor Area (sq m)	Total CIL Charge	Equivalent Charge per Private Dwelling
1 Dwelling	125	£10,000	£10,000
5 Dwellings	360	£28,800	£5,760
15 Dwellings	795	£63,600	£4,240
25 Dwellings	1275	£102,000	£4,080
100 Dwellings	5255	£420,400	£4,204
500 Dwellings	26275	£2,102,000	£4,204

£100/sq m CIL Charging Rate			
Scheme Size / Type	Total Chargeable Floor Area (sq m)	Total CIL Charge	Equivalent Charge per Private Dwelling
1 Dwelling	125	£12,500	£12,500
5 Dwellings	360	£36,000	£7,200
15 Dwellings	795	£79,500	£5,300
25 Dwellings	1275	£127,500	£5,100
100 Dwellings	5255	£525,500	£5,255
500 Dwellings	26275	£2,627,500	£5,255

£120/sq m CIL Charging Rate			
Scheme Size / Type	Total Chargeable Floor Area (sq m)	Total CIL Charge	Equivalent Charge per Private Dwelling
1 Dwelling	125	£15,000	£15,000
5 Dwellings	360	£43,200	£8,640
15 Dwellings	795	£95,400	£6,360
25 Dwellings	1275	£153,000	£6,120
100 Dwellings	5255	£630,600	£6,306
500 Dwellings	26275	£3,153,000	£6,306

Equivalent Charge per Private Dwelling = Total CIL divided by all dwellings in scheme

Assuming 0% AH on 1 unit; 20% on 5 units; 40% AH on all others

Figure 23: Commercial CIL trial rates - Charge per Unit Equivalent

£20/sq m CIL Charging Rate		
Scheme Size / Type	Total Chargeable Floor Area (sq m)	Total CIL Charge
Large Retail - Supermarket	4000	£80,000
Large Retail - Retail Warehouse	1000	£20,000
Small Retail (principally convenience stores)	400	£8,000

£40/sq m CIL Charging Rate		
Scheme Size / Type	Total Chargeable Floor Area (sq m)	Total CIL Charge
Large Retail - Supermarket	4000	£160,000
Large Retail - Retail Warehouse	1000	£40,000
Small Retail (principally convenience stores)	400	£16,000

£60/sq m CIL Charging Rate		
Scheme Size / Type	Total Chargeable Floor Area (sq m)	Total CIL Charge
Large Retail - Supermarket	4000	£240,000
Large Retail - Retail Warehouse	1000	£60,000
Small Retail (principally convenience stores)	400	£24,000

£80/sq m CIL Charging Rate		
Scheme Size / Type	Total Chargeable Floor Area (sq m)	Total CIL Charge
Large Retail - Supermarket	4000	£320,000
Large Retail - Retail Warehouse	1000	£80,000
Small Retail (principally convenience stores)	400	£32,000

£100/sq m CIL Charging Rate		
Scheme Size / Type	Total Chargeable Floor Area (sq m)	Total CIL Charge
Large Retail - Supermarket	4000	£400,000
Large Retail - Retail Warehouse	1000	£100,000
Small Retail (principally convenience stores)	400	£40,000

£120/sq m CIL Charging Rate		
Scheme Size / Type	Total Chargeable Floor Area (sq m)	Total CIL Charge
Large Retail - Supermarket	4000	£480,000
Large Retail - Retail Warehouse	1000	£120,000
Small Retail (principally convenience stores)	400	£48,000

£140/sq m CIL Charging Rate		
Scheme Size / Type	Total Chargeable Floor Area (sq m)	Total CIL Charge
Large Retail - Supermarket	4000	£560,000
Large Retail - Retail Warehouse	1000	£140,000
Small Retail (principally convenience stores)	400	£56,000

3.11.4 The Council may wish to use the above information as part of the wider context for considering its CIL charging rates and options, in its balancing of objectives and also considering potential CIL yields from various scenarios (meaning here the potential total sums to be collected - based on the assumptions used). Comparison of potential CIL charging rates with current s.106 contributions levels could be a useful aspect for context / benchmarking what the potential CIL rates mean in practice compared with previous / existing s.106 obligations levels and with regard to any particular implications for scenarios where s.106 may continue to play a major role.

3.11.5 In considering the potential “yield” (as at 3.11.4) from CIL and implementing particular options / approaches - as well as looking at any comparisons with s.106 scenarios - the Council will need to factor-in the principle that CIL will not be chargeable on affordable housing.

3.12 Summary – CIL Charging Rate scope and other Recommendations

3.12.1 In summary, from a viability point of view we recommend the following for consideration by North Hertfordshire District Council in taking forward the setting of rates within a preliminary draft charging schedule (see figure 24 below):

Figure 24: Recommendations Summary - CIL Charging Rates

Summary on CIL Viability – Potential Rates and Guidance for the Council’s consideration
<u>Residential</u>
<p><i>Recommendation:</i></p> <p><u>Differential Rates -</u></p> <p>In lower value areas not exceeding £80/sq m in any event (e.g. Stevenage fringe; with potential values available to support viability East of Luton, if applicable, also needing consideration within these parameters – i.e. £0 - 80/sq m overall).</p> <p>Potential as an alternative to consider a nil / nominal charging rate; or a rate at any point between £0 and £80/sq m where key housing delivery will be dependent on strategic sites underpinned by s.106 remaining the principal approach to securing obligations; or where more significant site and infrastructure costs are relevant alongside affordable housing requirements. A lower CIL rate could provide more flexibility on other areas – e.g. s.106, although there is no guarantee of that, and CIL is intended to add valuable certainty. The assessment results show that the CIL rate needs to change significantly to trade-off meaningfully with other costs and obligations; most notably affordable housing and its tenure.</p> <p>In higher value areas not exceeding £120/sq m (rest of District and where CIL will be the principal mechanism for infrastructure contributions).</p> <p><u>Alternative potential:</u></p> <p>Single residential rate – not exceeding £100/sq m District-wide (but still including the same alternative considerations regarding strategic development areas where s.106 will continue to play a key role).</p> <p>Affordable Housing:</p> <p>Overall, scope to re-affirm the 40% affordable housing target as a headline if this remains a strategic priority (with sliding scale beneath) and in all cases for flexible operation in specific cases and circumstances vary and viability difficulties are</p>

<p>demonstrated;</p> <p>Particular tenure priorities and arrangements are likely to vary from site to site but at a high level we consider that it will be necessary for affordable rent to play a dominant or significant role within affordable housing tenure mixes.</p> <p>In the current funding circumstances, reliance on social rent as a rigid starting point would have a restrictive effect on scheme viability and therefore on the scope to support the affordable housing headline proportion (%), and or CIL / s.106.</p> <p>Whilst an alternative of an adjustment to the affordable housing proportions sought could be considered, in our experience that could still not guarantee to support scheme viability across the board and an adaptable approach to any revised target proportion would still be needed. However, the assessment results, sensitivities and comparisons enable the Council to consider various priorities and potential trade-offs.</p> <p>Residential rates to apply to sheltered housing.</p>
<p><u>Retail – generally - option to differentiate; alternative to set a single rate.</u></p>
<p><u>Retail – A1 – A5 – larger, usually out-of-centre retail (>280m²)</u> Superstores / supermarkets and retail warehousing</p>
<p><i>Recommendation:</i></p> <p>Rate – suggested not exceeding £120/sq m (being within greater viability scope) - if differentiating.</p>
<p><u>Retail A1 to A5 – in-centre retail of any size and small (<280m²) out-of-centre retail</u> (Principally convenience stores but also applicable to all other categories including A1-A5, comparison shopping and (if the Council expects significant provision of any such developments within the life of the charging schedule) potentially to retail linked uses (e.g. motor sales, wholesaling clubs - should the Council include those).</p>
<p><i>Recommendation:</i></p> <p>Up to approximately half large format retail rate – suggested not exceeding £60/sq m - if differentiating (again being within viability scope).</p>
<p>Retail alternative – intermediate charging rate – mid-point within range £60-</p>

<p>£120/sq m bearing in mind that those are both within viability scope. In comparison with a differentiated approach, this means compromise on potential CIL yield in some cases and in our view reduced viability consideration afforded to smaller retail developments (greater risk to the viability of those).</p>
<p><u>Business Development - Office and Industrial (B1, B1a, B2, B8)</u></p>
<p><i>Recommendation:</i> Zero rate (£0)</p>
<p><u>Hotels and Care Homes</u></p>
<p><i>Recommendation:</i> Zero rate (£0) on balance in preference to a low / nominal rate (Alternative: nominal / low CIL rate, but difficult to justify in viability terms and added risk to potentially marginal schemes).</p>
<p><u>Community and other uses, including Agricultural</u></p>
<p><i>Recommendation:</i> Zero rate (£0) on balance in preference to a low / nominal rate (Alternative: nominal / low CIL rate, but difficult to justify in viability terms and again added risk to potentially marginal schemes).</p>

3.12.2 ***Reminder of affordable housing policy target considerations:*** Primarily, and irrespective of the affordable housing policy targets settled within the Core Strategy and other documents, the Council should continue to operate its affordable housing practically – i.e. with flexibility and based on viability discussions and evidence of issues where needed.

3.12.3 The option to continue with a 40% headline policy, and sliding scale approach beneath that, remains valid on the basis of policy drafting and application to respect the relevance of viability.

3.12.4 The introduction of affordable rented tenure can be seen to usually support overall scheme viability relative to the revenue levels typically provided by social rent, but outcomes will vary. The study base positions and recommendations relate to an

affordable housing tenure split of 65% rented (affordable rent) / 35% intermediate (i.e. low cost home ownership such as shared ownership) applying up to date and appropriate assumptions.

3.12.5 If, however, the 40% headline target were adjusted then the approach should be kept proportionate so that the sliding scale would also be adjusted accordingly. This is put forward to provide a potential option to aid viability and would need to be kept under review moving forward to ensure optimal delivery of affordable housing in the ongoing circumstances, bearing in mind the needs levels.

3.12.6 Expressed and operated with appropriate flexibility when required and justified (bearing in mind their negotiable nature as per the Council's current approach), we do not consider that affordable housing targets maintained at the previously consulted-on levels would prejudice the recommended approach to CIL. Indeed, many authorities now looking to implement the CIL have established affordable housing policies at such levels. Given the needs levels, Councils have to be careful about shifting affordable housing expectations unduly. Certainty of expectations, at least as a starting point, is needed by land owners and the development industry. Given the shortfall in affordable housing, the targets do need to be appropriately challenging.

3.12.7 **Additional recommendation: To consider monitoring and review.** The DCLG Charge Setting Procedures (paragraph 75)⁷ state that: *'The Government has not specified a recommended lifetime for charging schedules and there is no requirement in the Act placing charging authorities under a duty to review their charging schedules. However, charging authorities are strongly encouraged to keep their charging schedules under review'*. This is important to ensure that CIL charges remain appropriate over time – for instance as market conditions change, and also so that they remain relevant to the gap in the funding for the infrastructure needed to support the development of the Council's area. Although there is no fixed period or frequency for this we recommend that the Council begins to consider its more

⁷ DCLG – Community Infrastructure Levy Guidance – Charge Setting and Charging Schedule Procedures (March 2010)

detailed implementation strategies around CIL, including how it will monitor and potentially review CIL collection and levels – informed by the experience of operating it in practice. In discussion with a range of local authority clients, potential review periods typically of say 2 to 4 years are currently being discussed at early CIL implementation stages. In due course, we may begin to see patterns and practices emerging on this.

3.12.8 **Additional recommendation:** To implement such monitoring processes and use them to inform the future review of the local implementation of the CIL. The DCLG CIL Overview⁸ document (at paragraphs 19 and 20) touches on the intended open and transparent nature of the levy and in doing so states that charging authorities must prepare short monitoring reports each year.

3.12.9 **Additional recommendation:** As has been the case with s.106 obligations, to consider the scope (as far as permitted) to phase CIL payment timings where needed as part of mitigation against scheme viability and / or delivery issues. Through all of our development viability work, particularly in relation to larger developments and especially longer running / phased residential schemes, we observe the impact that the particular timing of planning obligations have. The same will apply to the payments due under the CIL. Front loading of significant costs can impact development cash flows in a detrimental way, as costs (negative balances) are carried in advance of sales income. Considering the spreading of the cost burden as far as may be permissible even on some smaller schemes, may well provide a useful tool for supporting viability in the early stages.

3.12.10 Allied to this, the Council may wish to consider the extent to which pooled funds might be used to forward-fund or part fund key early infrastructure elements that may be required to facilitate schemes progressing, or proceeding more smoothly. This is not a new principle. Discussions with developers on the timing of affordable housing provision and / or financial contribution obligations, for example, could also continue to be important in this regard. In some cases, an affordable housing

⁸ DCLG – The Community Infrastructure Levy - An Overview (May 2011)

element provides valuable and relatively secure cash flow; in others there may be overall scheme benefits from phasing its provision differently.

**Main text of study report ends.
Report re-issue version October 2012.**

Appendix I
Development Appraisal Assumptions

North Hertfordshire District Council - Community Infrastructure Levy Viability Assessment - Residential Assumptions Sheet

Site Size Appraised	Dwelling Mix (BF = Bed Flat; BH = Bed House)	Likely Density (dph)	Site Type	Percentage Affordable Housing & Tenure Mix															
				20% Affordable Housing			25% Affordable Housing			30% Affordable Housing			35% Affordable Housing			40% Affordable Housing			
				Private Mix	Affordable Tenure Split 65% AR; 35% LCHO	Affordable Tenure Split 34% SR; 33% AR; 33% SO	Private Mix	Affordable Tenure Split 65% AR; 35% LCHO	Affordable Tenure Split 34% SR; 33% AR; 33% SO	Private Mix	Affordable Tenure Split 65% AR; 35% LCHO	Affordable Tenure Split 34% SR; 33% AR; 33% SO	Private Mix	Affordable Tenure Split 65% AR; 35% LCHO	Affordable Tenure Split 34% SR; 33% AR; 33% SO	Private Mix	Affordable Tenure Split 65% AR; 35% LCHO	Affordable Tenure Split 65% SR; 35% LCHO	Affordable Tenure Split 34% SR; 33% AR; 33% SO
1 Dwelling	1 x 4-BH	40	Residential Intensification / Garden	1 x 4BH	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
5 Dwellings	2 x 2-BH; 3 x 3-BH	40	Residential Intensification / Garden	1 x 2BH; 3 x 3BH	1 x 2BH AR	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2 x 3BH; 1 x 2BH	N/A	N/A	
15 Dwellings	5 x 2-BH; 10 x 3-BH	40	Residential Intensification / Garden	4 x 2-BH; 8 x 3-BH	1 x 2BH; 2 x 3BH AR LCHO	N/A	N/A	N/A	N/A	7 x 3-BH; 3 x 2-BH	3 x 3-BH AR; 2 x 2-BH LCHO	N/A	N/A	N/A	N/A	3 x 2-BH; 6 x 3-BH	4 x 3-BH AR; 2 x 2-BH LCHO	N/A	
25 Dwellings	4 x 1-BF; 4 x 2BF; 5 x 2-BH; 10 x 3BH, 2 x 4BH	40	Residential Intensification / Greenfield / Employment	3 x 1-BF; 4 x 2BF, 3 x 2-BH, 8 x 3BH, 2 x 4BH	1 x 2BH, 2 x 3BH AR; 1 x 1BF, 1 x 2BH LCHO	N/A	3 x 1-BF; 4 x 2BF, 2 x 2-BH, 8 x 3BH, 2 x 4BH	2 x 2BH, 2 x 3BH AR; 1 x 1BF, 1 x 2BH LCHO	N/A	2 x 1-BF; 3 x 2BF, 3 x 2-BH, 7 x 3BH, 2 x 4 BH	1 x 2BF, 1 x 2BH, 3 x 3BH AR; 2 x 1BF, 1 x 2BH LCHO	N/A	2 x 1-BF; 2 x 2BF, 3 x 2-BH, 7 x 3BH, 2 x 4BH	2 x 2BF, 1 x 2BH, 3 x 3BH AR; 2 x 1BF, 1 x 2BH LCHO	N/A	2 x 1-BF; 2 x 2BF, 2 x 2-BH, 7 x 3BH, 2 x 4BH	2 x 2BF, 2 x 2BH, 3 x 3BH AR; 2 x 1BF, 1 x 2BH LCHO	2 x 2BF, 2 x 2BH, 3 x 3BH SR; 2 x 1BF, 1 x 2BH LCHO	1 x 2BH, 3 x 3BH SR, 2 x 2BF, 1 x 2BH AR; 2 x 1BF, 1 x 2BH LCHO
100 Dwellings	12 x 1BF, 20 x 2BF; 16 x 2BH, 36 x 3BH, 16 x 4BH	40	Greenfield / Employment	10 x 1BF, 16 x 2BF; 11 x 2BH, 30 x 3BH, 13 x 4BH	3 x 2BF, 1 x 2BH, 6 x 3BH, 3 x 4BH AR; 2 x 1BF, 1 x 2BF, 4 x 2BH LCHO	N/A	10 x 1BF, 14 x 2BF; 9 x 2BH, 29 x 3BH, 13 x 4BH	4 x 2BF, 2 x 2BH, 7 x 3BH, 3 x 4BH AR; 2 x 1BF, 2 x 2BF, 5 x 2BH LCHO	N/A	9 x 1BF, 13 x 2BF; 9 x 2BH, 27 x 3BH, 12 x 4BH	5 x 2BF, 2 x 2BH, 9 x 3BH, 4 x 4BH AR; 3 x 1BF, 2 x 2BF, 5 x 2BH LCHO	N/A	8 x 1BF, 11 x 2BF; 8 x 2BH, 26 x 3BH, 12 x 4BH	6 x 2BF, 3 x 2BH, 10 x 3BH, 4 x 4BH AR; 4 x 1BF, 3 x 2BF, 5 x 2BH LCHO	N/A	7 x 1BF, 9 x 2BF; 7 x 2BH, 25 x 3BH, 12 x 4BH	7 x 2BF, 4 x 2BH, 11 x 3BH, 4 x 4BH AR; 5 x 1BF, 4 x 2BF, 5 x 2BH LCHO	7 x 2BF, 4 x 2BH, 11 x 3BH, 4 x 4BH SR; 5 x 1BF, 4 x 2BF, 5 x 2BH LCHO	10 x 3BH, 4 x 4BH SR; 7 x 2BF, 5 x 2BH, 1 x 3BH AR; 5 x 1BF, 4 x 2BF, 4 x 2BH LCHO
500 Dwellings (sample basis)	60 x 1BF, 100 x 2BF; 80 x 2BH, 180 x 3BH, 80 x 4BH	40	Greenfield / Employment	50 x 1BF, 80 x 2BF; 55 x 2BH, 150 x 3BH, 65 x 4BH	15 x 2BF, 5 x 2BH, 30 x 3BH, 15 x 4BH AR; 10 x 1BF, 5 x 2BF, 20 x 2BH LCHO	8 x 2BF, 2 x 2BH, 15 x 3BH, 8 x 4BH AR; 7 x 2BF, 3 x 2BH, 15 x 3BH, 7 x 4BH SR; 10 x 1BF, 5 x 2BF, 20 x 2BH LCHO	47 x 1BF, 72 x 2BF; 49 x 2BH, 143 x 3BH, 64 x 4BH	20 x 2BF, 8 x 2BH, 37 x 3BH, 16 x 4BH AR; 13 x 1BF, 8 x 2BF, 23 x 2BH LCHO	10 x 2BF, 4 x 2BH, 19 x 3BH, 8 x 4BH AR; 10 x 2BF, 4 x 2BH, 18 x 3BH, 8 x 4BH SR; 13 x 1BF, 8 x 2BF, 23 x 2BH LCHO	45 x 1BF, 65 x 2BF; 45 x 2BH, 135 x 3BH, 60 x 4BH	25 x 2BF, 10 x 2BH, 45 x 3BH, 20 x 4BH AR; 15 x 1BF, 10 x 2BF, 25 x 2BH LCHO	13 x 2BF, 5 x 2BH, 22 x 3BH, 10 x 4BH AR; 12 x 2BF, 5 x 2BH, 23 x 3BH, 10 x 4BH SR; 15 x 1BF, 10 x 2BF, 25 x 2BH LCHO	40 x 1BF, 55 x 2BF; 40 x 2BH, 130 x 3BH, 60 x 4BH	30 x 2BF, 15 x 2BH, 50 x 3BH, 20 x 4BH AR; 20 x 1BF, 15 x 2BF, 25 x 2BH LCHO	15 x 2BF, 8 x 2BH, 25 x 3BH, 10 x 4BH AR; 15 x 2BF, 7 x 2BH, 25 x 3BH, 10 x 4BH SR; 20 x 1BF, 15 x 2BF, 25 x 2BH LCHO	35 x 1BF, 45 x 2BF; 35 x 2BH, 125 x 3BH, 60 x 4BH	35 x 2BF, 20 x 2BH, 55 x 3BH, 20 x 4BH AR; 25 x 1BF, 20 x 2BF, 25 x 2BH LCHO	35 x 1BF, 45 x 2BF; 35 x 2BH, 125 x 3BH, 60 x 4BH	19 x 2BF, 10 x 2BH, 27 x 3BH, 10 x 4BH AR, 18 x 2BF, 10 x 2BH, 28 x 3BH, 10 x 4BH SR; 25 x 1BF, 18 x 2BF, 25 x 2BH LCHO

Unit Sizes (sq m)	Affordable	Private
1-bed flat	50	45
2-bed flat	67	60
2-bed house	75	75
3-bed house	85	95
4-bed house	110	125

Open Market Value*1	Value Level 1 e.g. Great Ashby etc	Value Level 2 e.g. Royston, Hitchin, Letchworth & Baldock	Value Level 3	Value Level 4 e.g. Knebworth and rural	Value Level 5
1-bed flat	£108,000	£121,500	£135,000	£148,500	£162,000
2-bed flat	£144,000	£162,000	£180,000	£198,000	£216,000
2-bed house	£180,000	£202,500	£225,000	£247,500	£270,000
3-bed house	£228,000	£256,500	£285,000	£313,500	£342,000
4-bed house	£300,000	£337,500	£375,000	£412,500	£450,000
Value (£ / m²)	£2,400	£2,700	£3,000	£3,300	£3,600

Development Costs	
RESIDENTIAL BUILDING, MARKETING & S106 COSTS	
Build Costs Flats (Generally) (£/m ²) ¹	£1,165
Build Costs Houses (Mixed Developments) (£/m ²) ¹	£1,071
Site Preparation (£ / unit)	£4,000
Survey Costs (£ / unit)	£500
Contingencies (% of build cost)	5%
Professional & Other Fees (% of build cost)	12.5%
Sustainable Design / Construction Standards (% of build cost) ² - Code Level 4	4%
Planning obligations /non-CIL costs (£ per unit)	£1,000
Marketing & Sales Costs (%of GDV)	3%
Legal Fees on sale (£ per unit)	£750
DEVELOPER'S RETURN FOR RISK AND PROFIT	
Open Market Housing Profit (% of GDV)	20.0%
Affordable Housing Profit (% of GDV)	6.0%
FINANCE & ACQUISITION COSTS	
Arrangement Fee - (% of loan)	1.0%
Agents Fees (% of site value)	1.00%
Legal Fees (% of site value)	1.00%
Stamp Duty (% of site value)	0% to 5%
Finance Rate - Build (%)	6.0%
Finance Rate - Land (%)	6.0%

(Note: also added costs potentially relevant to this area - 500 units sensitivity test (increased costs)

(Contingency at 3% on 500 unit greenfield scenario)

(Professional fees at 8% on 500 unit greenfield scenario)

Notional amount and varies with scenario*

Notes:

* Different assumptions apply to the large greenfield site (500 units) dealing with specific infrastructure on site. Notional amount of £10,000 per private dwelling (approx. £8,000 per dwelling overall) allowed as base assumption; additional £10,000 per dwelling - all dwellings - for further sensitivity test (increased costs).

¹ Build cost taken as "Median" figure from BCIS for that build type - e.g. flats ; houses storey heights etc and then rounded. Median figure gives a better figure than the Mean as it is not so influenced by rogue figures that can distort the mean on small sample sizes. BCIS data: Flats (Generally): £1,002/m² GIA; Houses Generally: £846/m²; one off housing: £1,280/m² GIA.

Build costs taken from 3rd quarter 2011 and rebased to North Hertfordshire Location Factor of 109 without externals, contingencies or fees

Above build costs include externals at 21% for houses; 14% for flats added.

² The above costs are based on the Cost of Building to the Code for Sustainable Homes - Updated Cost Review (August 2011) cost data assuming Building Regs 2010 baseline.

³ Allowance to achieve Lifetime Homes Standards acknowledged within report as potential variable cost issue (depending on design etc). There have been a number of studies into the costs and benefits of building to the Lifetime Homes standard. These have concluded that the costs range from £545 to £1615 per dwelling, depending on: the experience of the home designer and builder; the size of the dwelling (it is easier to design larger dwellings that incorporate Lifetime Homes standards cost effectively than smaller ones); whether Lifetime Homes design criteria were designed into developments from the outset or whether a standard house type is modified (it is more cost effective to incorporate the standards at the design stage rather than modify standard designs); and any analysis of costs is a 'snapshot' in time. The net cost of implementing Lifetime Homes will diminish as the concept is more widely adopted and as design standards, and market expectations, rise (www.lifetimehomes.org.uk).

North Hertfordshire District Council - Community Infrastructure Levy Viability Assessment - Commercial Assumptions Sheet

Use Class / Type	Example Scheme Type	GIA (m ²)	Site Coverage	Site Size (Ha)	Build Period (Months)**	Values Range - Annual Rents £ per sq m			Build Cost (£ per sq m)*	External works cost addition (%)	Total Build Cost (£/sq m excl fees etc)	Notes:
						Low	Mid	High				
Large Retail	Large Supermarket - out of town	4000	35%	1.14	9	£200	£230	£260	£1,209	20%	£1,451	BCIS - Hypermarkets / Supermarkets - generally.
Large Retail	Retail warehouse	1000	40%	0.25	7	£130	£160	£190	£624	20%	£749	BCIS - Retail warehouses - up to 1,000 sq m.
Small Retail	Convenience Store - various locations	400	60%	0.07	3.5	£125	£150	£175	£757	20%	£908	BCIS - Shops - Generally
Business - Offices - Town Centre	Office Building	1000	200%	0.05	6	£120	£160	£200	£1,382	20%	£1,658	BCIS - Offices - 3-5 Storey; airconditioned
Business - Offices - Out of town /Business Park	Office Building	3000	40%	0.75	10	£120	£160	£200	£1,291	20%	£1,549	BCIS - Offices - 1-2 Storey; airconditioned
Business - Industrial / Warehousing	Smaller / Move-on type industrial unit including offices - industrial estate	250	40%	0.06	6.5	£80	£90	£100	£866	20%	£1,039	BCIS - Advance factories / offices - mixed facilities (B1)
Business - Industrial / Warehousing	Larger industrial / warehousing unit including offices - industrial estate	3000	40%	0.75	8	£65	£75	£85	£627	20%	£752	BCIS - Advance factories / offices - mixed facilities (B1)
Hotel (budget)	Hotel - edge of town centre / edge of town	3000	50%	0.60	10	£150	£188	£225	£1,410	20%	£1,692	BCIS - Hotels
C2 - Residential Institution	Nursing Home	2100	60%	0.35	16	£160	£180	£200	£1,418	20%	£1,702	BCIS - Nursing Homes, convalescent homes, short stay medical homes
Institutional / Community / Health	Clinic or similar	500	40%	0.13	7.5	£120	£150	£180	£1,401	20%	£1,681	BCIS - Community Centres - Generally
Leisure	Fitness etc	2500	50%	0.50	12	£100	£120	£140	£1,683	20%	£2,020	BCIS - Sports Buildings - Includes a range of uses (selected fitness centre, gymnasium)
<i>Other Sui-Generis</i>	<i>Variable - considered on values / costs relationship basis</i>											

Development Costs	
Professional Fees (% of cost)	10%
Contingencies (% of cost)	5%
Planning / Building Regs etc / insurances (% of cost)	2.0%
Site survey / preparation costs	Variable
Finance Costs	
Finance rate (including over lead-in and letting / sales period)	6.0%
Arrangement Fee (% of cost)	1.0%
Marketing / Other promotion etc Costs	
Promotion / other Fees (% of annual income)	1%
Letting / other Fees (% of annual income)	10%
Developer Profit (% of GDV)	20%
Yields	Variable
Site Acquisition Costs	
Agents Fees (% of site value)	1%
Legal Fees (% of site value)	0.75%
Stamp Duty (% of value)	0 to 5%

*BCIS Median - Location Factor NHDC (109); 3Q 2011

**BCIS Construction Duration Calculator

Appendix IIa
Residential Appraisal Results
Summary

Table 1: Residual Land Value Results by Scheme Type, Value Level & CIL Rate
65% Affordable Rent/35% LCHO - Greenfield Benchmark Comparison

Development Scenario	Value Level	Total Floor Area	Site Density (dph)	Residual Land Value (£)								Residual Land Value (£/Ha)								CIL Range (£/m²)*	
				Residual Land Value - £0/m² CIL	Residual Land Value - £20/m² CIL	Residual Land Value - £40/m² CIL	Residual Land Value - £60/m² CIL	Residual Land Value - £80/m² CIL	Residual Land Value - £100/m² CIL	Residual Land Value - £120/m² CIL	Residual Land Value - £140/m² CIL	Residual Land Value - £0/m² CIL	Residual Land Value - £20/m² CIL	Residual Land Value - £40/m² CIL	Residual Land Value - £60/m² CIL	Residual Land Value - £80/m² CIL	Residual Land Value - £100/m² CIL	Residual Land Value - £120/m² CIL	Residual Land Value - £140/m² CIL		
1 House (10% AH)**	1	125	40	£41,018	£38,767	£36,516	£34,266	£32,015	£29,764	£27,513	£25,263	£1,640,719	£1,550,688	£1,460,658	£1,370,627	£1,280,597	£1,190,566	£1,100,536	£1,010,505	£178	£278
	2	125	40	£65,256	£63,005	£60,755	£58,504	£56,253	£54,002	£51,752	£49,501	£2,610,249	£2,520,218	£2,430,188	£2,340,157	£2,250,127	£2,160,096	£2,070,066	£1,980,035	£372	£472
	3	125	40	£89,494	£87,244	£84,993	£82,742	£80,491	£78,241	£75,990	£73,739	£3,579,779	£3,489,748	£3,399,718	£3,309,688	£3,219,657	£3,129,627	£3,039,596	£2,949,566	£566	£666
	4	125	40	£113,733	£111,482	£109,231	£106,980	£104,730	£102,479	£100,228	£97,977	£4,549,310	£4,459,279	£4,369,249	£4,279,218	£4,189,188	£4,099,157	£4,009,127	£3,919,096	£760	£860
	5	125	40	£137,971	£135,720	£133,469	£131,219	£128,968	£126,717	£124,466	£122,216	£5,518,840	£5,428,810	£5,338,779	£5,248,749	£5,158,718	£5,068,688	£4,978,657	£4,888,627	£954	£1,054
5 Houses (20% AH)	1	360	40	£120,519	£114,037	£107,555	£101,072	£94,590	£88,108	£81,626	£75,144	£860,437	£812,295	£764,153	£716,011	£667,869	£619,727	£571,585	£523,443	£74	£248
	2	360	40	£203,315	£196,833	£190,351	£183,868	£177,386	£170,904	£164,422	£157,940	£1,626,520	£1,574,663	£1,522,805	£1,470,948	£1,419,090	£1,367,233	£1,315,375	£1,263,517	£304	£478
	3	360	40	£286,111	£279,629	£273,147	£266,664	£260,182	£253,700	£247,218	£240,736	£2,288,888	£2,237,031	£2,185,173	£2,133,316	£2,081,458	£2,029,600	£1,977,743	£1,925,885	£534	£708
	4	360	40	£359,831	£353,349	£346,866	£340,384	£333,902	£327,420	£320,938	£314,455	£2,878,647	£2,826,789	£2,774,932	£2,723,074	£2,671,216	£2,619,359	£2,567,501	£2,515,644	£739	£913
	5	360	40	£433,551	£427,069	£420,586	£414,104	£407,622	£401,140	£394,657	£388,175	£3,468,405	£3,416,548	£3,364,691	£3,312,833	£3,260,975	£3,209,117	£3,157,260	£3,105,402	£944	£1,118
15 Houses (20% AH)	1	1060	40	£226,499	£207,613	£188,727	£169,841	£150,955	£132,069	£113,183	£94,296	£603,997	£553,634	£503,272	£452,909	£402,546	£352,183	£301,820	£251,457	£52	£125
	2	1060	40	£459,802	£441,382	£423,663	£405,944	£388,225	£370,506	£352,787	£335,068	£317,349	£1,226,138	£1,177,017	£1,127,896	£1,078,775	£1,029,654	£970,533	£921,412	£168	£342
	3	1060	40	£698,694	£680,273	£661,853	£643,433	£625,013	£606,593	£588,173	£569,753	£1,863,183	£1,814,063	£1,764,942	£1,715,822	£1,666,702	£1,617,582	£1,568,462	£1,519,342	£304	£578
	4	1060	40	£917,882	£899,462	£881,042	£862,622	£844,202	£825,782	£807,362	£788,942	£2,447,684	£2,398,563	£2,349,442	£2,300,322	£2,251,202	£2,202,082	£2,152,962	£2,103,842	£601	£775
	5	1060	40	£1,137,070	£1,118,650	£1,100,230	£1,081,810	£1,063,390	£1,044,970	£1,026,550	£1,008,130	£3,032,186	£2,983,066	£2,933,946	£2,884,826	£2,835,706	£2,786,586	£2,737,466	£2,688,345	£807	£981
15 Houses (30% AH)	1	890	40	£262,633	£246,775	£230,918	£215,061	£199,204	£183,347	£167,490	£151,633	£700,354	£658,068	£615,782	£573,496	£531,210	£488,924	£446,639	£404,353	£21	£190
	2	890	40	£482,856	£467,390	£451,924	£436,458	£420,992	£405,526	£390,060	£374,594	£1,287,615	£1,246,373	£1,205,130	£1,163,888	£1,122,646	£1,081,404	£1,040,162	£999,920	£227	£401
	3	890	40	£709,560	£694,094	£678,628	£663,162	£647,696	£632,230	£616,764	£601,298	£1,892,159	£1,850,917	£1,809,675	£1,768,432	£1,727,190	£1,685,948	£1,644,705	£1,603,463	£481	£655
	4	890	40	£906,768	£891,242	£875,716	£860,190	£844,664	£829,138	£813,612	£798,086	£2,417,889	£2,376,646	£2,335,403	£2,294,160	£2,252,917	£2,211,674	£2,170,431	£2,129,188	£703	£877
	5	890	40	£1,103,857	£1,088,391	£1,072,925	£1,057,459	£1,041,993	£1,026,527	£1,011,061	£995,595	£2,943,618	£2,902,375	£2,861,133	£2,819,890	£2,778,647	£2,737,404	£2,696,161	£2,654,918	£924	£1,100
15 Houses (40% AH)	1	795	40	£202,212	£188,047	£173,883	£159,718	£145,554	£131,389	£117,224	£103,060	£539,231	£501,459	£463,687	£425,915	£388,143	£350,371	£312,599	£274,827	£99	£136
	2	795	40	£425,650	£411,486	£397,321	£383,157	£368,992	£354,827	£340,663	£326,498	£1,135,067	£1,097,295	£1,059,523	£1,021,751	£983,979	£946,207	£908,434	£870,662	£182	£417
	3	795	40	£633,071	£619,256	£605,441	£591,626	£577,811	£563,996	£550,181	£536,366	£1,688,189	£1,651,349	£1,614,509	£1,577,669	£1,540,829	£1,503,989	£1,467,149	£1,430,309	£443	£617
	4	795	40	£811,588	£797,773	£783,958	£770,143	£756,328	£742,513	£728,698	£714,883	£2,164,235	£2,127,395	£2,090,555	£2,053,715	£2,016,875	£1,980,034	£1,943,194	£1,906,354	£667	£841
	5	795	40	£990,105	£976,290	£962,475	£948,660	£934,845	£921,030	£907,215	£893,400	£2,640,280	£2,603,440	£2,566,600	£2,529,760	£2,492,920	£2,456,080	£2,419,240	£2,382,400	£892	£1,127
25 Mixed (20% AH)	1	1610	40	£440,350	£423,490	£406,630	£389,770	£372,910	£356,050	£339,190	£322,330	£1,281,623	£1,243,841	£1,206,059	£1,168,277	£1,130,495	£1,092,713	£1,054,931	£1,017,149	£18	£176
	2	1610	40	£796,376	£768,726	£741,076	£713,426	£685,776	£658,126	£630,476	£602,826	£1,274,202	£1,229,961	£1,185,720	£1,141,479	£1,097,238	£1,052,997	£1,008,756	£964,515	£203	£377
	3	1610	40	£1,152,403	£1,124,753	£1,097,103	£1,069,453	£1,041,803	£1,014,153	£986,503	£958,853	£1,843,844	£1,799,603	£1,755,362	£1,711,121	£1,666,880	£1,622,639	£1,578,398	£1,534,157	£425	£600
	4	1610	40	£1,480,576	£1,452,926	£1,425,276	£1,397,626	£1,369,976	£1,342,326	£1,314,676	£1,287,026	£2,368,921	£2,324,680	£2,280,439	£2,236,198	£2,191,957	£2,147,716	£2,103,475	£2,059,234	£628	£802
	5	1610	40	£1,808,749	£1,781,099	£1,753,449	£1,725,799	£1,698,149	£1,670,499	£1,642,849	£1,615,199	£2,893,999	£2,849,758	£2,805,517	£2,761,276	£2,717,035	£2,672,794	£2,628,553	£2,584,312	£832	£1,026
25 Mixed (25% AH)	1	1535	40	£403,426	£376,375	£349,323	£322,271	£295,219	£268,168	£241,116	£214,064	£645,482	£602,199	£558,917	£515,634	£472,351	£429,068	£385,785	£342,503	£43	£161
	2	1535	40	£743,272	£716,910	£690,548	£664,186	£637,823	£611,461	£585,099	£558,737	£1,189,236	£1,147,056	£1,104,876	£1,062,696	£1,020,516	£978,337	£936,157	£893,977	£179	£353
	3	1535	40	£1,093,399	£1,067,036	£1,040,674	£1,014,311	£987,949	£961,587	£935,224	£908,862	£1,749,438	£1,707,258	£1,665,078	£1,622,898	£1,580,718	£1,538,538	£1,496,358	£1,454,178	£407	£611
	4	1535	40	£1,407,145	£1,380,782	£1,354,420	£1,328,058	£1,301,695	£1,275,333	£1,248,970	£1,222,608	£2,251,432	£2,209,252	£2,167,072	£2,124,892	£2,082,712	£2,040,532	£2,000,352	£1,958,172	£611	£815
	5	1535	40	£1,720,891	£1,694,529	£1,668,166	£1,641,804	£1,615,441	£1,589,079	£1,562,717	£1,536,354	£2,753,426	£2,711,246	£2,669,066	£2,626,886	£2,584,706	£2,542,526	£2,500,346	£2,458,166	£816	£1,019
25 Mixed (30% AH)	1	1410	40	£335,062	£310,213	£285,364	£260,516	£235,667	£210,818	£185,969	£161,120	£536,099	£496,341	£456,583	£416,825	£377,067	£337,308	£297,550	£257,792	£95	£127
	2	1410	40	£668,749	£644,533	£620,318	£596,102	£571,886	£547,671	£523,455	£499,239	£1,069,998	£1,031,253	£992,508	£953,763	£915,018	£876,273	£837,528	£798,783	£142	£363
	3	1410	40	£1,010,974	£986,758	£962,542	£938,327	£914,111	£889,895	£865,679	£841,464	£1,617,558	£1,578,813	£1,540,068	£1,501,323	£1,462,578	£1,423,833	£1,385,088	£1,346,343	£385	£606
	4	1410	40	£1,308,065	£1,283,849	£1,259,633	£1,235,417	£1,211,202	£1,186,986	£1,162,771	£1,138,555	£2,092,903	£2,054,158	£2,015,413	£1,976,668	£1,937,923	£1,899,178	£1,860,433	£1,821,688	£595	£817
	5	1410	40	£1,605,156	£1,580,940	£1,556,724	£1,532,508	£1,508,293	£1,484,077	£1,459,862	£1,435,646	£2,568,249	£2,529,504	£2,490,759	£2,452,014	£2,413,269	£2,374,524	£2,335,779	£2,297,034	£806	£1,028
25 Mixed (35% AH)	1	1350	40	£294,114																	

Table 2: Residual Land Value Results by Scheme Type, Value Level & CIL Rate
65% Affordable Rent/35% LCHO - PDL / Employment Use Benchmark Comparison

Development Scenario	Value Level	Site Density (dph)	Residual Land Value (£)										Residual Land Value (£/Ha)								CIL Range (£/m ²)*	
			Residual Land Value - £0/m ² CIL	Residual Land Value - £20/m ² CIL	Residual Land Value - £40/m ² CIL	Residual Land Value - £60/m ² CIL	Residual Land Value - £80/m ² CIL	Residual Land Value - £100/m ² CIL	Residual Land Value - £120/m ² CIL	Residual Land Value - £140/m ² CIL	Residual Land Value - £0/m ² CIL	Residual Land Value - £20/m ² CIL	Residual Land Value - £40/m ² CIL	Residual Land Value - £60/m ² CIL	Residual Land Value - £80/m ² CIL	Residual Land Value - £100/m ² CIL	Residual Land Value - £120/m ² CIL	Residual Land Value - £140/m ² CIL				
1 House (10% AH)**	1	40	£41,018	£38,767	£36,516	£34,266	£32,015	£29,764	£27,513	£25,263	£1,640,719	£1,550,688	£1,460,658	£1,370,627	£1,280,597	£1,190,566	£1,100,536	£1,010,505	-£42	£205		
	2	40	£65,256	£63,005	£60,755	£58,504	£56,253	£54,002	£51,752	£49,501	£2,610,249	£2,520,218	£2,430,188	£2,340,157	£2,250,127	£2,160,096	£2,070,066	£1,980,035	£152	£398		
	3	40	£89,494	£87,244	£84,993	£82,742	£80,491	£78,241	£75,990	£73,739	£3,579,779	£3,489,749	£3,399,718	£3,309,688	£3,219,657	£3,129,627	£3,039,596	£2,949,566	£346	£592		
	4	40	£113,733	£111,482	£109,231	£106,980	£104,730	£102,479	£100,228	£97,977	£4,549,310	£4,459,279	£4,369,249	£4,279,218	£4,189,188	£4,099,157	£4,009,127	£3,919,096	£540	£786		
	5	40	£137,971	£135,720	£133,469	£131,219	£128,968	£126,717	£124,466	£122,216	£5,518,840	£5,428,810	£5,338,779	£5,248,749	£5,158,718	£5,068,688	£4,978,657	£4,888,627	£734	£980		
5 Houses (20% AH)	1	40	£120,519	£114,037	£107,555	£101,072	£94,590	£88,108	£81,626	£75,144	£964,152	£912,295	£860,437	£808,580	£756,722	£704,865	£653,007	£601,149	-£308	£120		
	2	40	£203,315	£196,833	£190,351	£183,868	£177,386	£170,904	£164,422	£157,940	£1,626,520	£1,574,663	£1,522,805	£1,470,948	£1,419,090	£1,367,233	£1,315,375	£1,263,517	-£78	£350		
	3	40	£286,111	£279,629	£273,147	£266,664	£260,182	£253,700	£247,218	£240,736	£2,288,888	£2,237,031	£2,185,173	£2,133,316	£2,081,458	£2,029,600	£1,977,743	£1,925,885	£152	£580		
	4	40	£359,831	£353,349	£346,866	£340,384	£333,902	£327,420	£320,938	£314,456	£2,878,647	£2,826,790	£2,774,932	£2,723,075	£2,671,216	£2,619,359	£2,567,501	£2,515,644	£357	£785		
	5	40	£433,551	£427,068	£420,586	£414,104	£407,622	£401,140	£394,657	£388,175	£3,468,405	£3,416,548	£3,364,690	£3,312,832	£3,260,975	£3,209,117	£3,157,260	£3,105,402	£562	£990		
15 Houses (20% AH)	1	40	£226,499	£207,613	£188,727	£169,841	£150,955	£132,069	£113,183	£94,296	£603,997	£553,634	£503,272	£452,909	£402,546	£352,183	£301,820	£251,457	-£441	-£5		
	2	40	£459,802	£441,382	£423,663	£405,944	£388,225	£370,505	£352,785	£335,065	£1,226,138	£1,177,017	£1,127,896	£1,078,775	£1,029,654	£980,533	£931,412	£882,291	-£221	£215		
	3	40	£698,694	£680,273	£661,853	£643,433	£625,013	£606,593	£588,173	£569,753	£1,863,183	£1,814,063	£1,764,943	£1,715,822	£1,666,702	£1,617,582	£1,568,462	£1,519,342	£5	£441		
	4	40	£917,882	£899,462	£881,042	£862,622	£844,202	£825,782	£807,362	£788,942	£2,447,684	£2,398,564	£2,349,444	£2,300,324	£2,251,204	£2,202,084	£2,152,964	£2,103,844	£211	£647		
	5	40	£1,137,070	£1,118,650	£1,100,230	£1,081,810	£1,063,390	£1,044,970	£1,026,550	£1,008,130	£3,032,186	£2,983,066	£2,933,946	£2,884,826	£2,835,706	£2,786,586	£2,737,466	£2,688,346	£418	£854		
15 Houses (30% AH)	1	40	£262,633	£246,775	£230,918	£215,061	£199,204	£183,347	£167,489	£151,632	£700,354	£658,068	£615,782	£573,496	£531,210	£488,924	£446,639	£404,353	-£484	£35		
	2	40	£482,856	£467,390	£451,924	£436,458	£420,992	£405,526	£390,060	£374,594	£1,287,615	£1,246,373	£1,205,130	£1,163,888	£1,122,646	£1,081,404	£1,040,162	£1,000,000	-£237	£282		
	3	40	£709,560	£694,094	£678,628	£663,162	£647,696	£632,230	£616,764	£601,298	£1,892,159	£1,850,917	£1,809,675	£1,768,433	£1,727,190	£1,685,948	£1,644,706	£1,603,464	£18	£537		
	4	40	£906,708	£891,242	£875,776	£860,310	£844,844	£829,378	£813,912	£798,446	£2,417,889	£2,376,646	£2,335,404	£2,294,162	£2,252,919	£2,211,677	£2,170,435	£2,129,192	£239	£758		
	5	40	£1,103,857	£1,088,391	£1,072,925	£1,057,459	£1,041,993	£1,026,527	£1,011,061	£995,595	£2,943,618	£2,902,375	£2,861,133	£2,819,891	£2,778,648	£2,737,406	£2,696,164	£2,654,921	£461	£980		
15 Houses (40% AH)	1	40	£202,212	£188,047	£173,883	£159,718	£145,554	£131,389	£117,224	£103,060	£539,231	£501,459	£463,687	£425,915	£388,143	£350,371	£312,598	£274,826	-£618	-£37		
	2	40	£425,650	£411,486	£397,321	£383,157	£368,992	£354,827	£340,663	£326,498	£1,135,067	£1,097,295	£1,059,523	£1,021,751	£983,979	£946,207	£908,434	£870,662	-£337	£244		
	3	40	£633,071	£619,256	£605,441	£591,626	£577,811	£563,996	£550,181	£536,366	£1,688,189	£1,651,399	£1,614,599	£1,577,769	£1,540,829	£1,503,989	£1,467,149	£1,430,309	-£76	£505		
	4	40	£811,588	£797,773	£783,958	£770,143	£756,328	£742,513	£728,698	£714,883	£2,164,235	£2,127,395	£2,090,555	£2,053,715	£2,016,875	£1,980,035	£1,943,194	£1,906,354	£148	£729		
	5	40	£990,105	£976,290	£962,475	£948,660	£934,845	£921,030	£907,215	£893,400	£2,640,280	£2,603,440	£2,566,600	£2,529,760	£2,492,920	£2,456,080	£2,419,240	£2,382,400	£373	£954		
25 Mixed (20% AH)	1	40	£440,350	£423,490	£406,630	£389,770	£372,910	£356,050	£339,190	£322,330	£704,559	£677,585	£650,611	£623,637	£596,663	£569,689	£542,715	£515,741	-£445	£34		
	2	40	£796,376	£768,726	£741,076	£713,426	£685,776	£658,126	£630,476	£602,826	£1,274,202	£1,229,961	£1,185,720	£1,141,479	£1,097,239	£1,052,998	£1,008,757	£964,516	-£224	£255		
	3	40	£1,152,403	£1,124,753	£1,097,103	£1,069,453	£1,041,803	£1,014,153	£986,503	£958,853	£1,843,844	£1,799,604	£1,755,363	£1,711,122	£1,666,881	£1,622,640	£1,578,400	£1,534,159	-£2	£476		
	4	40	£1,480,576	£1,452,926	£1,425,276	£1,397,626	£1,369,976	£1,342,326	£1,314,676	£1,287,026	£2,368,974	£2,324,681	£2,280,388	£2,236,095	£2,191,802	£2,147,509	£2,103,216	£2,058,923	£201	£680		
	5	40	£1,808,749	£1,781,099	£1,753,448	£1,725,798	£1,698,147	£1,670,497	£1,642,846	£1,615,196	£2,893,999	£2,849,758	£2,805,517	£2,761,276	£2,717,035	£2,672,794	£2,628,553	£2,584,312	£405	£884		
25 Mixed (25% AH)	1	40	£403,426	£376,375	£349,323	£322,271	£295,219	£268,168	£241,116	£214,064	£645,482	£602,199	£558,917	£515,634	£472,351	£429,068	£385,785	£342,502	-£490	£11		
	2	40	£743,272	£716,220	£689,168	£662,116	£635,064	£608,012	£580,960	£553,908	£1,189,236	£1,147,056	£1,104,876	£1,062,696	£1,020,516	£978,336	£936,155	£893,974	-£269	£233		
	3	40	£1,093,399	£1,067,036	£1,040,674	£1,014,311	£987,949	£961,586	£935,224	£908,862	£1,749,438	£1,707,258	£1,665,077	£1,622,896	£1,580,715	£1,538,534	£1,496,353	£1,454,172	-£41	£461		
	4	40	£1,407,145	£1,380,782	£1,354,420	£1,328,058	£1,301,695	£1,275,333	£1,248,970	£1,222,608	£2,251,432	£2,209,252	£2,167,072	£2,124,892	£2,082,712	£2,040,532	£1,998,351	£1,956,170	£163	£665		
	5	40	£1,720,891	£1,694,529	£1,668,166	£1,641,804	£1,615,441	£1,589,079	£1,562,717	£1,536,354	£2,753,426	£2,711,246	£2,669,066	£2,626,886	£2,584,706	£2,542,526	£2,500,346	£2,458,166	£368	£869		
25 Mixed (30% AH)	1	40	£335,062	£310,213	£285,364	£260,516	£235,667	£210,818	£185,969	£161,120	£536,099	£496,341	£456,583	£416,825	£377,067	£337,308	£297,550	£257,792	-£582	-£36		
	2	40	£668,749	£643,899	£619,050	£594,201	£569,352	£544,503	£519,654	£494,805	£1,069,998	£1,031,253	£992,507	£953,761	£915,015	£876,269	£837,523	£798,777	-£346	£200		
	3	40	£1,010,974	£986,124	£961,274	£936,424	£911,574	£886,724	£861,874	£837,024	£1,617,558	£1,578,813	£1,540,068	£1,501,323	£1,462,578	£1,423,833	£1,385,088	£1,346,343	-£103	£443		
	4	40	£1,308,065	£1,283,215	£1,258,365	£1,233,515	£1,208,665	£1,183,815	£1,158,965	£1,134,115	£2,092,903	£2,054,158	£2,015,413	£1,976,668	£1,937,923	£1,899,178	£1,860,433	£1,821,688	£108	£654		
	5	40	£1,605,156	£1,580,306	£1,555,456	£1,530,606	£1,505,756	£1,480,906	£1,456,056	£1,431,206	£2,568,249	£2,529,504	£2,490,759	£2,452,014	£2,413,269	£2,374,524	£2,335,779	£2,297,034	£318	£864		
25 Mixed (35% AH)	1	40	£294,114	£270,323	£246,531	£222,740	£198,948	£175,157	£151,365	£127,574	£470,583	£432,516	£394,450	£356,384	£318,317	£280,251	£242,185	£204,118	-£639	-£68		
	2	40	£624,920	£601,735	£578,549	£555,364	£532,179	£508,994	£485,80													

**Table 3: Residual Land Value Results - Large Strategic Site Equivalent - Base
65% Affordable Rent/35% LCHO - Greenfield Benchmark Comparison Only**

Development Scenario	Value Level	Site Density (dph)	Residual Land Value (£)									Residual Land Value (£/Ha)							CIL Range (£/m ²)*	
			Residual Land Value - £0/m ² CIL	Residual Land Value - £20/m ² CIL	Residual Land Value - £40/m ² CIL	Residual Land Value - £60/m ² CIL	Residual Land Value - £80/m ² CIL	Residual Land Value - £100/m ² CIL	Residual Land Value - £120/m ² CIL	Residual Land Value - £140/m ² CIL	Residual Land Value - £0/m ² CIL	Residual Land Value - £20/m ² CIL	Residual Land Value - £40/m ² CIL	Residual Land Value - £60/m ² CIL	Residual Land Value - £80/m ² CIL	Residual Land Value - £100/m ² CIL	Residual Land Value - £120/m ² CIL	Residual Land Value - £140/m ² CIL		
500 Mixed (20% AH)	1	35	£9,475,522	£9,085,392	£8,693,855	£8,300,737	£7,905,655	£7,508,696	£7,109,289	£6,707,265	£663,287	£635,977	£608,570	£581,052	£553,396	£525,609	£497,650	£469,509	-£37	£176
	2	35	£14,853,523	£14,384,507	£14,003,398	£13,621,922	£13,239,560	£12,856,684	£12,473,189	£12,088,937	£1,039,747	£1,006,915	£980,238	£953,535	£926,769	£899,968	£873,123	£846,226	£123	£336
500 Mixed (25% AH)	1	35	£8,943,325	£8,574,568	£8,204,541	£7,832,988	£7,459,735	£7,084,825	£6,707,622	£6,328,201	£626,033	£600,220	£574,318	£548,309	£522,181	£495,938	£469,534	£442,974	-£56	£169
	2	35	£14,156,039	£13,796,464	£13,436,319	£13,075,889	£12,714,668	£12,352,980	£11,990,771	£11,627,764	£990,923	£965,752	£940,542	£915,312	£890,027	£864,709	£839,354	£813,943	£109	£334
500 Mixed (30% AH)	1	35	£8,282,058	£7,936,882	£7,590,486	£7,242,771	£6,893,648	£6,542,844	£6,190,208	£5,835,412	£579,744	£555,582	£531,334	£506,994	£482,555	£457,999	£433,315	£408,479	-£82	£159
	2	35	£13,398,326	£13,062,160	£12,725,315	£12,388,197	£12,050,567	£11,712,338	£11,373,690	£11,034,395	£937,883	£914,351	£890,772	£867,174	£843,540	£819,864	£796,158	£772,408	£91	£332
500 Mixed (35% AH)	1	35	£7,824,624	£7,498,876	£7,172,025	£6,843,978	£6,514,650	£6,183,938	£5,851,392	£5,517,236	£547,724	£524,921	£502,042	£479,078	£456,026	£432,876	£409,597	£386,207	-£103	£152
	2	35	£12,877,651	£12,560,429	£12,242,630	£11,924,579	£11,606,040	£11,287,008	£10,967,650	£10,647,535	£901,436	£879,230	£856,984	£834,721	£812,423	£790,091	£767,736	£745,327	£77	£333
500 Mixed (40% AH)	1	35	£7,367,191	£7,060,871	£6,753,564	£6,445,185	£6,135,652	£5,824,877	£5,512,630	£5,198,754	£515,703	£494,261	£472,749	£451,163	£429,496	£407,741	£385,884	£363,913	-£127	£144
	2	35	£12,356,975	£12,058,699	£11,759,945	£11,460,961	£11,161,512	£10,861,678	£10,561,514	£10,260,679	£864,988	£844,109	£823,196	£802,267	£781,306	£760,317	£739,306	£718,248	£63	£334

Key:

- Negative RLV
- RLV between zero and lower assumed greenfield enhancement value (c£250,000/Ha)
- RLV between lower assumed greenfield enhancement value and upper assumed greenfield enhancement value (c£250,000/Ha - £750,000/Ha)
- RLV at or above upper assumed greenfield enhancement value (c£750,000/Ha)

Source: Dixon Searle LLP (September 2011)

**Table 3a: Residual Land Value Results - Large Strategic Site Equivalent - Sensitivity - Added Cost
65% Affordable Rent/35% LCHO - Greenfield Benchmark Comparison Only**

Development Scenario	Value Level	Site Density (dph)	Residual Land Value (£)									Residual Land Value (£/Ha)							CIL Range (£/m ²)*	
			Residual Land Value - £0/m ² CIL	Residual Land Value - £20/m ² CIL	Residual Land Value - £40/m ² CIL	Residual Land Value - £60/m ² CIL	Residual Land Value - £80/m ² CIL	Residual Land Value - £100/m ² CIL	Residual Land Value - £120/m ² CIL	Residual Land Value - £140/m ² CIL	Residual Land Value - £0/m ² CIL	Residual Land Value - £20/m ² CIL	Residual Land Value - £40/m ² CIL	Residual Land Value - £60/m ² CIL	Residual Land Value - £80/m ² CIL	Residual Land Value - £100/m ² CIL	Residual Land Value - £120/m ² CIL	Residual Land Value - £140/m ² CIL		
500 Mixed (20% AH)	1	35	£5,953,557	£5,542,446	£5,130,446	£4,717,336	£4,302,610	£3,886,908	£3,470,252	£3,051,881	£416,749	£387,971	£359,131	£330,214	£301,183	£272,084	£242,918	£213,632	-£142	£71
	2	35	£11,408,457	£11,017,657	£10,625,742	£10,231,038	£9,838,423	£9,442,798	£9,045,715	£8,646,896	£798,592	£771,236	£743,802	£716,173	£688,690	£660,996	£633,200	£605,283	£21	£234
500 Mixed (25% AH)	1	35	£5,416,764	£5,028,103	£4,638,441	£4,247,905	£3,855,980	£3,462,837	£3,068,765	£2,673,551	£379,173	£351,967	£324,691	£297,353	£269,919	£242,399	£214,814	£187,149	-£167	£58
	2	35	£10,796,851	£10,427,500	£10,057,158	£9,685,637	£9,313,011	£8,939,175	£8,564,024	£8,187,403	£755,780	£729,925	£704,001	£677,995	£651,911	£625,742	£599,482	£573,118	£3	£228
500 Mixed (30% AH)	1	35	£4,746,126	£4,382,671	£4,017,875	£3,652,001	£3,285,277	£2,917,418	£2,548,250	£2,178,188	£332,229	£306,787	£281,251	£255,640	£229,969	£204,219	£178,377	£152,473	-£201	£40
	2	35	£10,034,292	£9,688,479	£9,341,832	£8,994,253	£8,645,640	£8,295,894	£7,944,917	£7,592,611	£702,400	£678,194	£653,928	£629,598	£605,195	£580,713	£556,144	£531,483	-£23	£218
500 Mixed (35% AH)	1	35	£4,285,822	£3,942,578	£3,598,427	£3,252,909	£2,906,571	£2,559,428	£2,210,895	£1,861,417	£300,008	£275,980	£251,890	£227,704	£203,460	£179,160	£154,763	£130,299	-£230	£26
	2	35	£9,512,115	£9,185,657	£8,858,476	£8,530,484	£8,201,590	£7,871,694	£7,540,706	£7,208,531	£665,848	£642,996	£620,093	£597,134	£574,111	£551,019	£527,849	£504,597	-£43	£213
500 Mixed (40% AH)	1	35	£3,825,524	£3,502,489	£3,178,717	£2,853,817	£2,527,882	£2,201,165	£1,873,540	£1,544,645	£267,787	£245,174	£222,510	£199,767	£176,952	£154,082	£131,148	£108,125	-£262	£10
	2	35	£8,989,843	£8,682,835	£8,375,124	£8,066,718	£7,757,540	£7,447,483	£7,136,350	£6,824,235	£629,289	£607,798	£586,259	£564,670	£543,028	£521,324	£499,545	£477,696	-£66	£206

Key:

- Negative RLV
- RLV between zero and lower assumed greenfield enhancement value (c£250,000/Ha)
- RLV between lower assumed greenfield enhancement value and upper assumed greenfield enhancement value (c£250,000/Ha - £750,000/Ha)
- RLV at or above upper assumed greenfield enhancement value (c£750,000/Ha)

Source: Dixon Searle LLP (September 2011)

Table 4: Residual Land Value Results - Tenure Sensitivity - Greenfield Comparison

Development Scenario	Value Level	Site Density (dph)	Residual Land Value (£)									Residual Land Value (£/Ha)							CIL Range (£/m ²)*	
			Residual Land Value - £0/m ² CIL	Residual Land Value - £20/m ² CIL	Residual Land Value - £40/m ² CIL	Residual Land Value - £60/m ² CIL	Residual Land Value - £80/m ² CIL	Residual Land Value - £100/m ² CIL	Residual Land Value - £120/m ² CIL	Residual Land Value - £140/m ² CIL	Residual Land Value - £0/m ² CIL	Residual Land Value - £20/m ² CIL	Residual Land Value - £40/m ² CIL	Residual Land Value - £60/m ² CIL	Residual Land Value - £80/m ² CIL	Residual Land Value - £100/m ² CIL	Residual Land Value - £120/m ² CIL	Residual Land Value - £140/m ² CIL		
25 Mixed (40% AH) - 65% AR / 35% LCHO	1	40	£245,677	£223,207	£200,737	£178,267	£155,798	£133,328	£110,858	£88,389	£393,083	£357,131	£321,179	£285,228	£249,276	£213,325	£177,373	£141,422	-£175	£70
	2	40	£571,816	£549,919	£528,022	£506,125	£484,228	£462,331	£440,433	£418,536	£914,906	£879,870	£844,835	£809,800	£774,764	£739,729	£704,693	£669,658	£81	£326
	3	40	£904,216	£882,319	£860,422	£838,525	£816,628	£794,730	£772,833	£750,936	£1,446,746	£1,411,710	£1,376,675	£1,341,640	£1,306,604	£1,271,569	£1,236,533	£1,201,498	£342	£587
	4	40	£1,175,339	£1,153,441	£1,131,544	£1,109,647	£1,087,750	£1,065,853	£1,043,956	£1,022,059	£1,880,542	£1,845,506	£1,810,471	£1,775,435	£1,740,400	£1,705,365	£1,670,329	£1,635,294	£554	£799
25 Mixed (40% AH) - 65% SR / 35% LCHO	1	40	£1,446,461	£1,424,564	£1,402,667	£1,380,770	£1,358,872	£1,336,975	£1,315,078	£1,293,181	£2,314,337	£2,279,302	£2,244,267	£2,209,231	£2,174,196	£2,139,160	£2,104,125	£2,069,090	£767	£1,012
	2	40	£94,765	£72,295	£49,825	£27,356	£4,886	£-20,554	£-46,819	£-73,084	£151,624	£115,672	£79,721	£43,769	£7,818	£-32,886	£-74,910	£-116,934	-£293	£-£48
	3	40	£374,815	£352,346	£329,876	£307,406	£284,936	£262,467	£239,997	£217,527	£599,704	£563,753	£527,801	£491,850	£455,898	£419,947	£383,995	£348,044	-£74	£171
	4	40	£666,684	£644,787	£622,890	£600,993	£579,096	£557,199	£535,302	£513,404	£1,066,695	£1,031,659	£996,624	£961,589	£926,553	£891,518	£856,482	£821,447	£155	£400
25 Mixed (40% AH) - 34% SR / 33% AR / 33% LCHO	1	40	£954,739	£932,842	£910,945	£889,048	£867,151	£845,254	£823,357	£801,459	£1,527,583	£1,492,547	£1,457,512	£1,422,477	£1,387,441	£1,352,406	£1,317,370	£1,282,335	£381	£626
	2	40	£1,251,598	£1,229,701	£1,207,804	£1,185,907	£1,164,010	£1,142,113	£1,120,215	£1,098,318	£2,002,557	£1,967,522	£1,932,486	£1,897,451	£1,862,416	£1,827,380	£1,792,345	£1,757,309	£614	£859
	3	40	£153,282	£130,812	£108,342	£85,873	£63,403	£40,933	£18,463	£-4,683	£245,251	£209,299	£173,348	£137,396	£101,445	£65,493	£29,541	£-7,493	-£247	£-£2
	4	40	£444,054	£422,157	£410,726	£388,256	£365,787	£343,317	£320,847	£298,378	£710,487	£675,451	£657,162	£621,210	£585,259	£549,307	£513,356	£477,404	-£19	£226
100 Mixed (40% AH) - 65% AR / 35% LCHO	1	40	£757,525	£735,628	£713,731	£691,834	£669,937	£648,039	£626,142	£604,245	£1,212,040	£1,177,005	£1,141,969	£1,106,934	£1,071,899	£1,036,863	£1,001,828	£966,792	£226	£472
	2	40	£1,040,278	£1,018,381	£996,484	£974,586	£952,689	£930,792	£908,895	£886,998	£1,664,444	£1,629,409	£1,594,374	£1,559,338	£1,524,303	£1,489,267	£1,454,232	£1,419,197	£448	£693
	3	40	£1,327,157	£1,305,260	£1,283,363	£1,261,466	£1,239,569	£1,217,672	£1,195,774	£1,173,877	£2,123,452	£2,088,416	£2,053,381	£2,018,345	£1,983,310	£1,948,275	£1,913,239	£1,878,204	£673	£918
	4	40	£679,891	£594,165	£508,438	£422,711	£347,056	£258,767	£170,478	£82,188	£271,957	£237,666	£203,375	£169,084	£138,822	£103,507	£68,191	£32,875	-£227	£10
100 Mixed (40% AH) - 34% SR / 33% AR / 33% LCHO	1	40	£1,958,257	£1,872,530	£1,786,803	£1,701,076	£1,615,349	£1,529,622	£1,443,896	£1,358,169	£783,303	£749,012	£714,721	£680,431	£646,140	£611,849	£577,558	£543,267	£16	£254
	2	40	£3,236,623	£3,150,896	£3,065,169	£2,979,442	£2,893,715	£2,807,988	£2,722,261	£2,636,534	£1,294,649	£1,260,358	£1,226,068	£1,191,777	£1,157,486	£1,123,195	£1,088,904	£1,054,614	£259	£497
	3	40	£4,290,235	£4,204,508	£4,118,781	£4,033,054	£3,947,327	£3,861,600	£3,775,873	£3,690,147	£1,716,094	£1,681,803	£1,647,512	£1,613,222	£1,578,931	£1,544,640	£1,510,349	£1,476,059	£460	£697
	4	40	£5,343,847	£5,258,120	£5,172,393	£5,086,666	£5,000,940	£4,915,213	£4,829,486	£4,743,759	£2,137,539	£2,103,248	£2,068,957	£2,034,667	£2,000,376	£1,966,085	£1,931,794	£1,897,504	£660	£898
100 Mixed (40% AH) - 65% SR / 35% LCHO	1	40	£144,682	£56,393	£-40,247	£-151,653	£-263,059	£-374,465	£-485,871	£-597,277	£57,873	£22,557	£-16,099	£-60,661	£-105,224	£-149,786	£-194,349	£-238,911	-£329	£-£91
	2	40	£1,179,520	£1,093,793	£1,008,066	£922,340	£836,613	£750,886	£665,159	£579,432	£471,808	£437,517	£403,227	£368,936	£334,645	£300,354	£266,064	£231,773	-£132	£106
	3	40	£2,344,880	£2,259,153	£2,173,426	£2,087,699	£2,001,973	£1,916,246	£1,830,519	£1,744,792	£937,952	£903,661	£869,371	£835,080	£800,789	£766,498	£732,207	£697,917	£89	£327
	4	40	£3,481,123	£3,395,396	£3,309,669	£3,223,942	£3,138,215	£3,052,488	£2,966,761	£2,881,034	£1,392,449	£1,358,158	£1,323,868	£1,289,577	£1,255,286	£1,220,995	£1,186,705	£1,152,414	£306	£544
100 Mixed (40% AH) - 34% SR / 33% AR / 33% LCHO	1	40	£4,629,132	£4,543,405	£4,457,678	£4,371,951	£4,286,224	£4,200,497	£4,114,770	£4,029,043	£1,851,653	£1,817,362	£1,783,071	£1,748,780	£1,714,490	£1,680,199	£1,645,908	£1,611,617	£524	£762
	2	40	£346,529	£258,239	£169,950	£81,661	£-8,364	£-119,770	£-231,176	£-342,582	£138,611	£103,296	£67,980	£32,664	£-3,346	£-47,908	£-92,470	£-137,033	-£291	£-£53
	3	40	£1,455,613	£1,369,886	£1,284,159	£1,198,432	£1,112,705	£1,026,978	£941,251	£855,524	£582,245	£547,954	£513,663	£479,373	£445,082	£410,791	£376,500	£342,210	-£80	£158
	4	40	£2,664,005	£2,578,278	£2,492,551	£2,406,824	£2,321,097	£2,235,370	£2,149,643	£2,063,916	£1,065,602	£1,031,311	£997,020	£962,730	£928,439	£894,148	£859,857	£825,567	£150	£388
2	40	£3,769,602	£3,683,875	£3,598,148	£3,512,421	£3,426,694	£3,340,967	£3,255,240	£3,169,513	£1,507,841	£1,473,550	£1,439,259	£1,404,968	£1,370,678	£1,336,387	£1,302,096	£1,267,805	£361	£598	
	40	£4,869,790	£4,784,063	£4,698,336	£4,612,609	£4,526,882	£4,441,155	£4,355,428	£4,269,701	£1,947,916	£1,913,625	£1,879,334	£1,845,044	£1,810,753	£1,776,462	£1,742,171	£1,707,880	£570	£808	

Key: ■ Negative RLV
■ RLV between zero and lower assumed greenfield enhancement value (c£250,000/Ha)
■ RLV between lower assumed greenfield enhancement value and upper assumed greenfield enhancement value (c£250,000/Ha - £750,000/Ha)
■ RLV at or above upper assumed greenfield enhancement value (c£750,000/Ha)

Source: Dixon Searle LLP (September 2011)

Table 5: Residual Land Value Results - Tenure Sensitivity - PDL Comparison

Development Scenario	Value Level	Site Density (dph)	Residual Land Value (£)									Residual Land Value (£/Ha)							CIL Range (£/m ²)*	
			Residual Land Value - £0/m ² CIL	Residual Land Value - £20/m ² CIL	Residual Land Value - £40/m ² CIL	Residual Land Value - £60/m ² CIL	Residual Land Value - £80/m ² CIL	Residual Land Value - £100/m ² CIL	Residual Land Value - £120/m ² CIL	Residual Land Value - £140/m ² CIL	Residual Land Value - £0/m ² CIL	Residual Land Value - £20/m ² CIL	Residual Land Value - £40/m ² CIL	Residual Land Value - £60/m ² CIL	Residual Land Value - £80/m ² CIL	Residual Land Value - £100/m ² CIL	Residual Land Value - £120/m ² CIL	Residual Land Value - £140/m ² CIL		
25 Mixed (40% AH) - 65% AR / 35% LCHO	1	40	£245,677	£223,207	£200,737	£178,267	£155,798	£133,328	£110,858	£88,389	£393,083	£357,131	£321,179	£285,228	£249,276	£213,325	£177,373	£141,422	-£714	-£110
	2	40	£571,816	£549,919	£528,022	£506,125	£484,228	£462,331	£440,433	£418,536	£914,906	£879,870	£844,835	£809,800	£774,764	£739,729	£704,693	£669,658	-£458	£146
	3	40	£904,216	£882,319	£860,422	£838,525	£816,628	£794,730	£772,833	£750,936	£1,446,746	£1,411,710	£1,376,675	£1,341,640	£1,306,604	£1,271,569	£1,236,533	£1,201,498	-£198	£406
	4	40	£1,175,339	£1,153,441	£1,131,544	£1,109,647	£1,087,750	£1,065,853	£1,043,956	£1,022,059	£1,880,542	£1,845,506	£1,810,471	£1,775,435	£1,740,400	£1,705,365	£1,670,329	£1,635,294	£15	£619
25 Mixed (40% AH) - 65% SR / 35% LCHO	1	40	£1,446,461	£1,424,564	£1,402,667	£1,380,770	£1,358,872	£1,336,975	£1,315,078	£1,293,181	£2,314,337	£2,279,302	£2,244,267	£2,209,231	£2,174,196	£2,139,160	£2,104,125	£2,069,090	£228	£832
	2	40	£94,765	£72,295	£49,825	£27,356	£4,886	£-20,554	£-46,819	£-73,084	£151,624	£115,672	£79,721	£43,769	£7,818	£-32,886	£-74,910	£-116,934	-£833	-£229
	3	40	£374,815	£352,346	£329,876	£307,406	£284,936	£262,467	£239,997	£217,527	£599,704	£563,753	£527,801	£491,850	£455,898	£419,947	£383,995	£348,044	-£613	£-9
	4	40	£666,684	£644,787	£622,890	£600,993	£579,096	£557,199	£535,302	£513,404	£1,066,695	£1,031,659	£996,624	£961,589	£926,553	£891,518	£856,482	£821,447	-£384	£220
25 Mixed (40% AH) - 34% SR / 33% AR / 33% LCHO	1	40	£954,739	£932,842	£910,945	£889,048	£867,151	£845,254	£823,357	£801,459	£1,527,583	£1,492,547	£1,457,512	£1,422,477	£1,387,441	£1,352,406	£1,317,370	£1,282,335	-£158	£446
	2	40	£1,251,598	£1,229,701	£1,207,804	£1,185,907	£1,164,010	£1,142,113	£1,120,215	£1,098,318	£2,002,557	£1,967,522	£1,932,486	£1,897,451	£1,862,416	£1,827,380	£1,792,345	£1,757,309	£75	£679
	3	40	£153,282	£130,812	£108,342	£85,873	£63,403	£40,933	£18,463	£-4,683	£245,251	£209,299	£173,348	£137,396	£101,445	£65,493	£29,541	£-7,493	-£787	-£183
	4	40	£444,054	£422,157	£400,260	£378,363	£356,466	£334,569	£312,672	£290,775	£710,487	£675,451	£640,415	£605,379	£570,343	£535,307	£500,271	£465,235	-£559	£45
100 Mixed (40% AH) - 65% AR / 35% LCHO	1	40	£757,525	£735,628	£713,731	£691,834	£669,937	£648,039	£626,142	£604,245	£1,212,040	£1,177,005	£1,141,969	£1,106,934	£1,071,899	£1,036,863	£1,001,828	£966,792	-£313	£291
	2	40	£1,040,278	£1,018,381	£996,484	£974,586	£952,689	£930,792	£908,895	£886,998	£1,664,444	£1,629,409	£1,594,374	£1,559,338	£1,524,303	£1,489,267	£1,454,232	£1,419,197	-£91	£513
	3	40	£1,327,157	£1,305,260	£1,283,363	£1,261,466	£1,239,569	£1,217,672	£1,195,774	£1,173,877	£2,123,452	£2,088,416	£2,053,381	£2,018,345	£1,983,309	£1,948,273	£1,913,237	£1,878,201	£134	£738
	4	40	£679,891	£594,165	£508,438	£422,711	£347,056	£258,767	£170,478	£82,188	£271,957	£237,666	£203,375	£169,084	£138,822	£103,507	£68,191	£32,875	-£751	-£165
100 Mixed (40% AH) - 65% SR / 35% LCHO	1	40	£1,958,257	£1,872,530	£1,786,803	£1,701,076	£1,615,349	£1,529,622	£1,443,896	£1,358,169	£783,303	£749,012	£714,721	£680,431	£646,140	£611,849	£577,558	£543,267	-£507	£79
	2	40	£3,236,623	£3,150,896	£3,065,169	£2,979,442	£2,893,715	£2,807,988	£2,722,261	£2,636,534	£1,294,649	£1,260,358	£1,226,068	£1,191,777	£1,157,486	£1,123,195	£1,088,904	£1,054,614	-£264	£322
	3	40	£4,290,235	£4,204,508	£4,118,781	£4,033,054	£3,947,327	£3,861,600	£3,775,873	£3,690,147	£1,716,094	£1,681,803	£1,647,512	£1,613,222	£1,578,931	£1,544,640	£1,510,349	£1,476,059	-£64	£522
	4	40	£5,343,847	£5,258,120	£5,172,393	£5,086,666	£5,000,940	£4,915,213	£4,829,486	£4,743,759	£2,137,539	£2,103,248	£2,068,957	£2,034,667	£2,000,376	£1,966,085	£1,931,794	£1,897,504	£137	£723
100 Mixed (40% AH) - 34% SR / 33% AR / 33% LCHO	1	40	£144,682	£56,393	£-40,247	£-151,653	£-263,059	£-374,465	£-485,871	£-597,277	£57,873	£22,557	£-16,099	£-60,661	£-105,224	£-149,786	£-194,349	£-238,911	-£853	-£266
	2	40	£1,179,520	£1,093,793	£1,008,066	£922,340	£836,613	£750,886	£665,159	£579,432	£471,808	£437,517	£403,227	£368,936	£334,645	£300,354	£266,064	£231,773	-£656	-£70
	3	40	£2,344,880	£2,259,153	£2,173,426	£2,087,699	£2,001,973	£1,916,246	£1,830,519	£1,744,792	£937,952	£903,661	£869,371	£835,080	£800,789	£766,498	£732,207	£697,917	-£434	£152
	4	40	£3,481,123	£3,395,396	£3,309,669	£3,223,942	£3,138,215	£3,052,488	£2,966,761	£2,881,034	£1,392,449	£1,358,158	£1,323,868	£1,289,577	£1,255,286	£1,220,995	£1,186,705	£1,152,414	-£218	£368
100 Mixed (40% AH) - 34% SR / 33% AR / 33% LCHO	1	40	£4,629,132	£4,543,405	£4,457,678	£4,371,951	£4,286,224	£4,200,497	£4,114,770	£4,029,043	£1,851,653	£1,817,362	£1,783,071	£1,748,780	£1,714,490	£1,680,199	£1,645,908	£1,611,617	£1	£587
	2	40	£346,529	£258,239	£169,950	£81,661	£-8,364	£-119,770	£-231,176	£-342,582	£138,611	£103,296	£67,980	£32,664	£-3,346	£-47,908	£-92,470	£-137,033	-£814	-£228
	3	40	£1,455,613	£1,369,886	£1,284,159	£1,198,432	£1,112,705	£1,026,978	£941,251	£855,524	£582,245	£547,954	£513,663	£479,373	£445,082	£410,791	£376,500	£342,210	-£603	-£17
	4	40	£2,664,005	£2,578,278	£2,492,551	£2,406,824	£2,321,097	£2,235,370	£2,149,643	£2,063,916	£1,065,602	£1,031,311	£997,020	£962,730	£928,439	£894,148	£859,857	£825,567	-£373	£213
100 Mixed (40% AH) - 34% SR / 33% AR / 33% LCHO	1	40	£3,769,602	£3,683,875	£3,598,148	£3,512,421	£3,426,694	£3,340,967	£3,255,240	£3,169,513	£1,507,841	£1,473,550	£1,439,259	£1,404,968	£1,370,678	£1,336,387	£1,302,096	£1,267,805	-£163	£423
	2	40	£4,869,790	£4,784,063	£4,698,336	£4,612,609	£4,526,882	£4,441,155	£4,355,428	£4,269,701	£1,947,916	£1,913,625	£1,879,334	£1,845,044	£1,810,753	£1,776,462	£1,742,171	£1,707,880	£47	£633

Key: ■ Negative RLV
■ RLV between zero and lower assumed PDL value (c£618,000/Ha)
■ RLV between lower assumed PDL value and upper assumed PDL value (c£618,000/Ha - £1,850,000/Ha)
■ RLV at or above upper assumed PDL value (c£1,850,000/Ha)

Source: Dixon Searle LLP (September 2011)

Table 6a: Residual Land Value Results - Strategic Greenfield Land - Sensitivity Analysis - Value Level 1 Only - Affordable Housing / s106 / CIL Balance - 65% Affordable Rent / 35% Shared Ownership

Land Value Benchmark (£ per Ha)	£250,000												
Affordable Housing Proportion	40%												
Total s106 / CIL Amount Available	£9,250,000												
s106 per Unit	£18,500	£18,000	£16,000	£14,000	£12,000	£10,000	£8,000	£6,000	£4,000	£2,000	£0		
Maximum CIL Rate (private dwellings only) £/m²	£0	£11	£49	£87	£125	£163	£201	£239	£278	£316	£354		

*Based on 41,415 sq m of total residential floorspace & 26,275 sq m of market housing floorspace

£375,000													
40%													
£7,250,000													
£14,500	£14,000	£12,000	£10,000	£8,000	£6,000	£4,000	£2,000	£0					
£0	£6	£44	£82	£120	£158	£197	£235	£273					

£500,000							
40%							
£5,000,000							
£10,000	£8,000	£6,000	£4,000	£2,000	£0		
£0	£39	£78	£116	£154	£192		

Land Value Benchmark (£ per Ha)	£250,000												
Affordable Housing Proportion	35%												
Total s106 / CIL Amount Available	£10,150,000												
s106 per Unit	£20,300	£18,000	£16,000	£14,000	£12,000	£10,000	£8,000	£6,000	£4,000	£2,000	£0		
Maximum CIL Rate (private dwellings only) £/m²	£0	£41	£77	£113	£149	£184	£220	£256	£292	£328	£363		

*Based on 41,415 sq m of total residential floorspace & 27,950 sq m of market housing floorspace

£375,000													
35%													
£8,025,000													
£16,000	£14,000	£12,000	£10,000	£8,000	£6,000	£4,000	£2,000	£0					
£0	£36	£72	£108	£144	£180	£216	£252	£287					

£500,000							
35%							
£5,900,000							
£11,800	£10,000	£8,000	£6,000	£4,000	£2,000	£0	
£0	£32	£68	£104	£140	£175	£211	

Land Value Benchmark (£ per Ha)	£250,000												
Affordable Housing Proportion	30%												
Total s106 / CIL Amount Available	£11,000,000												
s106 per Unit	£22,000	£20,000	£18,000	£16,000	£14,000	£12,000	£10,000	£8,000	£6,000	£4,000	£2,000	£0	
Maximum CIL Rate (private dwellings only) £/m²	£0	£34	£68	£102	£135	£169	£203	£237	£271	£304	£338	£372	

*Based on 41,415 sq m of total residential floorspace & 29,625 sq m of market housing floorspace

£375,000													
30%													
£8,875,000													
£17,750	£16,000	£14,000	£12,000	£10,000	£8,000	£6,000	£4,000	£2,000	£0				
£0	£32	£65	£98	£131	£165	£199	£233	£266	£300				

£500,000							
30%							
£6,750,000							
£13,500	£12,000	£10,000	£8,000	£6,000	£4,000	£2,000	£0
£0	£26	£59	£93	£127	£161	£194	£228

Land Value Benchmark (£ per Ha)	£250,000													
Affordable Housing Proportion	25%													
Total s106 / CIL Amount Available	£12,250,000													
s106 per Unit	£24,500	£24,000	£22,000	£20,000	£18,000	£16,000	£14,000	£12,000	£10,000	£8,000	£6,000	£4,000	£2,000	£0
Maximum CIL Rate (private dwellings only) £/m²	£0	£6	£38	£70	£101	£133	£164	£196	£227	£259	£291	£322	£354	£385

*Based on 41,415 sq m of total residential floorspace & 31,695sq m of market housing floorspace

£375,000														
25%														
£10,125,000														
£20,250	£18,000	£16,000	£14,000	£12,000	£10,000	£8,000	£6,000	£4,000	£2,000	£0				
£0	£37	£67	£97	£129	£160	£192	£224	£255	£287	£318				

£500,000								
25%								
£8,000,000								
£16,000	£14,000	£12,000	£10,000	£8,000	£6,000	£4,000	£2,000	£0
£0	£30	£61	£93	£125	£156	£188	£219	£251

Land Value Benchmark (£ per Ha)	£250,000														
Affordable Housing Proportion	20%														
Total s106 / CIL Amount Available	£13,250,000														
s106 per Unit	£26,500	£26,000	£24,000	£22,000	£20,000	£18,000	£16,000	£14,000	£12,000	£10,000	£8,000	£6,000	£4,000	£2,000	£0
Maximum CIL Rate (private dwellings only) £/m²	£0	£6	£35	£65	£95	£125	£155	£184	£214	£244	£274	£304	£334	£363	£393

*Based on 41,415 sq m of total residential floorspace & 33,550sq m of market housing floorspace

£375,000															
20%															
£11,125,000															
£22,250	£20,000	£18,000	£16,000	£14,000	£12,000	£10,000	£8,000	£6,000	£4,000	£2,000	£0				
£0	£34	£63	£92	£121	£151	£181	£211	£241	£271	£300	£330				

£500,000									
20%									
£9,000,000									
£18,000	£16,000	£14,000	£12,000	£10,000	£8,000	£6,000	£4,000	£2,000	£0
£0	£28	£58	£88	£117	£147	£177	£207	£236	£266

** Based on 41,415 sq m of residential floorspace
 *** Based on 27,950 sq m of market housing floorspace
 **** assuming s106 as in column F

Source: Dixon Searle LLP (May 2012)

Table 6b: Residual Land Value Results - Strategic Greenfield Land - Sensitivity Analysis - Value Level 2 Only - Affordable Housing / s106 / CIL Balance - 65% Affordable Rent / 35% Shared Ownership

Land Value Benchmark (£ per Ha)	£250,000													
Affordable Housing Proportion	40%													
Total s106 / CIL Amount Available	£17,000,000													
s106 per Unit	£34,000	£30,000	£25,000	£20,000	£18,000	£16,000	£14,000	£12,000	£10,000	£8,000	£6,000	£4,000	£2,000	£0
Maximum CIL Rate (private dwellings only) £/m ²	£0	£75	£170	£265	£303	£341	£379	£417	£455	£493	£531	£569	£607	£645

*Based on 41,415 sq m of total residential floorspace & 28,275 sq m of market housing floorspace

Land Value Benchmark (£ per Ha)	£375,000													
Affordable Housing Proportion	40%													
Total s106 / CIL Amount Available	£14,875,000													
s106 per Unit	£29,750	£25,000	£20,000	£18,000	£16,000	£14,000	£12,000	£10,000	£8,000	£6,000	£4,000	£2,000	£0	£0
Maximum CIL Rate (private dwellings only) £/m ²	£0	£89	£184	£222	£260	£298	£336	£374	£412	£450	£488	£526	£564	£602

Land Value Benchmark (£ per Ha)	£500,000													
Affordable Housing Proportion	40%													
Total s106 / CIL Amount Available	£12,750,000													
s106 per Unit	£25,500	£20,000	£18,000	£16,000	£14,000	£12,000	£10,000	£8,000	£6,000	£4,000	£2,000	£0	£0	£0
Maximum CIL Rate (private dwellings only) £/m ²	£0	£103	£141	£179	£217	£255	£293	£331	£369	£407	£445	£483	£521	£559

Land Value Benchmark (£ per Ha)	£250,000														
Affordable Housing Proportion	35%														
Total s106 / CIL Amount Available	£18,000,000														
s106 per Unit	£36,000	£35,000	£30,000	£25,000	£20,000	£18,000	£16,000	£14,000	£12,000	£10,000	£8,000	£6,000	£4,000	£2,000	£0
Maximum CIL Rate (private dwellings only) £/m ²	£0	£15	£104	£194	£283	£319	£355	£390	£426	£462	£498	£534	£570	£606	£641

*Based on 41,415 sq m of total residential floorspace & 29,950 sq m of market housing floorspace

Land Value Benchmark (£ per Ha)	£375,000														
Affordable Housing Proportion	35%														
Total s106 / CIL Amount Available	£15,875,000														
s106 per Unit	£31,750	£30,000	£25,000	£20,000	£18,000	£16,000	£14,000	£12,000	£10,000	£8,000	£6,000	£4,000	£2,000	£0	£0
Maximum CIL Rate (private dwellings only) £/m ²	£0	£29	£118	£207	£243	£279	£315	£351	£386	£422	£458	£494	£530	£565	£601

Land Value Benchmark (£ per Ha)	£500,000														
Affordable Housing Proportion	35%														
Total s106 / CIL Amount Available	£13,750,000														
s106 per Unit	£27,500	£25,000	£20,000	£18,000	£16,000	£14,000	£12,000	£10,000	£8,000	£6,000	£4,000	£2,000	£0	£0	£0
Maximum CIL Rate (private dwellings only) £/m ²	£0	£41	£131	£167	£203	£239	£275	£310	£345	£381	£417	£453	£489	£525	£561

Land Value Benchmark (£ per Ha)	£250,000														
Affordable Housing Proportion	30%														
Total s106 / CIL Amount Available	£18,750,000														
s106 per Unit	£37,500	£35,000	£30,000	£25,000	£20,000	£18,000	£16,000	£14,000	£12,000	£10,000	£8,000	£6,000	£4,000	£2,000	£0
Maximum CIL Rate (private dwellings only) £/m ²	£0	£46	£131	£216	£300	£333	£366	£400	£433	£466	£500	£533	£567	£600	£633

*Based on 41,415 sq m of total residential floorspace & 29,625 sq m of market housing floorspace

Land Value Benchmark (£ per Ha)	£375,000														
Affordable Housing Proportion	30%														
Total s106 / CIL Amount Available	£16,625,000														
s106 per Unit	£33,250	£30,000	£25,000	£20,000	£18,000	£16,000	£14,000	£12,000	£10,000	£8,000	£6,000	£4,000	£2,000	£0	£0
Maximum CIL Rate (private dwellings only) £/m ²	£0	£60	£144	£228	£262	£295	£329	£363	£397	£431	£465	£499	£533	£566	£600

Land Value Benchmark (£ per Ha)	£500,000														
Affordable Housing Proportion	30%														
Total s106 / CIL Amount Available	£14,500,000														
s106 per Unit	£29,000	£25,000	£20,000	£18,000	£16,000	£14,000	£12,000	£10,000	£8,000	£6,000	£4,000	£2,000	£0	£0	£0
Maximum CIL Rate (private dwellings only) £/m ²	£0	£72	£156	£190	£224	£258	£292	£325	£359	£393	£427	£461	£494	£528	£562

Land Value Benchmark (£ per Ha)	£250,000														
Affordable Housing Proportion	25%														
Total s106 / CIL Amount Available	£20,250,000														
s106 per Unit	£40,500	£35,000	£30,000	£25,000	£20,000	£18,000	£16,000	£14,000	£12,000	£10,000	£8,000	£6,000	£4,000	£2,000	£0
Maximum CIL Rate (private dwellings only) £/m ²	£0	£85	£164	£243	£322	£354	£386	£418	£450	£480	£512	£544	£575	£608	£638

*Based on 41,415 sq m of total residential floorspace & 31,695sq m of market housing floorspace

Land Value Benchmark (£ per Ha)	£375,000														
Affordable Housing Proportion	25%														
Total s106 / CIL Amount Available	£18,125,000														
s106 per Unit	£36,250	£30,000	£25,000	£20,000	£18,000	£16,000	£14,000	£12,000	£10,000	£8,000	£6,000	£4,000	£2,000	£0	£0
Maximum CIL Rate (private dwellings only) £/m ²	£0	£97	£176	£255	£287	£319	£351	£383	£414	£445	£477	£508	£540	£571	£602

Land Value Benchmark (£ per Ha)	£500,000														
Affordable Housing Proportion	25%														
Total s106 / CIL Amount Available	£16,000,000														
s106 per Unit	£32,000	£30,000	£25,000	£20,000	£18,000	£16,000	£14,000	£12,000	£10,000	£8,000	£6,000	£4,000	£2,000	£0	£0
Maximum CIL Rate (private dwellings only) £/m ²	£0	£30	£109	£188	£219	£251	£283	£316	£347	£378	£409	£440	£472	£504	£535

Land Value Benchmark (£ per Ha)	£250,000															
Affordable Housing Proportion	20%															
Total s106 / CIL Amount Available	£21,500,000															
s106 per Unit	£43,000	£40,000	£35,000	£30,000	£25,000	£20,000	£18,000	£16,000	£14,000	£12,000	£10,000	£8,000	£6,000	£4,000	£2,000	£0
Maximum CIL Rate (private dwellings only) £/m ²	£0	£39	£113	£187	£261	£337	£367	£397	£427	£457	£486	£516	£546	£576	£606	£635

*Based on 41,415 sq m of total residential floorspace & 33,550sq m of market housing floorspace

Land Value Benchmark (£ per Ha)	£375,000															
Affordable Housing Proportion	20%															
Total s106 / CIL Amount Available	£19,250,000															
s106 per Unit	£38,500	£35,000	£30,000	£25,000	£20,000	£18,000	£16,000	£14,000	£12,000	£10,000	£8,000	£6,000	£4,000	£2,000	£0	£0
Maximum CIL Rate (private dwellings only) £/m ²	£0	£49	£124	£199	£274	£304	£334	£364	£394	£423	£453	£483	£513	£543	£572	£602

Land Value Benchmark (£ per Ha)	£500,000															
Affordable Housing Proportion	20%															
Total s106 / CIL Amount Available	£17,000,000															
s106 per Unit	£34,000	£30,000	£25,000	£20,000	£18,000	£16,000	£14,000	£12,000	£10,000	£8,000	£6,000	£4,000	£2,000	£0	£0	£0
Maximum CIL Rate (private dwellings only) £/m ²	£0	£61	£136	£210	£240	£270	£300	£330	£359	£389	£419	£449	£479	£509	£538	£568

** Based on 41,415 sq m of residential floorspace
 *** Based on 27,950 sq m of market housing floorspace
 **** assuming s106 as in column F

Source: Dixon Searle LLP (May 2012)

Table 6c: Residual Land Value Results - Strategic Greenfield Land - Sensitivity Analysis - Value Level 1 Only - Affordable Housing / s106 / CIL Balance - 33% Affordable Rent / 33% Social Rent / 34% Shared Ownership

Land Value Benchmark (£ per Ha)	£250,000									
Affordable Housing Proportion	40%									
Total s106 / CIL Amount Available	£7,500,000									
s106 per Unit	£15,000	£14,000	£12,000	£10,000	£8,000	£6,000	£4,000	£2,000	£0	
Maximum CIL Rate (private dwellings only) £/m ²	£0	£19	£57	£95	£133	£171	£209	£247	£285	

*Based on 41,415 sq m of total residential floorspace & 26,275 sq m of market housing floorspace

Land Value Benchmark (£ per Ha)	£375,000							
Affordable Housing Proportion	40%							
Total s106 / CIL Amount Available	£5,375,000							
s106 per Unit	£10,700	£10,000	£8,000	£6,000	£4,000	£2,000	£0	
Maximum CIL Rate (private dwellings only) £/m ²	£0	£14	£52	£90	£128	£166	£204	

Land Value Benchmark (£ per Ha)	£500,000					
Affordable Housing Proportion	40%					
Total s106 / CIL Amount Available	£3,250,000					
s106 per Unit	£6,500	£6,000	£4,000	£2,000	£0	
Maximum CIL Rate (private dwellings only) £/m ²	£0	£9	£47	£85	£123	

Land Value Benchmark (£ per Ha)	£250,000									
Affordable Housing Proportion	35%									
Total s106 / CIL Amount Available	£8,625,000									
s106 per Unit	£17,250	£16,000	£14,000	£12,000	£10,000	£8,000	£6,000	£4,000	£2,000	£0
Maximum CIL Rate (private dwellings only) £/m ²	£0	£22	£58	£94	£130	£166	£202	£238	£274	£309

*Based on 41,415 sq m of total residential floorspace & 27,950 sq m of market housing floorspace

Land Value Benchmark (£ per Ha)	£375,000							
Affordable Housing Proportion	35%							
Total s106 / CIL Amount Available	£6,500,000							
s106 per Unit	£13,000	£12,000	£10,000	£8,000	£6,000	£4,000	£2,000	£0
Maximum CIL Rate (private dwellings only) £/m ²	£0	£18	£54	£90	£126	£162	£198	£233

Land Value Benchmark (£ per Ha)	£500,000					
Affordable Housing Proportion	35%					
Total s106 / CIL Amount Available	£4,375,000					
s106 per Unit	£8,750	£8,000	£6,000	£4,000	£2,000	£0
Maximum CIL Rate (private dwellings only) £/m ²	£0	£13	£49	£85	£121	£157

Land Value Benchmark (£ per Ha)	£250,000										
Affordable Housing Proportion	30%										
Total s106 / CIL Amount Available	£9,625,000										
s106 per Unit	£19,250	£18,000	£16,000	£14,000	£12,000	£10,000	£8,000	£6,000	£4,000	£2,000	£0
Maximum CIL Rate (private dwellings only) £/m ²	£0	£22	£56	£90	£124	£158	£191	£224	£257	£290	£326

*Based on 41,415 sq m of total residential floorspace & 26,625 sq m of market housing floorspace

Land Value Benchmark (£ per Ha)	£375,000								
Affordable Housing Proportion	30%								
Total s106 / CIL Amount Available	£7,500,000								
s106 per Unit	£15,000	£14,000	£12,000	£10,000	£8,000	£6,000	£4,000	£2,000	£0
Maximum CIL Rate (private dwellings only) £/m ²	£0	£18	£52	£86	£119	£153	£186	£220	£254

Land Value Benchmark (£ per Ha)	£500,000						
Affordable Housing Proportion	30%						
Total s106 / CIL Amount Available	£5,375,000						
s106 per Unit	£10,750	£10,000	£8,000	£6,000	£4,000	£2,000	£0
Maximum CIL Rate (private dwellings only) £/m ²	£0	£14	£47	£81	£115	£149	£182

Land Value Benchmark (£ per Ha)	£250,000											
Affordable Housing Proportion	25%											
Total s106 / CIL Amount Available	£11,125,000											
s106 per Unit	£22,250	£20,000	£18,000	£16,000	£14,000	£12,000	£10,000	£8,000	£6,000	£4,000	£2,000	£0
Maximum CIL Rate (private dwellings only) £/m ²	£0	£35	£67	£99	£130	£164	£199	£225	£256	£287	£319	£351

*Based on 41,415 sq m of total residential floorspace & 31,695sq m of market housing floorspace

Land Value Benchmark (£ per Ha)	£375,000									
Affordable Housing Proportion	25%									
Total s106 / CIL Amount Available	£9,000,000									
s106 per Unit	£18,000	£16,000	£14,000	£12,000	£10,000	£8,000	£6,000	£4,000	£2,000	£0
Maximum CIL Rate (private dwellings only) £/m ²	£0	£31	£63	£94	£39	£158	£189	£221	£242	£284

Land Value Benchmark (£ per Ha)	£500,000							
Affordable Housing Proportion	25%							
Total s106 / CIL Amount Available	£6,875,000							
s106 per Unit	£13,750	£12,000	£10,000	£8,000	£6,000	£4,000	£2,000	£0
Maximum CIL Rate (private dwellings only) £/m ²	£0	£27	£59	£90	£122	£154	£165	£217

Land Value Benchmark (£ per Ha)	£250,000												
Affordable Housing Proportion	20%												
Total s106 / CIL Amount Available	£12,250,000												
s106 per Unit	£24,500	£22,000	£20,000	£18,000	£16,000	£14,000	£12,000	£10,000	£8,000	£6,000	£4,000	£2,000	£0
Maximum CIL Rate (private dwellings only) £/m ²	£0	£39	£69	£99	£129	£159	£188	£218	£248	£278	£308	£337	£367

*Based on 41,415 sq m of total residential floorspace & 33,550sq m of market housing floorspace

Land Value Benchmark (£ per Ha)	£375,000										
Affordable Housing Proportion	20%										
Total s106 / CIL Amount Available	£10,125,000										
s106 per Unit	£20,250	£18,000	£16,000	£14,000	£12,000	£10,000	£8,000	£6,000	£4,000	£2,000	£0
Maximum CIL Rate (private dwellings only) £/m ²	£0	£35	£65	£95	£125	£155	£185	£215	£245	£274	£304

Land Value Benchmark (£ per Ha)	£500,000								
Affordable Housing Proportion	20%								
Total s106 / CIL Amount Available	£8,000,000								
s106 per Unit	£16,000	£14,000	£12,000	£10,000	£8,000	£6,000	£4,000	£2,000	£0
Maximum CIL Rate (private dwellings only) £/m ²	£0	£31	£61	£91	£121	£151	£181	£211	£241

** Based on 41,415 sq m of residential floorspace
 *** Based on 27,950 sq m of market housing floorspace
 **** assuming s106 as in column F

Source: Dixon Searle LLP (May 2012)

Residual Land Value Data Summary & Results

DEVELOPMENT TYPE	Residential				
DEVELOPMENT DESCRIPTION	0				
DEVELOPMENT SIZE (TOTAL m²) - GIA	1,989				
TOTAL NUMBER OF UNITS	Total	Private	Affordable	% AH	
	25	16	9	36%	
PERCENTAGE BY TENURE	% Private	% SR	%AR	% Int 1	% Int 2
	64%	0%	24%	12%	0%
SITE SIZE (HA)	0.63				
VALUE / AREA	4				
<u>REVENUE</u>					

Affordable Housing Revenue	£1,071,375
Open Market Housing Revenue	£4,455,000
<u>Total Value of Scheme</u>	£5,526,375

RESIDENTIAL BUILDING, MARKETING & S106 COSTS

Build Costs	£2,171,955
Fees, Contingencies, Planning Costs etc	£380,092
Planning Application Costs	£8,375
Site Preparation / Survey Costs etc	£112,500
Sustainable Design & Construction Costs / Lifetime Homes	£101,253

<u>Total Build Costs</u>	£2,774,175
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Section 106 / CIL Costs	£187,000
Marketing Costs & Legal Fees	£184,541

<u>Total s106 & Marketing Costs</u>	£371,541
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<u>Finance on Build Costs</u>	£94,371
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<u>TOTAL DEVELOPMENT COSTS</u>	£3,240,088
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DEVELOPER'S RETURN FOR RISK AND PROFIT

Open Market Housing Profit	£891,000
Affordable Housing Profit	£64,283

<u>Total Operating Profit</u>	£955,283
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<u>GROSS RESIDUAL LAND VALUE</u>	£1,331,004
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FINANCE & ACQUISITION COSTS

Arrangement Fee / Misc Fees (Surveyors etc)	£13,310
Agents Fees	£13,310
Legal Fees	£13,310
Stamp Duty	£53,240
Interest on Land Purchase	£128,176

<u>Total Finance & Acquisition Costs</u>	£221,346
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<u>NET RESIDUAL LAND VALUE</u>	£1,109,658 (ignores finance & acquisition
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RLV (£ per Ha)	£1,775,453 costs if GRLV Negative)
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NRLV as % of GDV	20.1%
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Appendix IIb
Commercial Appraisal Results
Summary

**Table 6: Residual Land Value Results by Use Class, Scheme Type, Value Level & CIL Rate
Greenfield Benchmark Comparison - 6.5% Yield**

Use Class / Type	Scheme Type	Value Level	Site Size (Ha)	Residual Land Value (£)								Residual Land Value (£/Ha)								CIL Range (£/m²)*		
				Residual Land Value - £0/m² CIL	Residual Land Value - £20/m² CIL	Residual Land Value - £40/m² CIL	Residual Land Value - £60/m² CIL	Residual Land Value - £80/m² CIL	Residual Land Value - £100/m² CIL	Residual Land Value - £120/m² CIL	Residual Land Value - £140/m² CIL	Residual Land Value - £0/m² CIL	Residual Land Value - £20/m² CIL	Residual Land Value - £40/m² CIL	Residual Land Value - £60/m² CIL	Residual Land Value - £80/m² CIL	Residual Land Value - £100/m² CIL	Residual Land Value - £120/m² CIL	Residual Land Value - £140/m² CIL			
A1 Large Retail	Large Supermarket (Out of Town)	L	1.14	£1,783,185	£1,713,675	£1,644,166	£1,574,656	£1,505,146	£1,435,637	£1,366,127	£1,296,618	£1,564,197	£1,503,224	£1,442,250	£1,381,277	£1,320,304	£1,259,331	£1,198,357	£1,137,384	£232	£375	
		M	1.14	£3,026,731	£2,957,221	£2,887,712	£2,818,202	£2,748,693	£2,679,183	£2,609,674	£2,540,164	£2,470,654	£2,655,027	£2,594,054	£2,533,081	£2,472,107	£2,411,134	£2,350,161	£2,289,187	£2,228,214	£543	£685
		H	1.14	£4,270,277	£4,200,768	£4,131,258	£4,061,749	£3,992,239	£3,922,729	£3,853,220	£3,783,710	£3,714,200	£3,745,857	£3,684,884	£3,623,911	£3,562,937	£3,501,964	£3,440,991	£3,380,017	£3,319,044	£854	£996
A1 Medium Retail	Retail Warehouse	L	0.25	£496,047	£478,536	£461,026	£443,516	£426,006	£408,496	£390,986	£373,476	£355,966	£1,984,187	£1,914,146	£1,844,105	£1,774,065	£1,725,115	£1,654,208	£1,583,300	£1,512,392	£309	£434
		M	0.25	£810,862	£793,352	£775,842	£758,332	£740,822	£723,312	£705,802	£688,292	£670,782	£3,243,448	£3,173,408	£3,103,367	£3,033,326	£2,963,286	£2,893,245	£2,823,204	£2,753,164	£623	£748
		H	0.25	£1,125,678	£1,108,167	£1,090,657	£1,073,147	£1,055,637	£1,038,127	£1,020,617	£1,003,106	£985,596	£4,502,710	£4,432,669	£4,362,629	£4,292,588	£4,222,548	£4,152,507	£4,082,466	£4,012,426	£938	£1,063
A1-A5 Small Retail	Convenience Store	L	0.07	£128,940	£121,362	£113,783	£106,204	£98,626	£91,047	£83,469	£75,890	£1,842,003	£1,733,738	£1,625,472	£1,517,207	£1,408,941	£1,300,676	£1,192,410	£1,084,145	£191	£279	
		M	0.07	£128,940	£121,362	£113,783	£106,204	£98,626	£91,047	£83,469	£75,890	£1,842,003	£1,733,738	£1,625,472	£1,517,207	£1,408,941	£1,300,676	£1,192,410	£1,084,145	£191	£279	
		H	0.07	£128,940	£121,362	£113,783	£106,204	£98,626	£91,047	£83,469	£75,890	£1,842,003	£1,733,738	£1,625,472	£1,517,207	£1,408,941	£1,300,676	£1,192,410	£1,084,145	£191	£279	
C1 Hotel	Hotel - edge of town	L	0.60	-£1,185,795	-£1,247,295	-£1,308,795	-£1,370,295	-£1,431,795	-£1,493,295	-£1,554,795	-£1,616,295	-£1,976,325	-£2,078,825	-£2,181,325	-£2,283,825	-£2,386,325	-£2,488,825	-£2,591,325	-£2,693,825	-£545	-£445	
		M	0.60	£179,795	£127,249	£72,496	£17,743	-£41,571	-£103,071	-£164,571	-£226,071	-£299,571	£299,658	£212,082	£120,827	£29,571	-£69,285	-£171,785	-£274,285	-£376,785	-£90	£10
		H	0.60	£1,319,839	£1,267,742	£1,215,646	£1,163,549	£1,111,452	£1,059,356	£1,007,259	£955,162	£903,065	£2,199,731	£2,112,904	£2,026,076	£1,939,248	£1,852,420	£1,765,593	£1,678,765	£1,591,937	£290	£390

Key: Negative RLV
 RLV between zero and lower assumed greenfield enhancement value (c£250,000/Ha)
 RLV between lower assumed greenfield enhancement value and upper assumed greenfield enhancement value (c£250,000/Ha - £750,000/ha)
 RLV at or above upper assumed greenfield enhancement value (c£750,000/Ha)
Source: Dixon Searle LLP (September 2011) *maximum range based on upper and lower input land values

**Table 7: Residual Land Value Results by Use Class, Scheme Type, Value Level & CIL Rate
PDL / Employment Benchmark Comparison - 6.5% Yield**

Use Class / Type	Scheme Type	Value Level	Site Size (Ha)	Residual Land Value (£)								Residual Land Value (£/Ha)								CIL Range (£/m²)*			
				Residual Land Value - £0/m² CIL	Residual Land Value - £20/m² CIL	Residual Land Value - £40/m² CIL	Residual Land Value - £60/m² CIL	Residual Land Value - £80/m² CIL	Residual Land Value - £100/m² CIL	Residual Land Value - £120/m² CIL	Residual Land Value - £140/m² CIL	Residual Land Value - £0/m² CIL	Residual Land Value - £20/m² CIL	Residual Land Value - £40/m² CIL	Residual Land Value - £60/m² CIL	Residual Land Value - £80/m² CIL	Residual Land Value - £100/m² CIL	Residual Land Value - £120/m² CIL	Residual Land Value - £140/m² CIL				
A1 Large Retail	Large Supermarket (Out of Town)	L	1.14	£1,783,185	£1,713,675	£1,644,166	£1,574,656	£1,505,146	£1,435,637	£1,366,127	£1,296,618	£1,564,197	£1,503,224	£1,442,250	£1,381,277	£1,320,304	£1,259,331	£1,198,357	£1,137,384	-£81	£270		
		M	1.14	£3,026,731	£2,957,221	£2,887,712	£2,818,202	£2,748,693	£2,679,183	£2,609,674	£2,540,164	£2,470,654	£2,655,027	£2,594,054	£2,533,081	£2,472,107	£2,411,134	£2,350,161	£2,289,187	£2,228,214	£229	£581	
		H	1.14	£4,270,277	£4,200,768	£4,131,258	£4,061,749	£3,992,239	£3,922,729	£3,853,220	£3,783,710	£3,714,200	£3,745,857	£3,684,884	£3,623,911	£3,562,937	£3,501,964	£3,440,991	£3,380,017	£3,319,044	£540	£891	
A1 Medium Retail	Retail Warehouse	L	0.25	£496,047	£478,536	£461,026	£443,516	£426,006	£408,496	£390,986	£373,476	£355,966	£1,984,187	£1,914,146	£1,844,105	£1,774,065	£1,725,115	£1,654,208	£1,583,300	£1,512,392	£34	£342	
		M	0.25	£810,862	£793,352	£775,842	£758,332	£740,822	£723,312	£705,802	£688,292	£670,782	£3,243,448	£3,173,408	£3,103,367	£3,033,326	£2,963,286	£2,893,245	£2,823,204	£2,753,164	£348	£656	
		H	0.25	£1,125,678	£1,108,167	£1,090,657	£1,073,147	£1,055,637	£1,038,127	£1,020,617	£1,003,106	£985,596	£4,502,710	£4,432,669	£4,362,629	£4,292,588	£4,222,548	£4,152,507	£4,082,466	£4,012,426	£663	£971	
A1-A5 Small Retail	Convenience Store	L	0.07	£128,940	£121,362	£113,783	£106,204	£98,626	£91,047	£83,469	£75,890	£68,312	£1,842,003	£1,733,738	£1,625,472	£1,517,207	£1,408,941	£1,300,676	£1,192,410	£1,084,145	-£1	£214	
		M	0.07	£128,940	£121,362	£113,783	£106,204	£98,626	£91,047	£83,469	£75,890	£68,312	£1,842,003	£1,733,738	£1,625,472	£1,517,207	£1,408,941	£1,300,676	£1,192,410	£1,084,145	-£1	£214	
		H	0.07	£128,940	£121,362	£113,783	£106,204	£98,626	£91,047	£83,469	£75,890	£68,312	£1,842,003	£1,733,738	£1,625,472	£1,517,207	£1,408,941	£1,300,676	£1,192,410	£1,084,145	-£1	£214	
C1 Hotel	Hotel - edge of town	L	0.60	-£1,185,795	-£1,247,295	-£1,308,795	-£1,370,295	-£1,431,795	-£1,493,295	-£1,554,795	-£1,616,295	-£1,677,795	-£1,976,325	-£2,078,825	-£2,181,325	-£2,283,825	-£2,386,325	-£2,488,825	-£2,591,325	-£2,693,825	-£765	-£519	
		M	0.60	£179,795	£127,249	£74,703	£22,157	-£30,399	-£82,955	-£135,511	-£188,067	-£240,623	-£293,179	£299,658	£212,082	£120,827	£29,571	-£69,285	-£171,785	-£274,285	-£376,785	-£310	-£64
		H	0.60	£1,319,839	£1,267,742	£1,215,646	£1,163,549	£1,111,452	£1,059,356	£1,007,259	£955,162	£903,066	£2,199,731	£2,112,904	£2,026,076	£1,939,248	£1,852,420	£1,765,593	£1,678,765	£1,591,937	£70	£316	

Key: Negative RLV
 RLV between zero and lower assumed PDL value (c£618,000/Ha)
 RLV between lower assumed PDL value and upper assumed PDL value (c£618,000/Ha - £1,850,000/Ha)
 RLV at or above upper assumed PDL value (c£1,850,000/Ha)
Source: Dixon Searle LLP (September 2011) *maximum range based on upper and lower input land values

**Table 4: Residual Land Value Results by Use Class, Scheme Type, Value Level & CIL Rate
Greenfield Benchmark Comparison - 7.5% Yield**

Use Class / Type	Scheme Type	Value Level	Site Size (Ha)	Residual Land Value (£)								Residual Land Value (£/Ha)								CIL Range (£/m²)*		
				Residual Land Value - £0/m² CIL	Residual Land Value - £20/m² CIL	Residual Land Value - £40/m² CIL	Residual Land Value - £60/m² CIL	Residual Land Value - £80/m² CIL	Residual Land Value - £100/m² CIL	Residual Land Value - £120/m² CIL	Residual Land Value - £140/m² CIL	Residual Land Value - £0/m² CIL	Residual Land Value - £20/m² CIL	Residual Land Value - £40/m² CIL	Residual Land Value - £60/m² CIL	Residual Land Value - £80/m² CIL	Residual Land Value - £100/m² CIL	Residual Land Value - £120/m² CIL	Residual Land Value - £140/m² CIL			
A1 Large Retail	Large Supermarket (Out of Town)	L	1.14	£667,615	£598,106	£528,596	£459,087	£394,506	£324,117	£253,728	£187,920	£585,628	£524,654	£463,681	£402,708	£346,058	£284,313	£222,568	£164,842	-£47	£96	
		M	1.14	£1,743,826	£1,674,317	£1,604,807	£1,535,298	£1,465,788	£1,396,279	£1,326,769	£1,257,259	£1,187,749	£1,529,672	£1,468,699	£1,407,726	£1,346,752	£1,285,779	£1,224,806	£1,163,832	£1,102,859	£222	£365
		H	1.14	£2,820,037	£2,750,528	£2,681,018	£2,611,509	£2,541,999	£2,472,489	£2,402,980	£2,333,470	£2,263,960	£2,473,717	£2,412,744	£2,351,770	£2,290,797	£2,229,824	£2,168,850	£2,107,877	£2,046,904	£491	£634
A1 Medium Retail	Retail Warehouse	L	0.25	£316,352	£298,625	£280,898	£263,171	£245,444	£227,717	£215,125	£196,965	£1,265,407	£1,194,499	£1,123,592	£1,052,684	£981,776	£910,869	£860,500	£787,859	£129	£254	
		M	0.25	£584,939	£567,429	£549,918	£532,408	£514,898	£497,388	£479,878	£462,368	£444,858	£2,339,755	£2,269,715	£2,199,674	£2,129,633	£2,059,593	£1,989,552	£1,919,511	£1,849,471	£397	£522
		H	0.25	£857,394	£839,883	£822,373	£804,863	£787,353	£769,843	£752,333	£734,823	£717,313	£3,429,574	£3,359,534	£3,289,493	£3,219,453	£3,149,412	£3,079,371	£3,009,331	£2,939,290	£670	£795
A1-A5 Small Retail	Convenience Store	L	0.07	£51,885	£44,307	£36,728	£29,150	£21,571	£13,992	£6,414	£-1,240	£741,219	£632,954	£524,688	£416,423	£308,157	£199,892	£91,626	-£17,718	-£2	£86	
		M	0.07	£149,354	£141,859	£135,857	£128,279	£120,700	£113,122	£105,543	£97,965	£2,133,633	£2,026,558	£1,940,821	£1,832,555	£1,724,290	£1,616,024	£1,507,759	£1,399,493	£242	£330	
		H	0.07	£241,893	£234,365	£227,236	£224,908	£217,413	£209,917	£202,422	£194,927	£3,455,618	£3,350,924	£3,246,229	£3,141,534	£3,036,839	£2,932,144	£2,827,449	£2,722,754	£2,618,059	£473	£561
B1(a) Offices	Town Centre Office Building	L	0.05	-£877,636	-£897,936	-£918,236	-£938,536	-£958,836	-£979,136	-£999,436	-£1,019,736	-£17,552,725	-£17,958,725	-£18,364,725	-£18,770,725	-£19,176,725	-£19,582,725	-£19,988,725	-£20,394,725	-£915	-£890	
		M	0.05	-£455,436	-£475,736	-£496,036	-£516,336	-£536,636	-£556,936	-£577,236	-£597,536	-£9,108,712	-£9,514,712	-£9,920,712	-£10,326,712	-£10,732,712	-£11,138,712	-£11,544,712	-£11,950,712	-£493	-£468	
		H	0.05	-£33,235	-£53,535	-£73,835	-£94,135	-£114,435	-£134,735	-£155,035	-£175,335	-£664,698	-£1,070,698	-£1,476,698	-£1,882,698	-£2,288,698	-£2,694,698	-£3,100,698	-£3,506,698	-£71	-£46	
B1(a) Offices	Out of Town Office Building	L	0.75	-£2,331,448	-£2,392,948	-£2,454,448	-£2,515,948	-£2,577,448	-£2,638,948	-£2,700,448	-£2,761,948	-£3,108,598	-£3,190,598	-£3,272,598	-£3,354,598	-£3,436,598	-£3,518,598	-£3,600,598	-£3,682,598	-£965	-£840	
		M	0.75	-£1,064,978	-£1,126,478	-£1,187,978	-£1,249,478	-£1,310,978	-£1,372,478	-£1,433,978	-£1,495,478	-£1,419,971	-£1,501,971	-£1,583,971	-£1,665,971	-£1,747,971	-£1,829,971	-£1,911,971	-£1,993,971	-£542	-£417	
		H	0.75	£177,212	£124,635	£69,881	£15,128	-£44,508	-£106,008	-£167,508	-£229,008	£236,283	£166,180	£93,175	£20,170	-£59,344	-£141,344	-£223,344	-£305,344	-£128	-£3	
B1, B2, Industrial / B8 Warehousing	Move on type industrial unit including offices	L	0.06	-£130,782	-£135,863	-£140,944	-£146,025	-£151,107	-£156,188	-£161,269	-£166,350	-£2,179,694	-£2,264,381	-£2,349,069	-£2,433,756	-£2,518,444	-£2,603,131	-£2,687,819	-£2,772,506	-£703	-£583	
		M	0.06	-£104,394	-£109,476	-£114,557	-£119,638	-£124,719	-£129,801	-£134,882	-£139,963	-£1,739,907	-£1,824,595	-£1,909,282	-£1,993,970	-£2,078,657	-£2,163,345	-£2,248,032	-£2,332,720	-£598	-£478	
		H	0.06	-£78,007	-£83,088	-£88,170	-£93,251	-£98,332	-£103,413	-£108,495	-£113,576	-£1,300,120	-£1,384,808	-£1,469,495	-£1,554,183	-£1,638,870	-£1,723,558	-£1,808,245	-£1,892,933	-£492	-£372	
B1, B2, Industrial / B8 Warehousing	Large industrial warehousing including offices	L	0.75	-£944,275	-£1,005,475	-£1,066,675	-£1,127,875	-£1,189,075	-£1,250,275	-£1,311,475	-£1,372,675	-£1,259,033	-£1,340,633	-£1,422,233	-£1,503,833	-£1,585,433	-£1,667,033	-£1,748,633	-£1,830,233	-£502	-£377	
		M	0.75	-£627,641	-£688,841	-£750,041	-£811,241	-£872,441	-£933,641	-£994,841	-£1,056,041	-£836,854	-£918,454	-£1,000,054	-£1,081,654	-£1,163,254	-£1,244,854	-£1,326,454	-£1,408,054	-£397	-£272	
		H	0.75	-£311,007	-£372,207	-£433,407	-£494,607	-£555,807	-£617,007	-£678,207	-£739,407	-£414,675	-£496,275	-£577,875	-£659,475	-£741,075	-£822,675	-£904,275	-£985,875	-£291	-£166	
C1 Hotel	Hotel - edge of town	L	0.60	-£1,924,256	-£1,985,756	-£2,047,256	-£2,108,756	-£2,170,256	-£2,231,756	-£2,293,256	-£2,354,756	-£3,207,094	-£3,309,594	-£3,412,094	-£3,514,594	-£3,617,094	-£3,719,594	-£3,822,094	-£3,924,594	-£791	-£691	
		M	0.60	-£721,110	-£782,610	-£844,110	-£905,610	-£967,110	-£1,028,610	-£1,090,110	-£1,151,610	-£1,201,850	-£1,304,350	-£1,406,850	-£1,509,350	-£1,611,850	-£1,714,350	-£1,816,850	-£1,919,350	-£390	-£290	
		H	0.60	£386,377	£333,616	£280,855	£228,094	£179,748	£127,202	£72,448	£17,695	£643,961	£556,026	£468,092	£380,157	£299,580	£212,003	£120,747	£29,491	-£21	£79	
C2 Residential Institution	Nursing Home	L	0.35	-£1,213,629	-£1,257,309	-£1,300,989	-£1,344,669	-£1,388,349	-£1,432,029	-£1,475,709	-£1,519,389	-£3,467,512	-£3,592,312	-£3,717,112	-£3,841,912	-£3,966,712	-£4,091,512	-£4,216,312	-£4,341,112	-£703	-£620	
		M	0.35	-£770,434	-£814,114	-£857,794	-£901,474	-£945,154	-£988,834	-£1,032,514	-£1,076,194	-£2,201,240	-£2,326,040	-£2,450,840	-£2,575,640	-£2,700,440	-£2,825,240	-£2,950,040	-£3,074,840	-£492	-£409	
		H	0.35	-£327,239	-£370,919	-£414,599	-£458,279	-£501,959	-£545,639	-£589,319	-£632,999	-£934,968	-£1,059,768	-£1,184,568	-£1,309,368	-£1,434,168	-£1,558,968	-£1,683,768	-£1,808,568	-£281	-£197	
Institutional / Community / Health etc	Clinic or similar	L	0.13	-£467,751	-£477,938	-£488,126	-£498,313	-£508,501	-£518,688	-£528,876	-£539,063	-£3,598,081	-£3,676,447	-£3,754,812	-£3,833,177	-£3,911,543	-£3,989,908	-£4,068,273	-£4,146,639	-£1,131	-£1,001	
		M	0.13	-£309,431	-£319,619	-£329,806	-£339,994	-£350,181	-£360,369	-£370,556	-£380,744	-£2,380,242	-£2,458,608	-£2,536,973	-£2,615,338	-£2,693,704	-£2,772,069	-£2,850,434	-£2,928,800	-£814	-£684	
		H	0.13	-£151,112	-£161,300	-£171,487	-£181,675	-£191,862	-£202,050	-£212,237	-£222,425	-£1,162,403	-£1,240,769	-£1,319,134	-£1,397,499	-£1,475,865	-£1,554,230	-£1,632,596	-£1,710,961	-£497	-£367	
Leisure	Fitness etc	L	0.50	-£4,022,089	-£4,073,589	-£4,125,089	-£4,176,589	-£4,228,089	-£4,279,589	-£4,331,089	-£4,382,589	-£8,044,178	-£8,147,178	-£8,250,178	-£8,353,178	-£8,456,178	-£8,559,178	-£8,662,178	-£8,765,178	-£1,759	-£1,659	
		M	0.50	-£3,494,421	-£3,545,921	-£3,597,421	-£3,648,921	-£3,700,421	-£3,751,921	-£3,803,421	-£3,854,921	-£6,988,841	-£7,091,841	-£7,194,841	-£7,297,841	-£7,400,841	-£7,503,841	-£7,606,841	-£7,709,841	-£1,548	-£1,448	
		H	0.50	-£2,966,752	-£3,018,252	-£3,069,752	-£3,121,252	-£3,172,752	-£3,224,252	-£3,275,752	-£3,327,252	-£5,933,505	-£6,036,505	-£6,139,505	-£6,242,505	-£6,345,505	-£6,448,505	-£6,551,505	-£6,654,505	-£1,337	-£1,237	

Key: Negative RLV
 RLV between zero and lower assumed greenfield enhancement value (c£250,000/Ha)
 RLV between lower assumed greenfield enhancement value and upper assumed greenfield enhancement value (c£250,000/Ha - £750,000/Ha)
 RLV at or above upper assumed greenfield enhancement value (c£750,000/Ha)
Source: Dixon Searle LLP (September 2011) *maximum range based on upper and lower input land values

Table 5: Residual Land Value Results by Use Class, Scheme Type, Value Level & CIL Rate
PDL / Employment Benchmark Comparison - 7.5% Yield

Use Class / Type	Scheme Type	Value Level	Site Size (Ha)	Residual Land Value (£)								Residual Land Value (£/Ha)								CIL Range (£/m²)*		
				Residual Land Value - £0/m² CIL	Residual Land Value - £20/m² CIL	Residual Land Value - £40/m² CIL	Residual Land Value - £60/m² CIL	Residual Land Value - £80/m² CIL	Residual Land Value - £100/m² CIL	Residual Land Value - £120/m² CIL	Residual Land Value - £140/m² CIL	Residual Land Value - £0/m² CIL	Residual Land Value - £20/m² CIL	Residual Land Value - £40/m² CIL	Residual Land Value - £60/m² CIL	Residual Land Value - £80/m² CIL	Residual Land Value - £100/m² CIL	Residual Land Value - £120/m² CIL	Residual Land Value - £140/m² CIL			
A1 Large Retail	Large Supermarket (Out of Town)	L	1.14	£667,615	£598,106	£528,596	£459,087	£394,506	£324,117	£253,728	£187,920	£585,628	£524,654	£463,681	£402,708	£346,058	£284,313	£222,568	£164,842	-£360	-£9	
		M	1.14	£1,743,826	£1,674,317	£1,604,807	£1,535,298	£1,465,788	£1,396,279	£1,326,769	£1,257,259	£1,187,749	£1,529,672	£1,468,699	£1,407,726	£1,346,752	£1,285,779	£1,224,806	£1,163,832	£1,102,859	-£91	£260
		H	1.14	£2,820,037	£2,750,528	£2,681,018	£2,611,509	£2,541,999	£2,472,489	£2,402,980	£2,333,470	£2,263,960	£2,473,717	£2,412,744	£2,351,770	£2,290,797	£2,229,824	£2,168,850	£2,107,877	£2,046,904	£178	£529
A1 Medium Retail	Retail Warehouse	L	0.25	£316,352	£298,625	£280,898	£263,171	£245,444	£227,717	£215,125	£196,965	£1,265,407	£1,194,499	£1,123,592	£1,052,684	£981,776	£910,869	£860,500	£787,859	-£146	£162	
		M	0.25	£584,939	£567,429	£549,918	£532,408	£514,898	£497,388	£479,878	£462,368	£444,858	£2,339,755	£2,269,715	£2,199,674	£2,129,633	£2,059,593	£1,989,552	£1,919,511	£1,849,471	£122	£430
		H	0.25	£857,394	£839,883	£822,373	£804,863	£787,353	£769,843	£752,333	£734,823	£717,313	£3,429,574	£3,359,534	£3,289,493	£3,219,453	£3,149,412	£3,079,371	£3,009,331	£2,939,290	£395	£703
A1-A5 Small Retail	Convenience Store	L	0.07	£51,885	£44,307	£36,728	£29,150	£21,571	£13,992	£6,414	£1,240	£741,219	£632,954	£524,688	£416,423	£308,157	£199,892	£91,626	-£17,718	-£194	£22	
		M	0.07	£149,354	£141,859	£135,857	£128,279	£120,700	£113,122	£105,543	£97,965	£2,133,633	£2,026,558	£1,940,821	£1,832,555	£1,724,290	£1,616,024	£1,507,759	£1,399,493	£50	£265	
		H	0.07	£241,893	£234,365	£227,236	£224,908	£217,413	£209,917	£202,422	£194,927	£3,455,618	£3,350,924	£3,246,229	£3,141,534	£3,036,839	£2,932,144	£2,827,449	£2,722,754	£281	£497	
B1(a) Offices	Town Centre Office Building	L	0.05	-£877,636	-£897,936	-£918,236	-£938,536	-£958,836	-£979,136	-£999,436	-£1,019,736	-£1,552,725	-£1,795,725	-£1,836,725	-£1,877,725	-£1,918,725	-£1,959,725	-£1,999,725	-£2,039,725	-£970	-£909	
		M	0.05	-£455,436	-£475,736	-£496,036	-£516,336	-£536,636	-£556,936	-£577,236	-£597,536	-£1,108,712	-£1,514,712	-£1,920,712	-£2,326,712	-£2,732,712	-£3,138,712	-£3,544,712	-£3,950,712	-£548	-£486	
		H	0.05	-£33,235	-£53,535	-£73,835	-£94,135	-£114,435	-£134,735	-£155,035	-£175,335	-£664,698	-£1,070,698	-£1,476,698	-£1,882,698	-£2,288,698	-£2,694,698	-£3,100,698	-£3,506,698	-£126	-£64	
B1(a) Offices	Out of Town Office Building	L	0.75	-£2,331,448	-£2,392,948	-£2,454,448	-£2,515,948	-£2,577,448	-£2,638,948	-£2,700,448	-£2,761,948	-£3,108,598	-£3,190,598	-£3,272,598	-£3,354,598	-£3,436,598	-£3,518,598	-£3,600,598	-£3,682,598	-£1,240	-£932	
		M	0.75	-£1,064,978	-£1,126,478	-£1,187,978	-£1,249,478	-£1,310,978	-£1,372,478	-£1,433,978	-£1,495,478	-£1,419,971	-£1,501,971	-£1,583,971	-£1,665,971	-£1,747,971	-£1,829,971	-£1,911,971	-£1,993,971	-£817	-£509	
		H	0.75	£177,212	£124,635	£69,881	£15,128	-£44,508	-£106,008	-£167,508	-£229,008	£236,283	£166,180	£93,175	£20,170	-£59,344	-£141,344	-£223,344	-£305,344	-£403	-£95	
B1, B2, Industrial / B8 Warehousing	Move on type industrial unit including offices	L	0.06	-£130,782	-£135,863	-£140,944	-£146,025	-£151,107	-£156,188	-£161,269	-£166,350	-£2,179,694	-£2,264,381	-£2,349,069	-£2,433,756	-£2,518,444	-£2,603,131	-£2,687,819	-£2,772,506	-£967	-£671	
		M	0.06	-£104,394	-£109,476	-£114,557	-£119,638	-£124,719	-£129,801	-£134,882	-£139,963	-£1,739,907	-£1,824,595	-£1,909,282	-£1,993,970	-£2,078,657	-£2,163,345	-£2,248,032	-£2,332,720	-£862	-£566	
		H	0.06	-£78,007	-£83,088	-£88,170	-£93,251	-£98,332	-£103,413	-£108,495	-£113,576	-£1,300,120	-£1,384,808	-£1,469,495	-£1,554,183	-£1,638,870	-£1,723,558	-£1,808,245	-£1,892,933	-£756	-£460	
B1, B2, Industrial / B8 Warehousing	Large industrial warehousing including offices	L	0.75	-£944,275	-£1,005,475	-£1,066,675	-£1,127,875	-£1,189,075	-£1,250,275	-£1,311,475	-£1,372,675	-£1,259,033	-£1,340,633	-£1,422,233	-£1,503,833	-£1,585,433	-£1,667,033	-£1,748,633	-£1,830,233	-£777	-£469	
		M	0.75	-£627,641	-£688,841	-£750,041	-£811,241	-£872,441	-£933,641	-£994,841	-£1,056,041	-£836,854	-£918,454	-£1,000,054	-£1,081,654	-£1,163,254	-£1,244,854	-£1,326,454	-£1,408,054	-£672	-£364	
		H	0.75	-£311,007	-£372,207	-£433,407	-£494,607	-£555,807	-£617,007	-£678,207	-£739,407	-£414,675	-£496,275	-£577,875	-£659,475	-£741,075	-£822,675	-£904,275	-£985,875	-£566	-£258	
C1 Hotel	Hotel - edge of town	L	0.60	-£1,924,256	-£1,985,756	-£2,047,256	-£2,108,756	-£2,170,256	-£2,231,756	-£2,293,256	-£2,354,756	-£3,207,094	-£3,309,594	-£3,412,094	-£3,514,594	-£3,617,094	-£3,719,594	-£3,822,094	-£3,924,594	-£1,011	-£765	
		M	0.60	-£721,110	-£782,610	-£844,110	-£905,610	-£967,110	-£1,028,610	-£1,090,110	-£1,151,610	-£1,201,850	-£1,304,350	-£1,406,850	-£1,509,350	-£1,611,850	-£1,714,350	-£1,816,850	-£1,919,350	-£610	-£364	
		H	0.60	£386,377	£333,616	£280,855	£228,094	£179,748	£127,202	£72,448	£17,695	£643,961	£556,026	£468,092	£380,157	£299,580	£212,003	£120,747	£29,491	-£241	£5	
C2 Residential Institution	Nursing Home	L	0.35	-£1,213,629	-£1,257,309	-£1,300,989	-£1,344,669	-£1,388,349	-£1,432,029	-£1,475,709	-£1,519,389	-£3,467,512	-£3,592,312	-£3,717,112	-£3,841,912	-£3,966,712	-£4,091,512	-£4,216,312	-£4,341,112	-£886	-£681	
		M	0.35	-£770,434	-£814,114	-£857,794	-£901,474	-£945,154	-£988,834	-£1,032,514	-£1,076,194	-£2,201,240	-£2,326,040	-£2,450,840	-£2,575,640	-£2,700,440	-£2,825,240	-£2,950,040	-£3,074,840	-£675	-£470	
		H	0.35	-£327,239	-£370,919	-£414,599	-£458,279	-£501,959	-£545,639	-£589,319	-£632,999	-£934,968	-£1,059,768	-£1,184,568	-£1,309,368	-£1,434,168	-£1,558,968	-£1,683,768	-£1,808,568	-£464	-£259	
Institutional / Community / Health etc	Clinic or similar	L	0.13	-£467,751	-£477,938	-£488,126	-£498,313	-£508,501	-£518,688	-£528,876	-£539,063	-£3,598,081	-£3,676,447	-£3,754,812	-£3,833,177	-£3,911,543	-£3,989,908	-£4,068,273	-£4,146,639	-£1,417	-£1,096	
		M	0.13	-£309,431	-£319,619	-£329,806	-£339,994	-£350,181	-£360,369	-£370,556	-£380,744	-£2,380,242	-£2,458,608	-£2,536,973	-£2,615,338	-£2,693,704	-£2,772,069	-£2,850,434	-£2,928,800	-£1,100	-£780	
		H	0.13	-£151,112	-£161,300	-£171,487	-£181,675	-£191,862	-£202,050	-£212,237	-£222,425	-£1,162,403	-£1,240,769	-£1,319,134	-£1,397,499	-£1,475,865	-£1,554,230	-£1,632,596	-£1,710,961	-£783	-£463	
Leisure	Fitness etc	L	0.50	-£4,022,089	-£4,073,589	-£4,125,089	-£4,176,589	-£4,228,089	-£4,279,589	-£4,331,089	-£4,382,589	-£8,044,178	-£8,147,178	-£8,250,178	-£8,353,178	-£8,456,178	-£8,559,178	-£8,662,178	-£8,765,178	-£1,979	-£1,732	
		M	0.50	-£3,494,421	-£3,545,921	-£3,597,421	-£3,648,921	-£3,700,421	-£3,751,921	-£3,803,421	-£3,854,921	-£6,988,841	-£7,091,841	-£7,194,841	-£7,297,841	-£7,400,841	-£7,503,841	-£7,606,841	-£7,709,841	-£1,768	-£1,521	
		H	0.50	-£2,966,752	-£3,018,252	-£3,069,752	-£3,121,252	-£3,172,752	-£3,224,252	-£3,275,752	-£3,327,252	-£5,933,505	-£6,036,505	-£6,139,505	-£6,242,505	-£6,345,505	-£6,448,505	-£6,551,505	-£6,654,505	-£1,557	-£1,310	

Key: █ Negative RLV
█ RLV between zero and lower assumed PDL value (c£618,000/Ha)
█ RLV between lower assumed PDL value and upper assumed PDL value (c£618,000/Ha - £1,850,000/Ha)
█ RLV at or above upper assumed PDL value (c£1,850,000/Ha)
Source: Dixon Searle LLP (September 2011) *maximum range based on upper and lower input land values

Residual Land Value Data Summary & Results

DEVELOPMENT TYPE	Commercial
USE CLASS	A1 Retail Warehouse / Supermarket
DEVELOPMENT DESCRIPTION	Supermarket
DEVELOPMENT SIZE (TOTAL m²) - GIA	4,000
VALUE AREA	Medium Value
SITE SIZE (HA)	1.14
<u>REVENUE</u>	
Rental Value (£/m ²)	£230
Yield (%)	6.50%
Annual Rental Income	£920,000
Gross Development Value	£14,153,846
<u>Total Value of Scheme</u>	£14,153,846
<u>RESIDENTIAL BUILDING, MARKETING & S106 COSTS</u>	
Build Costs	£6,045,000
Fees, Contingencies, Planning Costs etc	£1,027,650
Site Preparation / Survey Costs / Other	£114,286
Sustainable Design & Construction Costs / BREEAM Costs	£302,250
<u>Total Build Costs</u>	£7,489,186
CIL Costs	£480,000
Promotion, Sales & Letting Costs	£101,200
<u>Total Planning Obligations / Promotion & Other Costs</u>	£581,200
<u>Finance on Build Costs</u>	£181,584
<u>TOTAL DEVELOPMENT COSTS</u>	£8,251,969
<u>DEVELOPER'S RETURN FOR RISK AND PROFIT</u>	
@20% of GDV	
A1 Retail Warehouse / Supermarket	£2,830,769
<u>Total Operating Profit</u>	£2,830,769
<u>GROSS RESIDUAL LAND VALUE</u>	£3,071,108
<u>FINANCE & ACQUISITION COSTS</u>	
Arrangement Fee / Misc Fees (Surveyors etc)	£30,711
Agents Fees	£30,711
Legal Fees	£30,711
Stamp Duty	£122,844
Interest on Land Purchase	£246,456
<u>Total Finance & Acquisition Costs</u>	£461,434
<u>NET RESIDUAL LAND VALUE</u>	<u>£2,609,674</u>
RLV (£ per Ha)	£2,283,464



North Hertfordshire District Council

Market, Values and Assumptions Research
Community Infrastructure Levy
& Affordable Housing
Viability Assessment

Appendix III

Dixon Searle LLP
The Old Well House
28C Headley Road
Grayshott
Hindhead
GU26 6LD

www.dixonsearle.co.uk

Appendix III contents	Page (of this Appendix)
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EGi property resource extracts (map, more on house price trends, commercial property availability and deals examples)	Follows above

Overall market review - September/October 2011

(Property advertised for sale / including sold subject to contract)

Royston

(260 properties)

	1 Bed	2 Bed	3 Bed	4 Bed
Detached	n/a	£205,000	£277,089	£431,043
Semi-Detached	n/a	£201,862	£223,328	£310,988
Terraced	n/a	£186,919	£188,250	£309,875
Flats	£129,633	£134,996	n/a	n/a
Bungalows	n/a	£274,000	£321,658	£450,000

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flats	£129,633	£99,995	£124,950	£129,999	£139,950	£154,950
2-Bed Flats	£134,996	£95,000	£125,998	£139,950	£149,725	£180,000
2-Bed Houses	£191,127	£144,950	£175,000	£189,995	£199,950	£249,995
3-Bed Houses	£222,215	£145,000	£189,995	£215,000	£249,995	£359,950
4-Bed Houses	£400,943	£219,500	£279,838	£359,998	£499,961	£875,000
2-Bed Bungalows	£274,000	£274,000	£274,000	£274,000	£274,000	£274,000
3-Bed Bungalows	£321,658	£299,999	£300,000	£315,000	£344,963	£350,000
4-Bed Bungalows	£450,000	£320,000	£338,750	£387,500	£575,000	£645,000

September 2011, www.rightmove.co.uk**Baldock**

(140 properties)

	1 Bed	2 Bed	3 Bed	4 Bed
Detached	n/a	£284,950	£315,357	£444,368
Semi-Detached	n/a	£176,648	£254,809	£297,483
Terraced	n/a	£220,971	£232,349	£206,225
Flats	£120,395	£166,497	n/a	n/a
Bungalows	n/a	£180,000	£299,950	-

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flats	£120,395	£79,950	£108,750	£113,725	£132,488	£167,500
2-Bed Flats	£166,497	£127,000	£149,338	£152,950	£173,711	£245,000
2-Bed Houses	£216,913	£130,000	£169,961	£181,248	£239,950	£410,000
3-Bed Houses	£254,752	£145,000	£216,475	£249,950	£274,973	£425,000
4-Bed Houses	£400,705	£172,500	£319,950	£425,000	£450,000	£725,000
2-Bed Bungalows	£180,000	£180,000	£180,000	£180,000	£180,000	£180,000
3-Bed Bungalows	£299,950	£299,950	£299,950	£299,950	£299,950	£299,950
4-Bed Bungalows	-	£0	-	-	-	£0

September 2011, www.rightmove.co.uk

Letchworth**(439 properties)**

	1 Bed	2 Bed	3 Bed	4 Bed
Detached	n/a	-	£357,515	£463,405
Semi-Detached	n/a	£168,593	£289,445	£396,212
Terraced	n/a	£180,190	£202,816	£290,890
Flats	£113,171	£152,639	n/a	n/a
Bungalows	n/a	£255,380	£328,490	-

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flats	£113,171	£79,950	£94,713	£115,000	£127,874	£159,950
2-Bed Flats	£152,639	£89,950	£127,500	£140,000	£162,995	£375,000
2-Bed Houses	£177,705	£144,950	£155,250	£164,975	£184,450	£399,950
3-Bed Houses	£246,387	£125,000	£185,000	£215,000	£299,950	£495,000
4-Bed Houses	£423,243	£199,950	£325,000	£395,000	£485,000	£925,000
2-Bed Bungalows	£255,380	£185,000	£227,500	£252,475	£271,738	£399,950
3-Bed Bungalows	£328,490	£199,950	£279,963	£304,998	£400,000	£465,000
4-Bed Bungalows	-	£0	-	-	-	£0

September 2011, www.rightmove.co.uk**Hitchin****(450 properties)**

	1 Bed	2 Bed	3 Bed	4 Bed
Detached	n/a	£385,000	£359,689	£481,741
Semi-Detached	n/a	£226,739	£283,107	£379,285
Terraced	n/a	£215,279	£244,094	£416,141
Flats	£116,539	£177,773	n/a	n/a
Bungalows	n/a	£249,084	£365,699	£464,983

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flats	£116,539	£75,000	£102,624	£115,000	£124,999	£225,500
2-Bed Flats	£177,773	£90,000	£150,000	£169,995	£197,475	£282,500
2-Bed Houses	£222,264	£160,000	£194,950	£219,950	£237,500	£425,000
3-Bed Houses	£276,228	£149,950	£232,500	£254,999	£314,998	£599,995
4-Bed Houses	£435,556	£239,995	£318,000	£399,995	£524,995	£775,000
2-Bed Bungalows	£249,084	£209,999	£236,250	£249,973	£261,500	£284,950
3-Bed Bungalows	£365,699	£284,995	£294,975	£310,000	£339,975	£695,000
4-Bed Bungalows	£464,983	£299,950	£332,475	£365,000	£547,500	£730,000

September 2011, www.rightmove.co.uk

Barley**(4 properties)**

	1 Bed	2 Bed	3 Bed	4 Bed
Detached	n/a	-	-	£696,667
Semi-Detached	n/a	-	-	-
Terraced	n/a	-	-	-
Flats	-	-	n/a	n/a
Bungalows	n/a	£255,000	-	-

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flats	-	£0	-	-	-	£0
2-Bed Flats	-	£0	-	-	-	£0
2-Bed Houses	-	£0	-	-	-	£0
3-Bed Houses	-	£0	-	-	-	£0
4-Bed Houses	£696,667	£595,000	£645,000	£695,000	£747,500	£800,000
2-Bed Bungalows	£255,000	£255,000	£255,000	£255,000	£255,000	£255,000
3-Bed Bungalows	-	£0	-	-	-	£0
4-Bed Bungalows	-	£0	-	-	-	£0

September 2011, www.rightmove.co.uk**Barkway & Nuthampstead****(15 properties)**

	1 Bed	2 Bed	3 Bed	4 Bed
Detached	n/a	£389,995	-	£504,999
Semi-Detached	n/a	-	£295,000	-
Terraced	n/a	£279,998	£324,982	-
Flats	-	£135,000	n/a	n/a
Bungalows	n/a	£414,973	£399,995	-

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flats	-	£0	-	-	-	£0
2-Bed Flats	£135,000	£135,000	£135,000	£135,000	£135,000	£135,000
2-Bed Houses	£316,663	£270,000	£279,998	£289,995	£339,995	£389,995
3-Bed Houses	£317,486	£215,000	£275,000	£327,498	£369,984	£399,950
4-Bed Houses	£504,999	£384,995	£444,999	£470,000	£530,000	£695,000
2-Bed Bungalows	£414,973	£329,950	£372,461	£414,973	£457,484	£499,995
3-Bed Bungalows	£399,995	£399,995	£399,995	£399,995	£399,995	£399,995
4-Bed Bungalows	-	£0	-	-	-	£0

September 2011, www.rightmove.co.uk

Therfield & Reed**(10 properties)**

	1 Bed	2 Bed	3 Bed	4 Bed
Detached	n/a	-	£425,000	£647,500
Semi-Detached	n/a	-	£419,500	£429,995
Terraced	n/a	-	-	-
Flats	-	-	n/a	n/a
Bungalows	n/a	-	£380,000	-

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flats	-	£0	-	-	-	£0
2-Bed Flats	-	£0	-	-	-	£0
2-Bed Houses	-	£0	-	-	-	£0
3-Bed Houses	£422,250	£419,500	£420,875	£422,250	£423,625	£425,000
4-Bed Houses	£616,428	£429,995	£525,000	£685,000	£692,500	£765,000
2-Bed Bungalows	-	£0	-	-	-	£0
3-Bed Bungalows	£380,000	£380,000	£380,000	£380,000	£380,000	£380,000
4-Bed Bungalows	-	£0	-	-	-	£0

September 2011, www.rightmove.co.uk**Sandon****(12 properties)**

	1 Bed	2 Bed	3 Bed	4 Bed
Detached	n/a	£374,998	£379,995	£596,665
Semi-Detached	n/a	£289,950	£339,750	£425,000
Terraced	n/a	-	-	-
Flats	-	-	n/a	n/a
Bungalows	n/a	£300,000	£325,000	-

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flats	-	£0	-	-	-	£0
2-Bed Flats	-	£0	-	-	-	£0
2-Bed Houses	£346,648	£289,950	£294,973	£299,995	£374,998	£450,000
3-Bed Houses	£353,165	£280,000	£329,998	£379,995	£389,748	£399,500
4-Bed Houses	£553,749	£425,000	£481,246	£557,498	£630,000	£675,000
2-Bed Bungalows	£300,000	£300,000	£300,000	£300,000	£300,000	£300,000
3-Bed Bungalows	£325,000	£325,000	£325,000	£325,000	£325,000	£325,000
4-Bed Bungalows	-	£0	-	-	-	£0

September 2011, www.rightmove.co.uk

Ashwell**(32 properties)**

	1 Bed	2 Bed	3 Bed	4 Bed
Detached	n/a	-	£500,000	£770,455
Semi-Detached	n/a	-	£252,500	£345,000
Terraced	n/a	£240,158	£295,613	£450,000
Flats	£143,333	£149,950	n/a	n/a
Bungalows	n/a	-	-	-

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flats	£143,333	£135,000	£137,500	£140,000	£147,500	£155,000
2-Bed Flats	£149,950	£149,950	£149,950	£149,950	£149,950	£149,950
2-Bed Houses	£240,158	£165,000	£189,000	£197,475	£251,738	£425,000
3-Bed Houses	£326,661	£227,500	£237,500	£295,000	£350,000	£650,000
4-Bed Houses	£713,077	£345,000	£550,000	£775,000	£895,000	£1,245,000
2-Bed Bungalows	-	£0	-	-	-	£0
3-Bed Bungalows	-	£0	-	-	-	£0
4-Bed Bungalows	-	£0	-	-	-	£0

September 2011, www.rightmove.co.uk**Weston****(12 properties)**

	1 Bed	2 Bed	3 Bed	4 Bed
Detached	n/a	-	-	£617,917
Semi-Detached	n/a	-	£550,000	£550,000
Terraced	n/a	£179,950	£272,450	-
Flats	-	-	n/a	n/a
Bungalows	n/a	-	£550,000	-

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flats	-	£0	-	-	-	£0
2-Bed Flats	-	£0	-	-	-	£0
2-Bed Houses	£179,950	£179,950	£179,950	£179,950	£179,950	£179,950
3-Bed Houses	£364,967	£229,950	£272,450	£314,950	£432,475	£550,000
4-Bed Houses	£608,214	£499,999	£525,000	£595,000	£681,250	£750,000
2-Bed Bungalows	-	£0	-	-	-	£0
3-Bed Bungalows	£550,000	£550,000	£550,000	£550,000	£550,000	£550,000
4-Bed Bungalows	-	£0	-	-	-	£0

September 2011, www.rightmove.co.uk

Wymondley & Graveley**(14 properties)**

	1 Bed	2 Bed	3 Bed	4 Bed
Detached	n/a	-	-	£650,000
Semi-Detached	n/a	-	£313,315	£425,000
Terraced	n/a	£182,360	£229,986	-
Flats	-	-	n/a	n/a
Bungalows	n/a	-	-	£444,950

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flats	-	£0	-	-	-	£0
2-Bed Flats	-	£0	-	-	-	£0
2-Bed Houses	£182,360	£159,950	£159,984	£174,995	£197,371	£219,500
3-Bed Houses	£265,699	£214,995	£230,000	£244,950	£289,998	£359,950
4-Bed Houses	£537,500	£425,000	£481,250	£537,500	£593,750	£650,000
2-Bed Bungalows	-	£0	-	-	-	£0
3-Bed Bungalows	-	£0	-	-	-	£0
4-Bed Bungalows	£444,950	£444,950	£444,950	£444,950	£444,950	£444,950

September 2011, www.rightmove.co.uk**Ickleford****(18 properties)**

	1 Bed	2 Bed	3 Bed	4 Bed
Detached	n/a	-	£368,316	£591,650
Semi-Detached	n/a	£189,995	£261,647	-
Terraced	n/a	£199,973	£249,950	-
Flats	-	£164,983	n/a	n/a
Bungalows	n/a	£285,000	-	£575,000

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flats	-	£0	-	-	-	£0
2-Bed Flats	£164,983	£140,000	£157,500	£175,000	£177,475	£179,950
2-Bed Houses	£196,647	£189,995	£194,973	£199,950	£199,973	£199,995
3-Bed Houses	£305,691	£229,995	£252,450	£299,950	£337,498	£429,999
4-Bed Houses	£591,650	£399,950	£512,475	£625,000	£687,500	£750,000
2-Bed Bungalows	£285,000	£285,000	£285,000	£285,000	£285,000	£285,000
3-Bed Bungalows	-	£0	-	-	-	£0
4-Bed Bungalows	£575,000	£575,000	£575,000	£575,000	£575,000	£575,000

September 2011, www.rightmove.co.uk

Pirton**(9 properties)**

	1 Bed	2 Bed	3 Bed	4 Bed
Detached	n/a	-	£300,000	£375,000
Semi-Detached	n/a	-	£250,000	-
Terraced	n/a	£275,000	£229,983	-
Flats	-	-	n/a	n/a
Bungalows	n/a	£299,950	£350,000	-

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flats	-	£0	-	-	-	£0
2-Bed Flats	-	£0	-	-	-	£0
2-Bed Houses	£275,000	£275,000	£275,000	£275,000	£275,000	£275,000
3-Bed Houses	£247,990	£219,950	£225,000	£245,000	£250,000	£300,000
4-Bed Houses	£375,000	£375,000	£375,000	£375,000	£375,000	£375,000
2-Bed Bungalows	£299,950	£299,950	£299,950	£299,950	£299,950	£299,950
3-Bed Bungalows	£350,000	£350,000	£350,000	£350,000	£350,000	£350,000
4-Bed Bungalows	-	£0	-	-	-	£0

September 2011, www.rightmove.co.uk**Hexton****(1 property)**

	1 Bed	2 Bed	3 Bed	4 Bed
Detached	n/a	-	-	-
Semi-Detached	n/a	-	-	-
Terraced	n/a	-	-	-
Flats	-	-	n/a	n/a
Bungalows	n/a	£430,000	-	-

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flats	-	£0	-	-	-	£0
2-Bed Flats	-	£0	-	-	-	£0
2-Bed Houses	-	£0	-	-	-	£0
3-Bed Houses	-	£0	-	-	-	£0
4-Bed Houses	-	£0	-	-	-	£0
2-Bed Bungalows	£430,000	£430,000	£430,000	£430,000	£430,000	£430,000
3-Bed Bungalows	-	£0	-	-	-	£0
4-Bed Bungalows	-	£0	-	-	-	£0

September 2011, www.rightmove.co.uk

Offley & Lilley**(16 properties)**

	1 Bed	2 Bed	3 Bed	4 Bed
Detached	n/a	£299,950	£250,000	-
Semi-Detached	n/a	-	£302,475	-
Terraced	n/a	£241,633	£306,225	£325,000
Flats	-	£130,610	n/a	n/a
Bungalows	n/a	-	-	-

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flats	-	£0	-	-	-	£0
2-Bed Flats	£130,610	£119,950	£121,863	£131,248	£139,995	£139,995
2-Bed Houses	£256,213	£174,950	£223,700	£269,950	£302,463	£310,000
3-Bed Houses	£297,121	£229,950	£244,975	£250,000	£317,475	£475,000
4-Bed Houses	£325,000	£325,000	£325,000	£325,000	£325,000	£325,000
2-Bed Bungalows	-	£0	-	-	-	£0
3-Bed Bungalows	-	£0	-	-	-	£0
4-Bed Bungalows	-	£0	-	-	-	£0

September 2011, www.rightmove.co.uk**St Ippolyts****(7 properties)**

	1 Bed	2 Bed	3 Bed	4 Bed
Detached	n/a	-	£357,500	£795,000
Semi-Detached	n/a	-	£330,000	-
Terraced	n/a	£279,950	£475,000	-
Flats	-	-	n/a	n/a
Bungalows	n/a	-	£550,000	-

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flats	-	£0	-	-	-	£0
2-Bed Flats	-	£0	-	-	-	£0
2-Bed Houses	£279,950	£279,950	£279,950	£279,950	£279,950	£279,950
3-Bed Houses	£380,000	£265,000	£313,750	£390,000	£456,250	£475,000
4-Bed Houses	£795,000	£795,000	£795,000	£795,000	£795,000	£795,000
2-Bed Bungalows	-	£0	-	-	-	£0
3-Bed Bungalows	£550,000	£550,000	£550,000	£550,000	£550,000	£550,000
4-Bed Bungalows	-	£0	-	-	-	£0

September 2011, www.rightmove.co.uk

Preston**(1 property)**

	1 Bed	2 Bed	3 Bed	4 Bed
Detached	n/a	-	-	£550,000
Semi-Detached	n/a	-	-	-
Terraced	n/a	-	-	-
Flats	-	-	n/a	n/a
Bungalows	n/a	-	-	-

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flats	-	£0	-	-	-	£0
2-Bed Flats	-	£0	-	-	-	£0
2-Bed Houses	-	£0	-	-	-	£0
3-Bed Houses	-	£0	-	-	-	£0
4-Bed Houses	£550,000	£550,000	£550,000	£550,000	£550,000	£550,000
2-Bed Bungalows	-	£0	-	-	-	£0
3-Bed Bungalows	-	£0	-	-	-	£0
4-Bed Bungalows	-	£0	-	-	-	£0

September 2011, www.rightmove.co.uk**Breachwood Green****(13 properties)**

	1 Bed	2 Bed	3 Bed	4 Bed
Detached	n/a	-	-	£654,991
Semi-Detached	n/a	-	£326,238	-
Terraced	n/a	-	£229,148	-
Flats	-	-	n/a	n/a
Bungalows	n/a	-	-	-

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flats	-	£0	-	-	-	£0
2-Bed Flats	-	£0	-	-	-	£0
2-Bed Houses	-	£0	-	-	-	£0
3-Bed Houses	£284,628	£199,950	£224,973	£285,000	£303,750	£450,000
4-Bed Houses	£654,991	£439,995	£521,213	£690,000	£795,000	£815,000
2-Bed Bungalows	-	£0	-	-	-	£0
3-Bed Bungalows	-	£0	-	-	-	£0
4-Bed Bungalows	-	£0	-	-	-	£0

September 2011, www.rightmove.co.uk

Whitwell**(11 properties)**

	1 Bed	2 Bed	3 Bed	4 Bed
Detached	n/a	-	£435,000	£650,000
Semi-Detached	n/a	-	£495,000	£292,475
Terraced	n/a	£223,748	£280,000	-
Flats	-	-	n/a	n/a
Bungalows	n/a	-	£418,333	-

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flats	-	£0	-	-	-	£0
2-Bed Flats	-	£0	-	-	-	£0
2-Bed Houses	£223,748	£219,995	£221,871	£223,748	£225,624	£227,500
3-Bed Houses	£403,333	£280,000	£357,500	£435,000	£465,000	£495,000
4-Bed Houses	£411,650	£0	-	-	-	£0
2-Bed Bungalows	-	£0	-	-	-	£0
3-Bed Bungalows	£418,333	£230,000	£340,000	£450,000	£512,500	£575,000
4-Bed Bungalows	-	£0	-	-	-	£0

September 2011, www.rightmove.co.uk**Kimpton & Blackmore End****(28 properties)**

	1 Bed	2 Bed	3 Bed	4 Bed
Detached	n/a	-	£285,000	£793,991
Semi-Detached	n/a	-	£301,213	-
Terraced	n/a	£235,000	£330,000	£429,975
Flats	-	£152,450	n/a	n/a
Bungalows	n/a	£299,950	-	£715,000

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flats	-	£0	-	-	-	£0
2-Bed Flats	£152,450	£149,950	£151,200	£152,450	£153,700	£154,950
2-Bed Houses	£235,000	£235,000	£235,000	£235,000	£235,000	£235,000
3-Bed Houses	£309,981	£249,950	£268,713	£305,000	£352,488	£375,000
4-Bed Houses	£696,920	£299,950	£372,475	£445,000	£795,000	£2,300,000
2-Bed Bungalows	£299,950	£299,950	£299,950	£299,950	£299,950	£299,950
3-Bed Bungalows	-	£0	-	-	-	£0
4-Bed Bungalows	£715,000	£715,000	£715,000	£715,000	£715,000	£715,000

September 2011, www.rightmove.co.uk

Codicote**(23 properties)**

	1 Bed	2 Bed	3 Bed	4 Bed
Detached	n/a	-	£325,000	£552,498
Semi-Detached	n/a	£231,650	£289,998	£349,950
Terraced	n/a	£191,341	£375,000	£294,500
Flats	£99,300	-	n/a	n/a
Bungalows	n/a	£425,000	-	-

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flats	£99,300	£89,950	£94,950	£99,950	£103,975	£108,000
2-Bed Flats	-	£0	-	-	-	£0
2-Bed Houses	£203,434	£164,995	£185,488	£197,748	£212,500	£274,950
3-Bed Houses	£313,999	£259,995	£280,000	£325,000	£330,000	£375,000
4-Bed Houses	£437,361	£294,500	£336,088	£424,973	£526,246	£605,000
2-Bed Bungalows	£425,000	£425,000	£425,000	£425,000	£425,000	£425,000
3-Bed Bungalows	-	£0	-	-	-	£0
4-Bed Bungalows	-	£0	-	-	-	£0

September 2011, www.rightmove.co.uk**Knebworth****(52 properties)**

	1 Bed	2 Bed	3 Bed	4 Bed
Detached	n/a	-	£439,749	£579,999
Semi-Detached	n/a	£236,665	£303,711	£462,498
Terraced	n/a	£227,996	£262,486	£269,998
Flats	£161,650	£187,649	n/a	n/a
Bungalows	n/a	£308,332	£595,000	£475,000

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flats	£161,650	£129,950	£134,975	£140,000	£177,500	£215,000
2-Bed Flats	£187,649	£134,950	£139,461	£179,998	£236,000	£260,000
2-Bed Houses	£231,247	£179,995	£187,495	£214,998	£241,249	£375,000
3-Bed Houses	£317,108	£189,995	£242,496	£319,973	£368,500	£525,000
4-Bed Houses	£473,123	£249,995	£372,496	£502,498	£535,000	£750,000
2-Bed Bungalows	£308,332	£249,995	£262,498	£275,000	£337,500	£400,000
3-Bed Bungalows	£595,000	£595,000	£595,000	£595,000	£595,000	£595,000
4-Bed Bungalows	£475,000	£475,000	£475,000	£475,000	£475,000	£475,000

September 2011, www.rightmove.co.uk

Great Ashby**(82 properties)**

	1 Bed	2 Bed	3 Bed	4 Bed
Detached	n/a	-	£242,496	£323,121
Semi-Detached	n/a	£200,995	£232,350	£261,495
Terraced	n/a	£179,161	£231,202	-
Flats	£134,975	£144,301	n/a	n/a
Bungalows	n/a	-	-	-

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flats	£134,975	£119,950	£127,463	£134,975	£142,488	£150,000
2-Bed Flats	£144,301	£124,950	£144,995	£144,995	£145,000	£155,995
2-Bed Houses	£182,280	£159,995	£174,995	£181,995	£185,000	£209,995
3-Bed Houses	£233,139	£198,000	£224,995	£232,495	£239,995	£269,950
4-Bed Houses	£302,579	£239,995	£268,995	£309,995	£329,995	£389,995
2-Bed Bungalows	-	£0	-	-	-	£0
3-Bed Bungalows	-	£0	-	-	-	£0
4-Bed Bungalows	-	£0	-	-	-	£0

October 2011, www.rightmove.co.uk

North Hertfordshire District Council – Overview Summary – Indicative values hierarchy from above settlements data

Average Asking Prices Analysis – Market overall - Flats and Houses						
Settlement	1 Bed Flats	2 Bed Flats	2 Bed House	3 Bed House	4 Bed House	All Properties
Barley	-	-	-	-	£696,667	£696,667
Therfield & Reed	-	-	-	£422,250	£616,428	£573,277
Preston	-	-	-	-	£550,000	£550,000
Kimpton & Blackmore End	-	£152,450	£235,000	£309,981	£696,920	£518,213
Weston	-	-	£179,950	£364,967	£608,214	£502,941
Breachwood Green	-	-	-	£284,628	£654,991	£455,565
Ashwell	£143,333	£149,950	£240,158	£326,661	£713,077	£444,714
St Ippolyts	-	-	£279,950	£380,000	£795,000	£432,492
Sandon	-	-	£346,648	£353,165	£553,749	£431,444
Barkway & Nuthampstead	-	£135,000	£316,663	£317,486	£504,999	£364,578
Whitwell	-	-	£223,748	£403,333	£411,650	£361,556
Ickleford & Holwell	-	£164,983	£196,647	£305,691	£591,650	£312,480
Knebworth	£161,650	£187,649	£231,247	£317,108	£473,123	£286,073
Wymondley & Graveley	-	-	£182,360	£265,699	£537,500	£281,872
Pirton	-	-	£275,000	£247,990	£375,000	£269,993
Codicote	£99,300	-	£203,434	£313,999	£437,361	£256,895
Offley & Lilley	-	£130,610	£256,213	£297,121	£325,000	£247,009
Baldock	£120,395	£166,497	£216,913	£254,752	£400,705	£243,166
Letchworth	£113,171	£152,639	£177,705	£246,387	£423,243	£237,621
Hitchin	£116,539	£177,773	£222,264	£276,228	£435,556	£237,000
Royston	£129,633	£134,996	£191,127	£222,215	£400,943	£224,807
Great Ashby	£134,975	£144,301	£182,280	£233,139	£302,579	£213,798
Overall	£119,295	£160,321	£208,383	£261,678	£468,244	£256,905

Average Asking Price Analysis Flats and Houses – District-wide -market overall		
1 Bed Flat	-	£119,295
2 Bed Flat	-	£160,321
2 Bed House	Terraced	£203,776
	Semi-Detached	£203,350
	Detached	£318,984
3 Bed House	Terraced	£224,701
	Semi-Detached	£276,792
	Detached	£338,205
4 Bed House	Terraced	£336,185
	Semi-Detached	£362,886
	Detached	£520,025
Average Asking Prices Analysis – Market overall - Bungalows		

Settlement	2 Bed Bungalow	3 Bed Bungalow	4 Bed Bungalow	All Properties
St Ippolyts	-	£550,000	-	£550,000
Weston	-	£550,000	-	£550,000
Kimpton & Blackmore End	£299,950	-	£715,000	£507,475
Wymondley & Graveley	-	-	£444,950	£444,950
Hexton	£430,000	-	-	£430,000
Ickleford & Holwell	£285,000	-	£575,000	£430,000
Codicote	£425,000	-	-	£425,000
Whitwell	-	£418,333	-	£418,333
Barkway & Nuthampstead	£414,973	£399,995	-	£409,980
Knebworth	£308,332	£595,000	£475,000	£398,999
Therfield & Reed	-	£380,000	-	£380,000
Royston	£274,000	£321,658	£450,000	£377,227
Pirton	£299,950	£350,000	-	£324,975
Hitchin	£249,084	£365,699	£464,983	£322,284
Sandon	£300,000	£325,000	-	£312,500
Letchworth	£255,380	£328,490	-	£291,935
Barley	£255,000	-	-	£255,000
Baldock	£180,000	£299,950	-	£239,975
Overall	£280,838	£367,050	£484,992	£349,791

Average Asking Price Analysis – District-wide - Bungalows	
2 Bed Bungalow	£280,838
3 Bed Bungalow	£367,050
4 Bed Bungalow	£484,992

October 2011: DSP using information from www.rightmove.co.uk

Notes on above property prices research (overall market review):

All Areas	Properties with land (usually 'equestrian') not included 1 bed houses not included (some in Royston, Letchworth & Hitchin) 3 bed flats not included (some in Letchworth) “Park homes” not included (some in Ashwell & Hitchin)
Ashwell	Includes Hinxworth, Newnham and Bygrave
Breachwood Green	Includes Bendish and Cockernhoe
Knebworth	Includes Old Knebworth
Sandon	Includes Wallington and Rushden

Settlement	Average Asking Prices Analysis Flats and Houses: 1- 3 beds*			
	1 Bed Flats	2 Bed Flats	2 Bed House	3 Bed House
Barley	-	-	-	-
Therfield & Reed	-	-	-	£4,445
Preston	-	-	-	-
Kimpton & Blackmore End	-	£2,541	£3,133	£3,263
Weston	-	-	£2,399	£3,842
Breachwood Green	-	-	-	£2,996
Ashwell	£3,185	£2,499	£3,202	£3,439
St Ippolyts	-	-	£3,733	£4,000
Sandon	-	-	£4,622	£3,718
Barkway & Nuthampstead	-	£2,250	£4,222	£3,342
Whitwell	-	-	£2,983	£4,246
Ickleford & Holwell	-	£2,750	£2,622	£3,218
Knebworth	£3,592	£3,127	£3,083	£3,338
Wymondley & Graveley	-	-	£2,431	£2,797
Pirton	-	-	£3,667	£2,610
Codicote	£2,207	-	£2,712	£3,305
Offley & Lilley	-	£2,177	£3,416	£3,128
Baldock	£2,675	£2,775	£2,892	£2,682
Letchworth	£2,515	£2,544	£2,369	£2,594
Hitchin	£2,590	£2,963	£2,964	£2,908
Royston	£2,881	£2,250	£2,548	£2,339
Great Ashby	£2,999	£2,405	£2,430	£2,454
Averages	£2,651	£2,672	£2,778	£2,755

*(£ per sq. m indications based on DSP dwelling size assumptions)

Settlement	Average Asking Prices Analysis - 2&3 Bed Houses Only		
	2 Bed House	3 Bed House	All 2 & 3 bed Properties
Barley			-
Therfield & Reed		£4,445	£2,484
Preston			-
Kimpton & Blackmore End	£3,133	£3,263	£3,206
Weston	£2,399	£3,842	£3,205
Breachwood Green		£2,996	-
Ashwell	£3,202	£3,439	£3,334
St Ippolyts	£3,733	£4,000	£3,882
Sandon	£4,622	£3,718	£4,117
Barkway & Nuthampstead	£4,222	£3,342	£3,730
Whitwell	£2,983	£4,246	£3,689
Ickleford & Holwell	£2,622	£3,218	£2,955
Knebworth	£3,083	£3,338	£3,226
Wymondley & Graveley	£2,431	£2,797	£2,636
Pirton	£3,667	£2,610	£3,076
Codicote	£2,712	£3,305	£3,044
Offley & Lilley	£3,416	£3,128	£3,255
Baldock	£2,892	£2,682	£2,774
Letchworth	£2,369	£2,594	£2,495
Hitchin	£2,964	£2,908	£2,932
Royston	£2,548	£2,339	£2,431
Great Ashby	£2,430	£2,454	£2,444
Averages	£2,778	£2,755	£2,765

*(£ per sq. m indications based on DSP dwelling size assumptions)

North Hertfordshire District Council – New Build Properties advertised (September - October 2011)

Address	Description	Price	Size (m2)	Price per m2	Price Less 20%	Price Less 10%	Price Plus 10%	Developer / Agent
Knebworth								
Flats								
Robert Ellis Court, St Martins Road (Retirement Properties)	2 bed flat	£260,000	89.6	£2,903	£2,322	£2,613	£3,193	Joseph Hale/ Putterills
	2 bed flat	£245,000	80.1	£3,059	£2,447	£2,753	£3,365	
	2 bed flat	£239,000	75.8	£3,153	£2,522	£2,838	£3,468	
	2 bed flat	£235,000	75.8	£3,100	£2,480	£2,790	£3,410	
	2 bed flat	£225,000	75.3	£2,990	£2,392	£2,691	£3,289	
	2 bed flat	£220,000	75.3	£2,924	£2,339	£2,631	£3,216	
	1 bed flat	£215,000	70.4	£3,053	£2,442	£2,748	£3,358	
Average		£234,143	77.5	£3,026	£2,421	£2,723	£3,329	

Baldock								
Houses								
Templars Gate, Lime Kiln Lane	3 bed terraced	£299,995	not available					Barratt Homes/ Lanes New Homes
Clothall Corner	3 bed townhouse	£259,950	85.0	£3,058	£2,447	£2,752	£3,364	Wheatley/ Lanes New Homes & Satchells
	3 bed townhouse	£259,950	85.0	£3,058	£2,447	£2,752	£3,364	
	3 bed townhouse	£259,950	85.0	£3,058	£2,447	£2,752	£3,364	
	3 bed townhouse	£259,950	85.0	£3,058	£2,447	£2,752	£3,364	
	3 bed townhouse	£249,950	78.0	£3,204	£2,564	£2,884	£3,525	
	3 bed townhouse	£249,950	78.0	£3,204	£2,564	£2,884	£3,525	
	3 bed townhouse	£249,950	78.0	£3,204	£2,564	£2,884	£3,525	
	3 bed townhouse	£249,950	78.0	£3,204	£2,564	£2,884	£3,525	
Musgrove Maltings, Hitchin Street (part conversion/part new build)	2 bed mews house	£410,000	165.0	£2,485	£1,988	£2,236	£2,733	Satchells
	2 bed mews house	£385,000	98.0	£3,929	£3,143	£3,536	£4,321	
	2 bed mews house	£349,950	105.0	£3,333	£2,666	£3,000	£3,666	
	2 bed mews house	£339,950	106.0	£3,207	£2,566	£2,886	£3,528	
	2 bed mews house	£329,950	112.0	£2,946	£2,357	£2,651	£3,241	
	2 bed detached	£299,950	89.0	£3,370	£2,696	£3,033	£3,707	
	2 bed mews house	£269,950	92.0	£2,934	£2,347	£2,641	£3,228	
	2 bed mews	£239,950	90.0	£2,666	£2,133	£2,400	£2,933	

Address	Description	Price	Size (m2)	Price per m2	Price Less 20%	Price Less 10%	Price Plus 10%	Developer / Agent
	house							
Transters Yard, Whitehorse Street (conversion)	2 bed detached	£269,950	not available					Putterills New Homes
	2 bed mews house	£234,950						
Average		£287,852	94.3	£3,120	£2,496	£2,808	£3,432	
Flats								
Musgrove Maltings, Hitchin Street	2 bed duplex	£245,000	89.0	£2,753	£2,202	£2,478	£3,028	Satchells
Knights Court, Weston Way	2 bed flat	£199,950						Putterills (offered at 85% shared equity)
	2 bed flat	£184,995						
Clothall Corner	2 bed flat	£152,950	66.0	£2,317	£1,854	£2,086	£2,549	Wheatley/Lanes New Homes & Satchells
	2 bed flat	£152,950	66.0	£2,317	£1,854	£2,086	£2,549	
	2 bed flat	£152,950	66.0	£2,317	£1,854	£2,086	£2,549	
	2 bed flat	£152,950	66.0	£2,317	£1,854	£2,086	£2,549	
	2 bed flat	£149,950	60.0	£2,499	£1,999	£2,249	£2,749	
Average		£217,137	79.2	£2,671	£2,137	£2,404	£2,939	

Hitchin								
Houses								
239, Cambridge Road	4 bed detached	£320,000	120.0	£2,667	£2,133	£2,400	£2,933	Satchells Estate Agents
Regency Mews, Water Lane	3 bed terraced	£319,995	95.0	£3,368	£2,695	£3,032	£3,705	Accolade Developments/Putterills New Homes
	3 bed terraced	£319,995	95.0	£3,368	£2,695	£3,032	£3,705	
	3 bed terraced	£319,995	95.0	£3,368	£2,695	£3,032	£3,705	
	3 bed terraced	£319,995	95.0	£3,368	£2,695	£3,032	£3,705	
Average		£319,996	100	£3,228	£2,582	£2,905	£3,551	
Flats								
Robins Hill, St Johns Road	3 bed flat	£255,000	not available					Burgess Homes/Taylor's Estate Agents
	3 bed flat	£250,000						
	2 bed flat	£255,000	83.0	£3,072	£2,458	£2,765	£3,380	
	2 bed flat	£250,000	82.0	£3,049	£2,439	£2,744	£3,354	
	2 bed flat	£220,000	n/a					
Coopers Yard, Paynes Park (most new build, some conversion)	2 bed flat	£250,000	85.0	£2,941	£2,353	£2,647	£3,235	Stephen Howard Homes/Country Properties
	2 bed flat	£250,000	78.0	£3,205	£2,564	£2,885	£3,526	
	2 bed flat	£250,000	not available					
	2 bed flat	£250,000						
	2 bed flat	£245,000						
	2 bed flat	£240,000						
	2 bed flat	£225,000						

Address	Description	Price	Size (m2)	Price per m2	Price Less 20%	Price Less 10%	Price Plus 10%	Developer / Agent	
	2 bed flat	£210,000							
	2 bed flat	£210,000							
	2 bed flat	£199,995							
	2 bed flat	£195,000							
	2 bed flat	£187,500							
	2 bed flat	£185,000							
	2 bed flat	£185,000							
	2 bed flat	£185,000		71.0	£2,606	£2,085	£2,345		£2,866
	2 bed flat	£185,000		not available					
	2 bed flat	£185,000							
	2 bed flat	£185,000							
	2 bed flat	£169,950							
1 bed flat	£145,000								
Sentry Court, Grove Road	2 bed duplex	£189,995	70.0	£2,714	£2,171	£2,443	£2,986	Stonegate Estates/ Hatched.co.uk	
	2 bed duplex	£189,995	70.0	£2,714	£2,171	£2,443	£2,986		
	2 bed flat	£165,000	58.1	£2,840	£2,272	£2,556	£3,124		
	2 bed flat	£165,000	58.1	£2,840	£2,272	£2,556	£3,124		
Average		£209,567	72.8	£2,887	£2,309	£2,598	£3,175		

Letchworth								
Houses								
Heritage Gate, Icknield Way	4 bed link detached	£339,950	120.0	£2,833	£2,266	£2,550	£3,116	Croudace Homes/ Connells
	3 bed townhouse	£304,950	85.0	£3,588	£2,870	£3,229	£3,946	
	4 bed link detached	£299,950	120.0	£2,500	£2,000	£2,250	£2,750	
	4 bed townhouse	£299,950	120.0	£2,500	£2,000	£2,250	£2,750	
	3 bed townhouse	£299,950	90.0	£3,333	£2,666	£3,000	£3,666	
	3 bed townhouse	£284,950	90.0	£3,166	£2,533	£2,850	£3,483	
	4 bed townhouse	£279,950	120.0	£2,333	£1,866	£2,100	£2,566	
	3 bed townhouse	£279,950	90.0	£3,111	£2,488	£2,800	£3,422	
	3 bed townhouse	£269,950	90.0	£2,999	£2,400	£2,700	£3,299	
	3 bed townhouse	£264,950	90.0	£2,944	£2,355	£2,650	£3,238	
	3 bed townhouse	£249,950	90.0	£2,777	£2,222	£2,500	£3,055	
	3 bed semi	£249,950	80.0	£3,124	£2,500	£2,812	£3,437	
	3 bed terraced	£239,950	80.0	£2,999	£2,400	£2,699	£3,299	
	3 bed terraced	£234,950	80.0	£2,937	£2,350	£2,643	£3,231	
	2 bed terraced	£182,950	70.0	£2,614	£2,091	£2,352	£2,875	
	2 bed terraced	£181,950	70.0	£2,599	£2,079	£2,339	£2,859	
	2 bed terraced	£181,950	70.0	£2,599	£2,079	£2,339	£2,859	

Address	Description	Price	Size (m2)	Price per m2	Price Less 20%	Price Less 10%	Price Plus 10%	Developer / Agent
Phoenix Park, Wissen Drive	4 bed townhouse	£299,995	122.7	£2,445	£1,956	£2,200	£2,689	Bellway Homes
	4 bed townhouse	£289,995	122.7	£2,363	£1,890	£2,127	£2,599	
	4 bed townhouse	£289,995	122.7	£2,363	£1,890	£2,127	£2,599	
	3 bed townhouse	£262,995	111.8	£2,353	£1,883	£2,118	£2,589	
	3 bed terraced	£259,995	86.5	£3,006	£2,405	£2,705	£3,307	
	3 bed terraced	£249,995	86.5	£2,890	£2,312	£2,601	£3,179	
	3 bed terraced	£249,995	86.5	£2,890	£2,312	£2,601	£3,179	
	3 bed terraced	£249,995	86.5	£2,890	£2,312	£2,601	£3,179	
Average		£263,964	95.2	£2,806	£2,245	£2,526	£3,087	
Flats								
Heritage Gate, Icknield Way	2 bed flat	£204,950	65.0	£3,153	£2,522	£2,838	£3,468	Croudace Homes/ Connells
	2 bed flat	£159,950	60.0	£2,666	£2,133	£2,399	£2,932	
	2 bed flat	£159,950	60.0	£2,666	£2,133	£2,399	£2,932	
	1 bed flat	£159,950	50.0	£3,199	£2,559	£2,879	£3,519	
	1 bed flat	£149,950	45.0	£3,332	£2,666	£2,999	£3,665	
	1 bed flat	£149,950	45.0	£3,332	£2,666	£2,999	£3,665	
	1 bed flat	£129,950	45.0	£2,888	£2,310	£2,599	£3,177	
	1 bed flat	£129,950	45.0	£2,888	£2,310	£2,599	£3,177	
Phoenix Park, Wissen Drive	2 bed flat	£163,995	56.9	£2,885	£2,308	£2,596	£3,173	Bellway Homes
	2 bed flat	£163,995	56.7	£2,894	£2,315	£2,604	£3,183	
	2 bed flat	£162,995	47.0	£3,468	£2,774	£3,121	£3,815	
	2 bed flat	£162,995	47.0	£3,468	£2,774	£3,121	£3,815	
	2 bed flat	£158,995	58.0	£2,743	£2,194	£2,468	£3,017	
	2 bed flat	£158,995	58.0	£2,743	£2,194	£2,468	£3,017	
	1 bed flat	£128,995	47.0	£2,745	£2,196	£2,470	£3,019	
	1 bed flat	£128,995	47.0	£2,745	£2,196	£2,470	£3,019	
	1 bed flat	£119,995	47.0	£2,553	£2,042	£2,298	£2,808	
Average		£150,808	51.5	£2,940	£2,352	£2,646	£3,234	

Royston								
Houses								
Heathfields, Newmarket Road	4 bed detached	£535,000	139.2	£3,843	£3,075	£3,459	£4,228	Fine & Country
	4 bed detached	£535,000	139.2	£3,843	£3,075	£3,459	£4,228	
Garden Walk	4 bed detached	£450,000	195.1	£2,307	£1,845	£2,076	£2,537	Marshalls
	4 bed detached	£450,000	195.1	£2,307	£1,845	£2,076	£2,537	
Average		£492,500	167.2	£3,075	£2,460	£2,767	£3,382	

Address	Description	Price	Size (m2)	Price per m2	Price Less 20%	Price Less 10%	Price Plus 10%	Developer / Agent
Flats								
Goodes Court, Baldock Road (Retirement Properties)	2 bed flats from	£189,950	not available					McCarthy & Stone
Average		£189,950						

Notes on above new builds information:

Not exhaustive – there may be other examples.

Per sq. m values are necessarily indications.

Entries in *italics* text are based on estimated floor areas (by DSP) from plans or other information provided by Agents / house builders.

n/k = not known. Where no plan or other information was readily available to allow us to estimate the floor area and therefore provide per sq. m pricing indications.

Fairview New Homes development at Coombelands Road - sales expected to start early 2012 and Redrow Homes development at Hedera Green, Baldock Road, “coming soon” (Autumn 2011).

Economic Context

Bank of England

Current official Bank Rate (Base Rate) remained at 0.5% - since being reduced to that level in March 2009.

Agents' summary of Business Conditions August 2011 (extracts re economic back-drop):

- *'Growth rate of nominal spending on consumer goods and services remained weak'.*
- *'Activity in the **housing market** continued to be subdued, and was thought to have fallen further in some areas'*
- *'.....A number of reports of an increased in caution among prospective buyers, and of a rise in the number of mortgages being withdrawn at a late stage in the transaction process. According to contacts this had led to more frequent instances of housing chains having broken down.'*
- *'First time buyers continued to find it difficult to secure funding.'*
- *'But weak demand from would-be owner occupiers had supported rents in the lettings market, which continued to attract buy-to-let investors.'*
- *'.....the anticipated rate of **employment** growth (in manufacturing) appeared to have levelled off in recent months, as expectations about the durability of the recovery, especially in the domestic market, had been revised down a little. In business services, intentions pointed to a continued gradual increase in headcount, although at a pace that was well below pre-recession levels, held back in part by expectations of ongoing weakness in public sector activity. The Agents' score for employment intentions in the consumer-facing sector had been falling for several months, and suggested that there would be little or no growth in jobs over the next year.'*
- *'**Construction** output appeared to be rising gradually, supported by some sizeable infrastructure and energy related projects, along with several large commercial developments in London, and activity related to the Olympics. There had also been some increase in residential construction, although there were signs of a loss of momentum, reflecting softening conditions in the housing market. Large firms with agreements with the public sector had seen activity hold up slightly better than expected. But there had*

been a marked fall in new orders from the public sector, and that was beginning to be felt. As big contracts became scarcer, smaller companies were experiencing increased competition from large firms for work on small-scale extension and maintenance projects.'

- **'Credit conditions** - Large firms reported that they were able to access bank finance at reasonable terms. And contacts had perceived an intensification of competition among banks for the business of the most creditworthy borrowers. Credit conditions were also improving for some medium-sized companies with strong balance sheets, particularly if they were content to use asset-backed forms of finance. But small companies, with weak cash flow or relatively little collateral, still found borrowing terms prohibitive. There had recently been some signs of an easing in credit conditions due to the return of venture capital funds and non-bank providers of asset-backed finance. But some contacts reported that trade credit had become more difficult to obtain, particularly for suppliers to the retail and construction sectors.'

On closing the study period, for updated context, the Agents' summary of Business Conditions October 2012 stated:

- *Spending on consumer goods and services continued to grow at a gradual pace. But the weather, together with sporting events over the summer, had affected the type and timing of purchases.*
- *Activity in the **housing market** picked up slightly. Contacts remained concerned though that this pickup would not be sustained, as continuing worries about the economic outlook restrained both potential buyers and sellers.*
- ***Investment intentions continued to ease back**, suggesting there would be little change in the level of capital spending by firms over the next six months.*
- *Export growth continued to slow, as euro-area demand weakened further.*
- *Turnover in the business services sector was still increasing at a gradual pace.*
- *Manufacturing output slowed further and was now broadly flat on a year ago. The slowdown appeared more widespread.*
- ***Construction output continued to fall**, as the slow recovery in private sector activity remained below the scale needed to replace public sector projects as they reached completion.*

- *For many companies the cost of borrowing appeared to be stabilising, albeit at levels well above a year ago.*
- *Typically larger firms had access to credit on good terms, but smaller firms still struggled to secure credit.*
- *Overall, demand for credit remained subdued.*
- *Employment intentions indicated there would be little job creation in the private sector over the next six months.*
- *In sectors where growth remained stronger, firms were operating close to capacity. Whereas in areas of persistent demand weakness, by contrast, there was typically a higher degree of slack. Manufacturers had seen capacity utilisation fall back recently, as activity slowed.*
- *Growth in labour costs per employee remained modest.*
- *Non-labour input cost inflation remained subdued. But contacts thought it less likely that inflation would fall further over the rest of the year, following the recent price increases of oil, cereals and some basic foodstuffs.*
- *Output price inflation had declined further, in response to past falls in input costs and weaker demand.*
- *The fall in consumer price inflation had slowed, in part as a result of renewed increases in energy and fresh food prices.*

Housing Market Context

At the early study (initial research) stages, the **Land Registry House Price Index October 2011** (released 28th November 2011) stated:

‘The data for October shows a monthly house price change of -0.9 per cent, which is the largest monthly fall since February 2009.

The annual change now stands at -3.2 per cent. This brings the average house price in England and Wales to £159,999.

The number of property transactions has decreased over the last year. In May to August 2010, there was an average of 60,970 sales per month. In the same months this year, the figure was approximately 6.2 per cent less at 57,177 sales per month.’

Summary of England and Wales picture:

Annual change in average house prices -3.2% (minus 3.2%)

Monthly change in average house prices -0.9% (minus 0.9%)

Average price £159,999

Summary of East of England picture:

Annual change in average house prices -2.4% (minus 2.4%)

Monthly change in average house prices +0.7% (plus 0.7%)

Average price £173,410

Summary of Hertfordshire picture:

Annual change in average house prices -1.2% (minus 1.2%)

Monthly change in average house prices -0.1% (minus 0.1%)

Average price £297,303

This trend indicates the East showing the greatest monthly price rise but with Hertfordshire showing both annual and monthly falls (but at rates below the national average). Following the significant market movements (peak to Spring 2008 followed by steep falls to the trough in early/mid 2009) of the preceding period, overall, house prices are indicated to have been relatively flat over the last year or so – with relatively small scale house price movements, as the Land Registry House Price Index sourced trend graphs show below.

Land Registry House prices trends Update subsequent to above (near study completion stage):

The **September 2012 Land Registry House Price Index Report** (released 26th October 2012) provided the following information, in summary, in terms of market trends:

Sales volumes

— *‘In the months April to July 2012, sales volumes averaged 52,309 transactions per month. This is a decrease from the same period a year earlier, when sales volumes averaged 54,935 per month.’*

— *‘Over the past twenty eight months transaction volumes have been relatively consistent.’*

House prices trends - update

The September 2012 report stated:

For England Wales overall:

Annual change in average house prices 1.1% (positive)

Monthly change in average house prices -0.3% (minus 0.3%)

Average price £162,561

For the East:

Annual change in average house prices 0.1% (positive)

Monthly change in average house prices 1.9% (positive)

Average price £174,969

For the South East:

Annual change in average house prices 2.3% (positive)

Monthly change in average house prices 0.4% (minus 0.4%)

Average price £174,969

For Hertfordshire (county level view):

Annual change in average house prices -0.4% (positive)

Monthly change in average house prices 1.8% (positive)

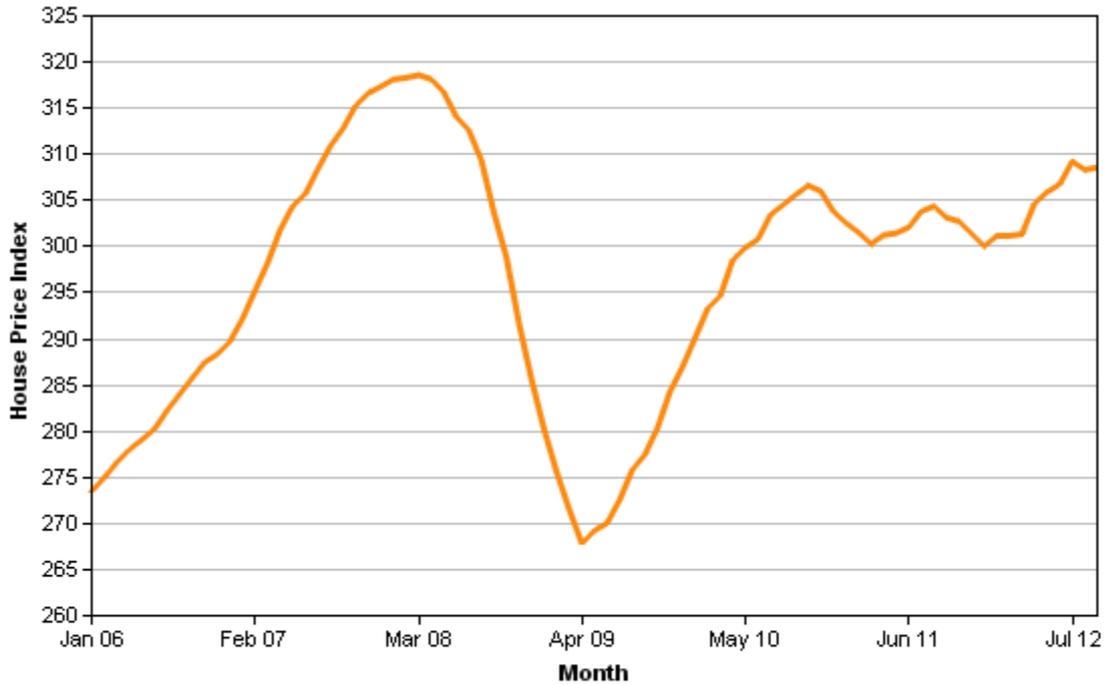
Average price £244,063

Source: www.landregistry.gov.uk

This indicates an increase in average property values of nearly 2% over the period of the study.

House Price Index report – Hertfordshire (January 2006 - September 2012)

House Price Index - Hertfordshire Council



House price and sales volume - Hertfordshire Council



Data for the two most recent months are not used as comparisons due to the lag in the registration of sold properties.

House Price Index report - Hertfordshire Council (January 2006 - September 2012)

Month	Index	Average Price (£)	Monthly Change (%)	Annual Change (%)	Sales Volume
January 2006	273.5	216,299	0.2	-0.2	1,667
February 2006	275	217,492	0.6	0.3	1,642
March 2006	276.6	218,789	0.6	1.0	2,010
April 2006	278	219,899	0.5	1.7	1,938
May 2006	279.1	220,736	0.4	2.4	2,082
June 2006	280.2	221,644	0.4	3.1	2,626
July 2006	282.2	223,238	0.7	4.0	2,576
August 2006	284	224,634	0.6	4.7	2,605
September 2006	285.8	226,026	0.6	5.2	2,615
October 2006	287.5	227,381	0.6	5.7	2,381
November 2006	288.3	228,054	0.3	5.9	2,301
December 2006	289.7	229,152	0.5	6.1	2,584
January 2007	292.2	231,113	0.9	6.8	1,935
February 2007	295.2	233,520	1.0	7.4	1,818
March 2007	298.2	235,902	1.0	7.8	2,114
April 2007	301.8	238,733	1.2	8.6	1,935
May 2007	304.4	240,782	0.9	9.1	2,311
June 2007	305.7	241,803	0.4	9.1	2,607
July 2007	308.4	243,951	0.9	9.3	2,599
August 2007	310.9	245,918	0.8	9.5	2,625
September 2007	312.8	247,415	0.6	9.5	2,078
October 2007	315.3	249,371	0.8	9.7	2,135
November 2007	316.6	250,432	0.4	9.8	2,213

North Hertfordshire District Council – Property Market and Values Research –Appendix III

December 2007	317.3	251,006	0.2	9.5	1,855
January 2008	318.1	251,610	0.2	8.9	1,199
February 2008	318.3	251,758	0.1	7.8	1,275
March 2008	318.6	251,984	0.1	6.8	1,136
April 2008	318.2	251,651	-0.1	5.4	1,235
May 2008	316.7	250,526	-0.4	4.0	1,297
June 2008	314.1	248,423	-0.8	2.7	1,140
July 2008	312.6	247,254	-0.5	1.4	1,130
August 2008	309.3	244,674	-1.0	-0.5	959
September 2008	303.7	240,186	-1.8	-2.9	872
October 2008	298.8	236,329	-1.6	-5.2	880
November 2008	291.6	230,671	-2.4	-7.9	675
December 2008	285.6	225,858	-2.1	-10.0	773
January 2009	280.1	221,573	-1.9	-11.9	558
February 2009	275.5	217,921	-1.6	-13.4	558
March 2009	271.5	214,723	-1.5	-14.8	707
April 2009	267.8	211,822	-1.4	-15.8	896
May 2009	269.3	212,967	0.5	-15.0	1,025
June 2009	270	213,567	0.3	-14.0	1,194
July 2009	272.5	215,574	0.9	-12.8	1,508
August 2009	275.8	218,143	1.2	-10.8	1,393
September 2009	277.4	219,445	0.6	-8.6	1,345
October 2009	280.3	221,710	1.0	-6.2	1,567
November 2009	284.3	224,852	1.4	-2.5	1,549
December 2009	287	226,984	0.9	0.5	1,818
January 2010	290.1	229,461	1.1	3.6	989
February 2010	293.3	231,972	1.1	6.4	1,018

North Hertfordshire District Council – Property Market and Values Research –Appendix III

March 2010	294.7	233,055	0.5	8.5	1,267
April 2010	298.6	236,151	1.3	11.5	1,245
May 2010	299.9	237,190	0.4	11.4	1,271
June 2010	300.8	237,898	0.3	11.4	1,427
July 2010	303.5	240,024	0.9	11.3	1,585
August 2010	304.5	240,854	0.3	10.4	1,494
September 2010	305.6	241,731	0.4	10.2	1,408
October 2010	306.6	242,519	0.3	9.4	1,388
November 2010	306	242,033	-0.2	7.6	1,289
December 2010	303.8	240,288	-0.7	5.9	1,417
January 2011	302.6	239,311	-0.4	4.3	973
February 2011	301.5	238,497	-0.3	2.8	946
March 2011	300.3	237,512	-0.4	1.9	1,065
April 2011	301.2	238,261	0.3	0.9	1,091
May 2011	301.5	238,443	0.1	0.5	1,142
June 2011	302.1	238,927	0.2	0.4	1,288
July 2011	303.8	240,315	0.6	0.1	1,487
August 2011	304.4	240,743	0.2	0.0	1,561
September 2011	303.1	239,767	-0.4	-0.8	1,535
October 2011	302.7	239,442	-0.1	-1.3	1,374
November 2011	301.4	238,385	-0.4	-1.5	1,406
December 2011	300.1	237,327	-0.4	-1.2	1,462
January 2012	301.1	238,195	0.4	-0.5	1,029
February 2012	301.2	238,219	0.0	-0.1	1,114
March 2012	301.3	238,350	0.1	0.4	1,596
April 2012	304.7	240,981	1.1	1.1	939
May 2012	305.9	241,955	0.4	1.5	1,131

June 2012	306.7	242,612	0.3	1.5	1,357
July 2012	309.2	244,590	0.8	1.8	1,397
August 2012	308.3	243,872	-0.3	1.3	-
September 2012	308.6	244,063	0.1	1.8	-

Source: www.landregistry.gov.uk

The yellow highlighted rows added by DSP to the Land Registry's index report indicate:

- Market prices peak (high point) – March 2008 – Index 318.6
- Market prices trough (low point) – April 2009 – Index 267.8
- October 2011 – early study stages & research – Index 302.7
- Latest available information on study completion – September 2012 – Index 308.6 (indicating a relatively steady picture of prices through 2012 – minor increase towards September 2012).

DCLG – House Price Index

The latest UK house price index statistics produced by the Department for Communities and Local Government were released on Tuesday 13 March 2012.

The latest statistics release includes data based on mortgage completions during the month of January 2012.

The key points from the release were:

- *'In January UK house prices increased by 0.2 per cent over the year and decreased by 0.7 per cent over the month (seasonally adjusted).*
- *The average mix-adjusted UK house price was £206,523 (not seasonally adjusted).*
- *Average house prices increased by 0.2 per cent over the quarter to January, compared to an increase of 0.6 per cent over the quarter to October (seasonally adjusted).*

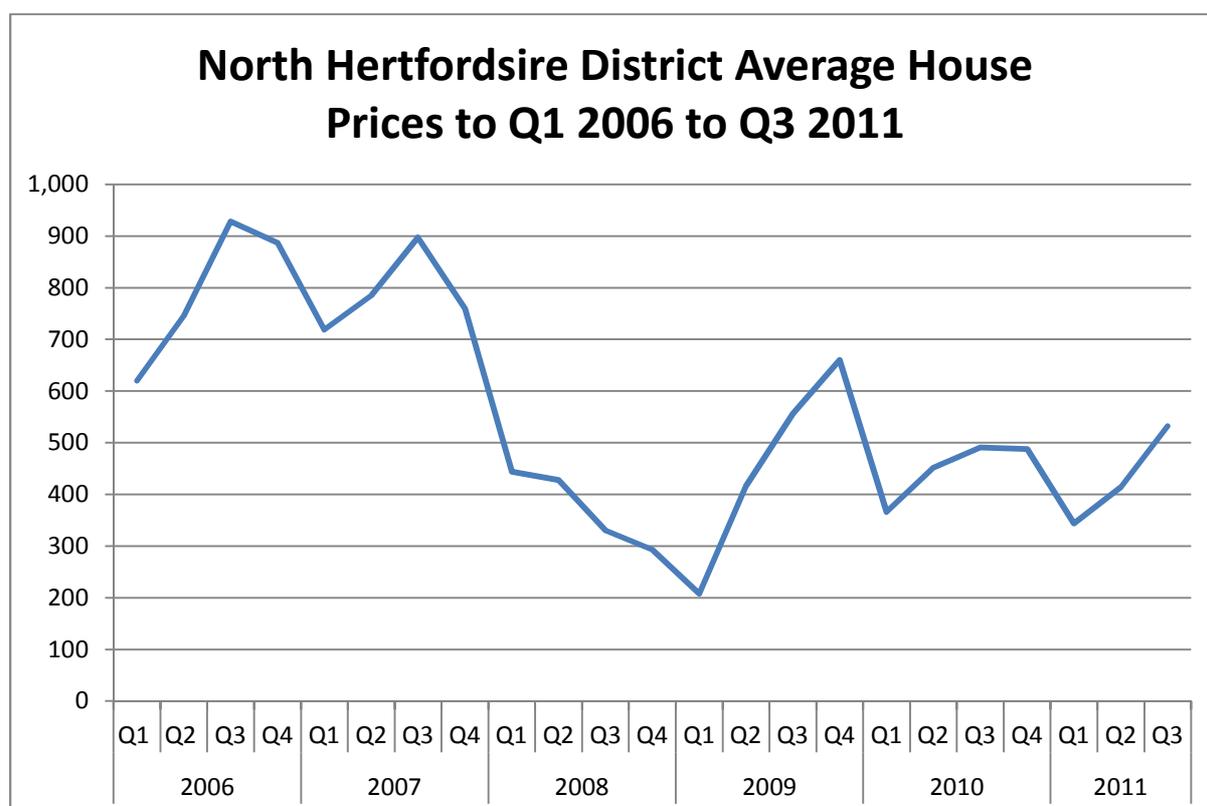
- Average prices decreased during the year in three UK countries; Wales (-0.5 per cent), Scotland (-1.7 per cent) and Northern Ireland (-7.6 per cent). However, there was an increase of 0.4 per cent in average house prices in England.
- Prices paid by first time buyers were 0.8 per cent higher on average than a year earlier whilst there was no change in the prices paid by former owner occupiers.
- **Prices for new properties were 8.8 per cent higher on average than a year earlier whilst prices for pre-owned dwellings decreased by 0.4 per cent.'**

(Emphasis by DSP)

Source: <http://www.communities.gov.uk/publications/corporate/statistics/hpi012012>

DCLG Average House Prices (Quarterly)

The graph below with data taken from the DCLG shows average house price data for North Hertfordshire District on a quarterly basis from 2006 to Q2 of 2011 (latest available data).



Data Source: <https://www.gov.uk/government/statistical-data-sets/property-transactions>

**Royal Institution of Chartered Surveyors (RICS) Housing Market Survey (extracts)
November 2011:**

Modest pick-up in sales activity

- *First time since spring 2010 that buyer enquiries series has been positive for three successive months.*
- *Fresh demand and supply continuing to run at broadly similar rates*
- *Three-fifths of respondents seeing flat trend in prices.*

'The November RICS Housing Market Survey continues to show more respondents reporting price declines than price increases although the negative net balance of -17 was less than the October reading of -24. Significantly, close to three-fifths of surveyors indicated that prices had not changed over the month and of those reporting a fall, the vast majority indicated that it had been in the 0 to 2% range.

Meanwhile, the new buyer enquiries net balance recorded its third consecutive monthly increase. Although the pick-up in interest signalled by the results is still relatively modest, this is the first time since the spring of 2010 that the series has been in positive territory for three months in a row. New instructions also edged upwards with the net balance climbing to 10 in November; this is the best reading since April. Nevertheless, for the time being new demand is pretty much running in-line with fresh supply coming onto the market, which helps to explain why the pricing picture is broadly stable.

The slightly firmer tone to the new buyer enquiries series is being reflected in a modest improvement in the level of transaction activity; the newly agreed sales net balance rose from +9 to +14. Alongside this, the average number of sales per surveyor (per branch) climbed to 15.4 in the three months to November. Although still very subdued from a historical perspective, this is actually the highest number since September 2010. Despite this, the sales to stock ratio slipped back from 21.2 to 21 as the increase in properties coming to the market led to a rise in the level of inventory. The flat trend in this series is, once again, also consistent with little movement in prices.

The forward-looking indicators continue to tell a broadly similar story to that signalled for much of 2011. Price expectations remain slightly negative while the net balance for sales

expectations is still in positive territory although the November reading of 5 for the latter was somewhat lower than the 17 recorded in October.

The regional disparity in the results remains visible with London the only region recording a positive net balance for both current prices and price expectations. The most negative price balances were recorded in Yorkshire and Humberside (-44) and the West Midlands (-41). Northern Ireland was the next weakest with a reading of -36. The newly agreed sales series was positive in most parts of the country with only Scotland showing a small fall. However, the new buyer enquiries series has been positive in the latter for the past three months suggesting that transactions could edge up in the New Year.'

Update - latest RICS survey release at study completion:

RICS Housing Market Survey Update – UK Housing Market Survey September 2012

Headline: *'Stable market in September but sales expectations improve'*

- *'Price balance turns less negative'*
- *'Activity picks up'*
- *'Expectations improve'*

'The RICS October 2012 Housing Market Survey highlights at the national level a broadly flat price picture and an improving activity picture. Expectations at the three and twelve month horizons are turning less negative for prices and generally more positive for sales.

Whilst it's still far too early to call an end to the housing market stalemate - headwinds abound - there are some early indications alongside the RICS survey which suggest, at least in the near term, the risks to activity and prices are very slowly shifting northwards.

Most notably, UK banks' wholesale funding pressures have eased markedly. Partly as a consequence, some benchmark mortgage rates (on 2 and 5 year 75% LTV loans) have begun to drift downwards and credit availability is projected to improve somewhat.

These improvements can to some extent be attributed to the BoE's Funding for Lending Scheme (FLS), though recent foreign central bank policy responses have also indirectly played a role.

The 'headline' national price balance (which covers England and Wales only) improved slightly from -14 to -7 i.e. 7% more surveyors reported a fall rather than a rise in prices over the last three months.

However, the breakdown of the data reveals that 67% of respondents reported no change, and of those reporting price falls, 78% are doing so in the range of 0 to -2%. Moreover, historically, a price balance in this ballpark has generally been consistent with flat annual house price growth as measured by the main indices.

October also saw marked improvements on the activity front; new buyer enquiries and agreed sales both increased at their fastest pace since December 2009. Stronger demand probably encouraged more households to ‘test the market’, with new vendor instructions also picking up. Nevertheless, the pick up in instructions was not enough to prevent the sales to stock ratio – a gauge of market slack – from edging upwards to 23.2%. While hinting at marginally greater price pressures, the sales to ratio is still well below the long run average (33.3%), suggesting considerable market slack remains and is likely to limit the degree of any near term upside.

Broadly speaking, the trend at the headline (England and Wales) level is being mirrored at the regional level, with more regions recording positive readings than last month. In terms of prices, London is now joined by the South East as the only two regions recording positive net balances. Nevertheless, the London market has witnessed a marked downshift in momentum, with 28% of respondents now reporting rising prices, compared to 60% in March’.

The survey is based on surveyors’ and agents’ soundings. A selection of comments from the East region were noted as follows (most related to the wider region rather than specifically to areas in or around Hertfordshire):

‘A busy and positive month.’

‘As has been the case for the last few months there are too few properties for sale. Competition among buyers means that prices are quietly increasing.’

‘The market still remains very price orientated. If right, then buyers react. That will remain the case for some while yet.’

‘The market is being severely restricted by the lack of supply of properties coming to the market. Mortgages still taking far too long.’

Mortgage and legal delays as bad as ever - delays in transactions causing major problems. Very polarised markets - under £1 million is active, 1 - £2 million - very price sensitive’

‘Levels of instructions coming into the market have increased but lack of motivated purchasers.’

‘A steady market below £250,000 which becomes increasingly price sensitive above.’

‘The market continues to be very challenging and buyer activity remains unseasonably inactive for the time of year.’

Residential Values Summary

Overall, for the purposes of this strategic overview of development viability for CIL, we decided to focus our appraisals around the following values range - represented by what we refer to as Values Levels 1 to 5 (1 being the lowest level trialled; 5 the highest).

North Herts DC new build housing values assumptions - Values Range							
Value Level (VL)	1-Bed Flats	2-Bed Flats	2-Bed Houses	3-Bed Houses	4-Bed Houses	£ / sq. m guide	£ / sq. ft. guide
1	£108,000	£144,000	£180,000	£228,000	£300,000	£2,400	£223
2	£121,500	£162,000	£202,500	£256,500	£337,500	£2,700	£251
3	£135,000	£180,000	£225,000	£285,000	£375,000	£3,000	£279
4	£148,500	£198,000	£247,500	£313,500	£412,500	£3,300	£307
5	£162,500	£216,000	£270,000	£342,000	£450,000	£3,600	£334

Source: DSP from overview of residential research. Indicative prices are based on assumed market dwellings floor areas (see below) – the key information being the range of per sq. ft. /m sales values levels, which can also be applied to other dwelling types and sizes. In practice dwelling sizes will vary greatly – the above have been selected for the purposes of this study. Value levels 1 to 5 indicate increasing values as seen varying through location and / or market conditions.

Above table assumes (purely for the purpose of price illustrations):

- 1-bed flat at 45 sq. m (484 sq. ft.)
- 2-bed flat at 60 sq. m (646 sq. ft.)
- 2-bed house at 75 sq. m (807 sq. ft.)
- 3-bed house at 95 sq. m (1023 sq. ft.)
- 4-bed house at 125 sq. m (1346 sq. ft.)

As in all areas, values are blurred, but the following are broad indications only of the levels (VLs) likely to be seen typically by locality for good quality new build housing:

VL 1	VL2	VL 3	VL 4	VL 5
e.g. Great Ashby / other lower value	e.g. Royston, Hitchin, Letchworth & Baldock / other typical values		e.g. Knebworth and Rural / other higher end values	

Commercial Rents & Yields (information as available)

Sources used:

- EGi (Estates Gazette Interactive) based on search for North Hertfordshire District and locations within – EGi reporting extracts follow these sections– all detail not quoted here (Source: EGi – www.egi.co.uk – subscription based Commercial Property Intelligence resource used and informed by a wide range of Agents and other property firms).
- Valuation Office Agency (VOA) Rating List
- Others as advertised – web-based research

Type / Details	Size – sq. m	Rental (or freehold price indication) where available	Yield indication (where known or estimated from other figures)	Source / Other / comments
INDUSTRIAL / Warehousing – Examples only (existing stock - not current developments)				
VOA Rating list category ‘ Factory & premises ’ – 145 entries. Examples as follows:	Rating assessments as indications of rental views - VOA Rating List 2010.			
Avenue One, Letchworth	Approx. 2,800 sq. m	£55/sq. m	No information	ditto
Blackhorse Road, Letchworth	Approx. 1,500 – 3,500 sq. m	£25-£45/sq. m	ditto	ditto
Blackhorse Road, Letchworth	Approx. 240 – 1,000 sq. m	£55-£65/sq. m	ditto	ditto
Flint Road, Letchworth	Approx. 250 sq. m	£55	ditto	ditto
ditto	Approx. 500 – 3,500 sq. m	£32-43/sq. m	ditto	ditto
Green Lane Industrial Estate, Letchworth	Approx. 150-220 sq. m	£60-65/sq. m	ditto	ditto

Type / Details	Size – sq. m	Rental (or freehold price indication) where available	Yield indication (where known or estimated from other figures)	Source / Other / comments
Icknield Way, Letchworth	Approx. 270 sq. m	£62/sq. m	ditto	ditto
Icknield Way, Letchworth	Approx. 636-815 sq. m	£45-75/sq. m	ditto	ditto
Saunders Close, Green Lane, Letchworth	Approx. 300-670 sq. m	£54-85/sq. m	ditto	ditto
Jubilee Trade Centre, Jubilee Road, Letchworth	Various approx. 180-600 sq. m	£65-75/sq. m	ditto	ditto
Knap Close, Letchworth	Approx. 180-620 sq. m	£60-75 sq. m	ditto	ditto (& note as in many cases, higher rental indications for smaller end units)
Oakfield Business Corner, Works Road, Letchworth	Approx. 185 sq. m	£95/sq. m	ditto	ditto
Woodside Industrial Park, Works Road, Letchworth	Approx. 1,365 sq. m	£65/sq. m	ditto	ditto (& note also examples of 1,300 - £1,400 sq. m units assessed at £45-50/sq. m also in works road)

Type / Details	Size – sq. m	Rental (or freehold price indication) where available	Yield indication (where known or estimated from other figures)	Source / Other / comments
Unit 718, Works Road, Letchworth	Approx. 410 sq. m	£82.50/sq. m	ditto	ditto
ditto	Approx. 370-680 sq. m	£48-50/sq. m	ditto	ditto
Pixmore Avenue, Letchworth	Approx. 580-1,200 sq. m	£44-50/sq. m	ditto	ditto
Such Close, Letchworth	190 sq. m	£80/sq. m	ditto	ditto
ditto	450 sq. m	£65/sq. m	ditto	ditto
Baldock Industrial Estate, Baldock	Range up to 200 sq. m	£75/sq. m	ditto	ditto
Bondor Business Centre, London Road, Baldock	108 sq. m	£80/sq. m	ditto	ditto
Icknield Way, Baldock	90 sq. m	£70/sq. m	ditto	ditto
Bilton Road Industrial Estate, Hitchin	Various - approx. 500 sq. m	£44-60/sq. m	ditto	ditto

Type / Details	Size – sq. m	Rental (or freehold price indication) where available	Yield indication (where known or estimated from other figures)	Source / Other / comments
Bury Mead Road, Hitchin	Approx. 185 sq. m	£70/sq. m	ditto	ditto
Bury Mead Road, Hitchin	Approx. 450-1,000 sq. m	£45-60/sq. m	ditto	ditto
Cam Centre, Wilbury Way, Hitchin	Approx. 300-650 sq. m	£65-70/sq. m	ditto	ditto
Coleman Business Centre, Claggy Road, Kimpton, Hitchin	Approx. 37 – 330 sq. m	£80-£100/sq. m	ditto	ditto
Cooks Way, Hitchin	Approx. 750-1,000 sq. m	£55-60/sq. m	ditto	ditto
Hunting Gate, Hitchin	Approx. 1,200-1,800 sq. m	Approx. £27-34/sq. m	ditto	ditto
Wallace Way, Hitchin	Approx. 166 sq. m	£70/sq. m	ditto	ditto
ditto	Approx. 325-400 sq. m	£60/sq. m	ditto	ditto
Wilbury Way, Hitchin				
ditto	Approx. 621 sq. m	£63/sq. m	ditto	ditto

Type / Details	Size – sq. m	Rental (or freehold price indication) where available	Yield indication (where known or estimated from other figures)	Source / Other / comments
ditto	Approx. 1,200 sq. m	£40	ditto	ditto
ditto	Approx. 650-1,700 sq. m	£40-55/sq. m	ditto	ditto
Other information sources providing sales / yields indications, etc:				
Cam Centre, Wilbury Way, Hitchin	11,772 sq. ft. (1,094 sq. m)	For sale asking £480,000 – indicates approx. £439/sq. m freehold.	Not known	Estates Gazette Property Link (estatesgazette.com) – Colliers International
Knowl Piece, Wilbury Way, Hitchin	6,724 sq. ft. (625 sq. m)	For sale asking £475,000 or to let at £35,000 p.a. - Indicates approx. £760/sq. m freehold or £56/sq.	Figures indicate 7.4% yield but unconfirmed.	Estates Gazette Property Link (estatesgazette.com) – Brown & Lee

Type / Details	Size – sq. m	Rental (or freehold price indication) where available	Yield indication (where known or estimated from other figures)	Source / Other / comments
		m rental.		
ditto	6,424 sq. ft. (597 sq. m)	For sale asking £705,000 or to let at £49,950 p.a. – indicates approx. £1,181/sq. m freehold or £84/sq. m rental.	Figures indicate 7.1% yield but unconfirmed.	Estates Gazette Property Link (estatesgazette.com) – Brown & Lee & Aitchison Rafferty
Cam Centre, Hitchin	2,478 sq. ft. (230 sq. m)	For sale asking £140,000 or to let at £16,000 p.a. – indicates approx. £609/sq. m freehold or £70/sq. m rental	Figures indicate 11.4% yield but unconfirmed.	Estates Gazette Property Link (estatesgazette.com) – Brown & Lee
Knowl Piece, Hitchin	6,724 sq. ft. (625 sq. m)	For sale at “reduced “asking price £375,000 or	Figures indicate 6.7% yield but unconfirmed.	Estates Gazette Property Link (estatesgazette.com) – Aitchison Rafferty

Type / Details	Size – sq. m	Rental (or freehold price indication) where available	Yield indication (where known or estimated from other figures)	Source / Other / comments
		to let at £25,000 p.a. – indicates £600/sq. m freehold or £40/sq. m rental.		
Northend Industrial Estate, Bury Mead Road, Hitchin	1,400 sq. ft. (130 sq. m)	For sale asking £79,950 or to let at £7,500 p.a. – indicates £615/sq. m freehold or £58/sq. m rental.	Figures indicate 9.4% yield but unconfirmed.	Estates Gazette Property Link (estatesgazette.com) – Aitchison Rafferty
Greenfield, Royston	Approx. 200-400 sq. m	£63-65/sq. m	ditto	ditto
ditto	Approx. 2,000 sq. m	£60/sq. m	ditto	ditto
ditto	Approx. 7,500 sq. m	£30/sq. m	ditto	ditto
Jarman Way, Royston	Various range 130-5,300 sq. m	£70-75/sq. m	ditto	ditto (& note also a few indicating lower rents, but little variation)

Type / Details	Size – sq. m	Rental (or freehold price indication) where available	Yield indication (where known or estimated from other figures)	Source / Other / comments
Lumen Road, Royston	Approx. 630 sq. m	£45/ sq. m	ditto	ditto
Newark Close, Royston	Approx. 867 sq. m	£50/sq. m	ditto	ditto
Orchard Road, Royston	Approx. 200-900 sq. m	Range £45-63/sq. m	ditto	ditto (& note smaller units tend to have highest rental indications within range; but see below)
ditto	Approx. 4,300 sq. m	£75/sq. m	ditto	ditto (& note example of larger unit indicating rental rate more typical of smaller units)
Royston Trading Estate, South Close, Royston	Approx. 250 sq. m	£55/sq. m	ditto	ditto
			No information	VOA Rating List 2010, as above.

Type / Details	Size – sq. m	Rental (or freehold price indication) where available	Yield indication (where known or estimated from other figures)	Source / Other / comments
VOA Rating list category 'Warehouse & premises' – 341 entries				
Algrey Trading Estate, Cooks Way, Hitchin	Approx. 120 sq. m	£80/sq. m	ditto	ditto
Bury Mead Road, Hitchin	Approx. 800-2,700 sq. m	£55-57.50 /sq. m	ditto	ditto
Cam Centre, Wilbury Way, Hitchin	Approx. 73-700 sq. m	£60-70/sq. m (typically £65)	ditto	ditto
ditto	Approx. 800-2,000 sq. m	£40-55/sq. m	ditto	ditto

Type / Details	Size – sq. m	Rental (or freehold price indication) where available	Yield indication (where known or estimated from other figures)	Source / Other / comments
Elms Park, Little Wymondley, Hitchin	Approx. 275-330 sq. m	£55/sq. m	ditto	ditto
Enterprise Park, Claggy Road, Kimpton, Hitchin	256 sq. m	£85/sq. m	ditto	ditto
ditto	104 sq. m	£100/sq. m	ditto	ditto
Knowl Piece, Wilbury Way, Hitchin	Approx. 108-205 sq. m	£80-£85/sq. m	ditto	ditto
ditto				
	Approx. 235-255 sq. m	£75/sq. m	ditto	ditto
ditto	Approx. 412 sq. m	£68/sq. m	ditto	ditto
ditto	Approx. 625 sq. m	£62/sq. m	ditto	ditto

Type / Details	Size – sq. m	Rental (or freehold price indication) where available	Yield indication (where known or estimated from other figures)	Source / Other / comments
ditto	Approx. 1,200 sq. m	Approx. £45/sq. m		
Northend Industrial Estate, Bury Mead Road, Hitchin	Approx. 100-110 sq. m	£100/sq. m	ditto	ditto
Pierson Court, Knowl Piece, Wilbury Way, Hitchin	Approx. 250 sq. m	£75/sq. m	ditto	ditto
Trust Industrial Estate, Wilbury Way, Hitchin	Approx. 1,200-1,500 sq. m	£50/sq. m	ditto	ditto
Wallace Way, Hitchin	Approx. 170-240 sq. m	£65-70/sq. m		
Wilbury Way, Hitchin various	Wide range of sizes	Range £45-70/sq. m with a small number of higher rental indications (up to £83/sq. m nearby)	ditto	ditto

Type / Details	Size – sq. m	Rental (or freehold price indication) where available	Yield indication (where known or estimated from other figures)	Source / Other / comments
Amor Way, Letchworth	Approx. 280-1,000 sq. m	£60-75/sq. m	ditto	ditto (& note smaller units tend to have highest rental indications within range)
Pixmore Avenue, Letchworth	Approx. 128 sq. m	£80/sq. m	ditto	ditto
ditto	Approx. 2,200 sq. m	£45/sq. m	ditto	ditto
Ascot Industrial Estate, Icknield Way, Letchworth	Various at 160-280 sq. m	£75	ditto	ditto (some variance £55/sq. m larger unit of approx 400 sq. m & another example at £70/sq. m)
Avenue One, Letchworth	Approx. 2,800-7,500 sq. m	£46-55/sq. m	ditto	ditto
Business Centre East, Avenue One,	207 sq. m	£60/sq. m	ditto	ditto

Type / Details	Size – sq. m	Rental (or freehold price indication) where available	Yield indication (where known or estimated from other figures)	Source / Other / comments
Letchworth				
Business Centre West, Avenue One, Letchworth	65-133 sq. m	£90-95/sq. m	ditto	ditto
Blackhorse Road, Letchworth	Approx. 580-900 sq. m	£50-70/sq. m	ditto	ditto (& note also larger units of about 1,500 to 6,000 sq. m assessed at £25-30/sq. m).
Campus Five, Third Avenue, Letchworth	Approx. 340-360 sq. m	£75-77/sq. m	ditto	ditto
City Business Centre, Works Road, Letchworth	Approx. 297 sq. m	£90/sq. m	ditto	ditto
ditto	Approx. 610 sq. m	£74/sq. m	ditto	ditto
Diamond Industrial Centre, Works Road, Letchworth	Approx. 217 sq. m	£65/sq. m	ditto	ditto (& note another unit of 600 sq. m assessed at £50/sq. m)

Type / Details	Size – sq. m	Rental (or freehold price indication) where available	Yield indication (where known or estimated from other figures)	Source / Other / comments
Dunmans Court, Dunmans lane, Letchworth	Approx. 750 sq. m	£60/sq. m	ditto	ditto
ditto	Approx. 940-1,200 sq. m	£55/sq. m	ditto	ditto
ditto	Approx. 3,900-4,300 sq. m	£45/sq. m	ditto	ditto
Fifth Avenue, Letchworth	Approx. 630 sq. m	£75/sq. m	ditto	ditto
ditto	Approx. 2,000 sq. m	£60/sq. m	ditto	ditto
Flint Road, Letchworth	Approx. 222-375 sq. m	£65/sq. m	ditto	ditto (& note nearby circa 500 sq. m units here assessed at £40/sq. m)
Focal Point, Lacerta Court, Works Road, Letchworth	Approx. 540 sq. m	£80/sq. m	ditto	ditto
ditto	Approx. 410 sq. m	Approx. £83/sq. m	ditto	ditto

Type / Details	Size – sq. m	Rental (or freehold price indication) where available	Yield indication (where known or estimated from other figures)	Source / Other / comments
ditto	Approx. 200-260 sq. m	Approx. £91/sq. m	ditto	ditto
ditto	Approx. 180 sq. m	Approx. £95/sq. m	ditto	ditto
Fourth Avenue, Letchworth	Approx. 1,900 to 11,900 sq. m	Range £42.50 - £60/sq. m	ditto	ditto
Furmston Court, Icknield Way, Letchworth	Approx. 97- 193 sq. m	£90/sq. m	ditto	ditto
Glebe Road, Letchworth	25 – 45 sq. m	£85/sq. m	ditto	ditto
ditto	133 sq. m	£70/sq. m	ditto	ditto
Green Lane, Letchworth	Approx. 40 sq. m	£85/sq. m	ditto	ditto
ditto	427 sq. m	£60.50/sq. m	ditto	ditto
Iceni Court, Icknield Way, Letchworth	600-675 sq. m	£80/sq. m	ditto	ditto

Type / Details	Size – sq. m	Rental (or freehold price indication) where available	Yield indication (where known or estimated from other figures)	Source / Other / comments
ditto	300 sq. m	£100/sq. m	ditto	ditto
Orbital Centre, Icknield Way, Letchworth	770 sq. m	£75/sq. m	ditto	ditto
Icknield Way, Letchworth	Approx. 1,400-1,800 sq. m	£30-32/sq. m	ditto	ditto
ditto	300-400 sq. m	£55/sq. m	ditto	ditto
Jubilee Road, Letchworth	Approx. 400-600 sq. m	Approx. £70/sq. m	ditto	ditto (& note a range of larger units than these examples, with considerably lower assessments).
ditto	Approx. 200-300 sq. m	Approx. £70-80/sq. m	ditto	ditto
ditto	Approx. 155 sq. m	£85/sq. m	ditto	ditto
Lacre Way, Letchworth	40-60 sq. m	£85/sq. m	ditto	ditto

Type / Details	Size – sq. m	Rental (or freehold price indication) where available	Yield indication (where known or estimated from other figures)	Source / Other / comments
ditto	184 sq. m	£47.50/sq. m	ditto	ditto
Business Centre West, Avenue One, Letchworth	72 sq. m	£95/sq. m		
Protea Way, Pixmore Avenue, Letchworth	100-140 sq. m	£80/sq. m	ditto	ditto
ditto	255 sq. m	£70/sq. m	ditto	ditto
ditto	880 sq. m	£50/sq. m	ditto	ditto
Ridge Road, Letchworth	Approx. 230-380 sq. m	£60-65/sq. m	ditto	ditto
Shaftesbury Industrial Centre, Icknield Way, Letchworth	Approx. 140-180 sq. m	£65/sq. m	ditto	ditto
Such Close, Letchworth	118-144 sq. m	£80/sq. m	ditto	ditto
ditto	52-110 sq. m	£90/sq. m	ditto	ditto
ditto	350 sq. m	£65/sq. m	ditto	ditto

Type / Details	Size – sq. m	Rental (or freehold price indication) where available	Yield indication (where known or estimated from other figures)	Source / Other / comments
Woodside Industrial Park, Works Road, Letchworth	150-200 sq. m	£78-80/sq. m	ditto	ditto
ditto	750-1,200 sq. m	£65/sq. m	ditto	ditto
City Business Centre, Works Road, Letchworth	468 sq. m	£90/sq. m	ditto	ditto
Other information sources providing sales / yields indications, etc:				
Campus Five, Third Avenue, Letchworth	2 units of 1,909 sq. ft. (177 sq. m) each – 354 sq. m in total.	Available to purchase (both) long leasehold at £320,000 (indicates £904/sq. m to buy) or rental based on £23,500 p.a.	Figures indicate yield circa 7.3% but unconfirmed.	Estates Gazette Property Link (estatesgazette.com) – Bidwells (Entry last updated Aug 11)

Type / Details	Size – sq. m	Rental (or freehold price indication) where available	Yield indication (where known or estimated from other figures)	Source / Other / comments
		(indicates £66/sq. m rental)		
Woodside industrial park, Works Road, Letchworth	2,854 sq. ft. (265 sq. m)	For sale asking - price £215,000 (indicates £811/sq. m) or to rent at £19,000 p.a. (indicates £72/sq. m)	Figures indicate yield circa 8.8% but unconfirmed.	Estates Gazette Property Link (estatesgazette.com) – Brown & Lee (Entry last updated Nov 11)
Avenue One, Letchworth	30,497 sq. ft. (2,833 sq. m)	For sale – asking price £2.95m (indicates £1,041/sq. m) or to let at £215,000 p.a. (indicates £76/sq. m)	Figures indicate yield circa 7.3% but unconfirmed.	Estates Gazette Property Link (estatesgazette.com) – Davies (Entry last updated July 11)
Works Road, Letchworth	Up to 6,227 sq. ft. (579 sq. m)	Under offer For based on – asking £450,000 or asking rental of £30,000	Figures indicate yield circa 6.7% but unconfirmed.	Estates Gazette Property Link (estatesgazette.com) – Brown & Lee (Entry last updated Nov 11)

Type / Details	Size – sq. m	Rental (or freehold price indication) where available	Yield indication (where known or estimated from other figures)	Source / Other / comments
		p.a.		
Aylesford Court, Works Road, Letchworth	4,381 sq. ft. (407 sq. m)	New development – units offered for sale at £120/sq. ft. (£1,292/sq. m) or to rent at £8.25/sq. ft. (£88.80/sq. m).	Figures indicate circa 6.9% yield, but unconfirmed.	Estates Gazette Property Link (estatesgazette.com) – Brown & Lee (Entry last updated Nov 11) (Packing Estate Enterprises)
Works Road, Letchworth	20,000 – 80,000 sq. ft.	Proposed new development.		Estates Gazette Property Link (estatesgazette.com) – St Modwen / Brown & Lee / Colliers International(Entry last updated Nov 11)
Woodside Industrial Park, Works Road, Letchworth	8,577 sq. ft. (797 sq. m)	For sale with asking price £520,000 (£652/sq. m) or to let with asking rent £55,000 p.a. (£69/sq. m)	Figures indicate yield 10.5% but unconfirmed.	Estates Gazette Property Link (estatesgazette.com) – Brown & Lee (Entry last updated Sept 11)
Knap Close, Letchworth	Detached 450 sq. m office / industrial	Asking price £240,000.		Estates Gazette Property Link (estatesgazette.com) – Bowyer Bryce

Type / Details	Size – sq. m	Rental (or freehold price indication) where available	Yield indication (where known or estimated from other figures)	Source / Other / comments
	building on 0.2 acre site.			(Entry last updated Dec 11)
Works Road, Letchworth	12,346 sq. ft. (1,147 sq. m)	For sale asking £1.35m (indicates £1,177/sq. m) or to let asking £125,000 p.a. (£109/sq. m)	Figures indicate yield 9.3% but unconfirmed.	Estates Gazette Property Link (estatesgazette.com) – Davies (Entry last updated July 11)
Ashville Trading Estate, Royston Road, Baldock	Approx.750-1,200 sq. m	£59-65/sq. m	Unknown	ditto
Ashtree Farm, Ashwell Road, Baldock	Approx. 520-740 sq. m	£30/sq. m	ditto	ditto
Baldock Industrial Estate, London Road, Baldock	65 sq. m	£75/sq. m	ditto	ditto
ditto	Approx. 400-500 sq. m	£60/sq. m	ditto	ditto
Bondor Business Centre, London Road, Baldock	70-110 sq. m	£80/sq. m	ditto	ditto
Royston Road, Baldock	Approx.	£90/sq. m	ditto	ditto

Type / Details	Size – sq. m	Rental (or freehold price indication) where available	Yield indication (where known or estimated from other figures)	Source / Other / comments
	245 sq. m			
Marquis Business Centre, Royston Road, Baldock	Approx. 770 sq. m	Approx. £71/sq. m	ditto	ditto
ditto	Approx. 890 sq. m	Approx. £67/sq. m	ditto	ditto
Greenfield, Royston	Approx. 280 sq. m	£65/sq. m	ditto	ditto
ditto	Approx. 8,700 sq. m	£65/sq. m	ditto	ditto
ditto	Approx. 650-1,100 sq. m	£45/sq. m	ditto	ditto
Jarman Way, Royston	995 sq. m	£55/sq. m	ditto	ditto
ditto	Approx. 400-500 sq. m	£64-68/sq. m	ditto	ditto
ditto	Approx. 110-220 sq. m	£75/sq. m	ditto	ditto
Orchard Road, Royston	Approx. 200-600 sq. m	£55-65/sq. m	ditto	ditto

Type / Details	Size – sq. m	Rental (or freehold price indication) where available	Yield indication (where known or estimated from other figures)	Source / Other / comments
Other information sources providing sales / yields indications, etc:				
Lumen Road, Royston	Approx. 8,047 sq. ft. (748 sq. m)	Building with yard offered for sale at £275,000 (indicating £378/sq. m) or to let at £35,000 p.a. (indicating £47/sq. m).	Quoted figures indicate yield 12.7%, but unconfirmed.	Estates Gazette Property Link (estatesgazette.com) –Brown & Lee (Entry last updated Nov 2010)
Orchard Road, Royston	3,352 sq. ft. (311 sq. m)	Offered for sale at £185,000 (indicates £595/sq. m) or to let at £18,000 pa. (indicates £58/sq. m)	Figures indicate yield 9.7%, but unconfirmed.	Estates Gazette Property Link (estatesgazette.com) –Brown & Lee (Entry last updated Aug 11)
Saxon Way, Melbourn, Royston	1,900 sq. ft. (177 sq. m)	Offered for sale at £95,000 (indicates £537/sq. m) or to let at £9,000pa. (indicates £51/sq.	Figures indicate yield 9.5%, but unconfirmed.	Estates Gazette Property Link (estatesgazette.com) –Brown & Lee (Entry last updated Aug 11)

Type / Details	Size – sq. m	Rental (or freehold price indication) where available	Yield indication (where known or estimated from other figures)	Source / Other / comments
		m)		
Nup End Business Centre, Nup End Green, Knebworth	Range approx. 60-430 sq. m	£60/sq. m	ditto	ditto (& note one 317 sq. m example assessed at £75/sq. m)
Examples of industrial/warehousing/storage uses in more rural locations – source: VOA rating list 2010 again.				
Arnolds Farm, Potters Heath Road, Welwyn	Approx. 70 sq. m	£70/sq. m	ditto	ditto
Barns at Graveley Hall Farm, Church Lane, Gravely, Hitchin	Approx. 300-400 sq. m	£15/sq. m	ditto	ditto

Type / Details	Size – sq. m	Rental (or freehold price indication) where available	Yield indication (where known or estimated from other figures)	Source / Other / comments
Barn 4, The Node Farm, Drivers End, Codicote, Hitchin	Approx. 1480 sq. m	£20/sq. m	ditto	ditto
Fairclough Hall Barn, Halls Green, Weston, Hitchin	Approx. 573 sq. m	£30/sq. m	ditto	ditto
Grange Barns, Hexton, Hitchin	Approx. 620 sq. m	Approx. £32/sq. m		
Park Farm Business Estate, Nuthampstead, Royston	Approx. 312 sq. m	Approx. £45/sq. m	ditto	ditto
ditto	Approx. 922 sq. m	Approx. £30/sq. m	ditto	ditto

Type / Details	Size – sq. m	Rental (or freehold price indication) where available	Yield indication (where known or estimated from other figures)	Source / Other / comments
Roe Green, Sandon, Buntingford	Approx. 1,500 sq. m	Approx. £30/sq. m	ditto	ditto
Five House Farm Business Park, Sandon Road, Therfield, Royston	Approx. 330-550 sq. m	Approx. £35/sq. m	ditto	ditto
<p>‘Workshop & premises’ category search lists 593 Rating List entries for the District – typically up to approximately 500 sq. m, but often smaller; with rental indications in the main from approximately £40 - £110/sq. m from the rating assessments; frequently £70-90/sq. m indications.</p>				
<p>Storage depots & premises (Rating list category – 5 entries only for the District) with VOA Rating list assessments at between £38 - £50/sq. m – i.e. as expected, similar tone of values to those applicable to low-end industrial / warehousing / workshops etc.</p>				

Type / Details	Size – sq. m	Rental (or freehold price indication) where available	Yield indication (where known or estimated from other figures)	Source / Other / comments
OUT OF TOWN / LARGE RETAIL - Examples				
Retail warehousing (large non-food retail) - Retail warehouse park / units scenario often occupied by large / national chains) – 9 rating list entries in total for North Hertfordshire District. Rating assessment as an indication of rental value of principal space at £/sq. m				
Cotton Brown Park, Jubilee Road, Letchworth	Variety of units (5 in total) at 700 – 2,400 sq. m approx. Not listed separately here.	Principal space assessed by VOA at £150/sq. m		VOA Rating List 01/04/10
Nightingale Road, Hitchin (Unit occupied by B&Q Ltd)	Approx. 2350 sq. m	Principal space assessed by VOA at £125/sq. m		ditto
Second Avenue, Baldock Road, Letchworth	2 units of approx. 470 sq. m	Principal space assessed by VOA at £130/sq. m		ditto
ditto	1 larger unit of 3,284 sq. m	Principal space assessed by VOA at £115/sq. m		

<i>(Out of District at Oaklands, London Road, Stevenage)</i>	Approx. 8,200 – 39,400 sq. ft. (762 – 3,660 sq. m)	New retail warehouse development with guide rent of £20/sq. ft.		Estates Gazette Property Link (estatesgazette.com) – Davies (Entry last updated Nov 11)
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Assumptions also made from wider experience - in the event this form of development is relevant in future in the District

Type / Details	Size – sq. m	Rental (or freehold price indication) where available	Yield indication (where known or estimated from other figures)	Source / Other / comments
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LARGE RETAIL (Food) - Examples

Rating List category – ‘Superstores & Premises’ – 6 entries for the District

Bedford Road, Hitchin (Waitrose)	Approx. 3,890 sq. m	RV as an indication of rental value of principal space at £200/sq. m.		VOA Rating list 01/04/10
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Broadway, Letchworth (WM Morrison)	Approx. 7,473 sq. m	Ditto – at £230/sq. m.		ditto
High Street, Baldock (Tesco)	Approx. 9,762 sq. m	Ditto – at £200/sq. m		ditto
Old North Road, Royston (Tesco)	Approx. 9,487 sq. m	Ditto – at £260/sq. m		ditto
Third Avenue, Letchworth (J Sainsbury)	Approx. 7,620 sq. m	Ditto – at £237/sq. m		ditto
Winbush Road, Hitchin (J Sainsbury)	Approx. 3,585 sq. m	Ditto – at £200/sq. m		ditto

Type / Details	Size – sq. m	Rental (or freehold price indication) where available	Yield indication (where known or estimated from other figures)	Source / Other / comments
RETAIL – Centres / Local Shops - Examples				
The below are rental indications from the VOA Rating list 2010 Assessments				
Royston				
Angel Pavement		£200/sq. m		VOA Rating list 01/04/10 – rental value indications (as in all cases in this section, unless stated otherwise).
Baldock Street		£230/sq. m		
Ditto – 2,300 sq. m foodstore (Morrison)		£96.50/sq. m		
Burns Road (inch pharmacy)		£250-310/sq. m		
Church Lane		£250/sq. m		
Corn Exchange, Market Hill		£200/sq. m		

Market Hill		£200- 400/sq. m		
Fish Hill		£250/sq. m		
George Lane		£200- 300/sq. m		
High Street		£265- 400/sq. m (some variance around key area £300/325)		
Icknield Walk		£140/sq. m		
John Street		£200/sq. m		
Kneesworth Street		£210/sq. m		
Type / Details	Size – sq. m	Rental (or freehold price indication) where available	Yield indication (where known or estimated from other figures)	Source / Other / comments
Lower King Street		£200/sq. m		
Upper King Street		£175/sq. m		

Melbourn Road		£400/sq. m		
Melbourn Street		£250/sq. m		
Queens Road		£220/sq. m		
Shakespeare		£175/sq. m		
Church End, (Barley)		£115/sq. m		
Hitchin				
Arcade Walk		£250/sq. m (larger units at £175/sq. m)		
Bancroft		£275-900/sq. m		
Bearton Road		£150/sq. m		
Bedford Road		£125/sq. m		
Brand Street		£300-500/sq. m		

Bridge Street		£300/sq. m		
Bucklersbury		£300- 400/sq. m		
Cambridge Road		£240/sq. m		
Churchgate		£225- 350/sq. m		

Type / Details	Size – sq. m	Rental (or freehold price indication) where available	Yield indication (where known or estimated from other figures)	Source / Other / comments
Churchyard		£350- £550/sq. m & small number of lower assessments		
Grove Road		£160- 175/sq. m		
Hermitage Road		£220- 340/sq. m		
High Street		£900/ sq. m		
Highbury Road		£170/sq. m		
Ickleford road		£100/sq. m		
John Barker Place		£80/sq. m		

Market Place		£315- 600/sq. m (principally upper end of range)		
Nightingale Road		£165/sq. m		
Ninesprings Way		£85- 100/sq. m		
Queen Street		£225/sq. m (& approx. 920 sq. m Asda unit assessed at £88/sq. m)		
Redhill Road		£295/sq. m		
Type / Details	Size – sq. m	Rental (or freehold price indication) where available	Yield indication (where known or estimated from other figures)	Source / Other / comments
Stevenage Road		£175/sq. m		
Strathmore Avenue		£175- 200/sq. m		

Sun Street		£225- 400		
The Arcade		£175- 250/sq. m		
The Mead		£170/sq. m		
Tilehouse Street		£175/sq. m		
Walsworth Road		£150- 250/sq. m		
West Alley		£120- 195/sq. m		
Woolgrove Road		£125/sq. m		
Waterdell Lane, St Ippolyts		£135/sq. m		
Priory Lane, Little Wymondley		£120- 165/sq. m		
Post Office Row, Weston		£175/sq. m		

Graveley farm Shop, Graveley		£22/sq. m		
High Street, Whitwell		£150/sq. m		
Lilley Bottom Road, Whitwell		£140/sq. m		
High Street, Pirton		£130/sq. m		
Luton Road, Offley		£100/sq. m		
High Street, Offley		£100/sq. m		
High Street, Codicote		£200/sq. m		
Type / Details	Size – sq. m	Rental (or freehold price indication) where available	Yield indication (where known or estimated from other figures)	Source / Other / comments
Klaggy Road, Kimpton		£120/sq. m		
Arlesey Road, Ickleford		£140- 230/sq. m		
High Street, Kimpton		£150/sq. m		
Letchworth				

Arena Parade		£250/sq. m		
Baldock Road		£140/sq. m		
Broadway		£195- 220/sq. m		
Bursland		£90/sq. m		
Central Approach		£525/sq. m (Peacocks 1,300 sq. m unit @ £500)		
Commerce Way		£680- £700/sq. m & small number of lower assessments		
Eastcheap		£220- £330/sq. m		
Howard Park Corner		£160- 200/sq. m		
Ivel Court		£55/sq. m		

Type / Details	Size – sq. m	Rental (or freehold price indication) where available	Yield indication (where known or estimated from other figures)	Source / Other / comments
Jubilee Road (Lidl Unit)		Approx. 1,220 sq. m assessed at £148.50/sq. m		
Leys Avenue		£240-330/sq. m & lower range at £160-190		
Howard Drive		£90/sq. m		
North Avenue		£90/sq. m		
Norton Way		£160/sq. m		
Pixmore Avenue		£70-140/sq. m		
Spring Road		£90/sq. m		
Station Forecourt		£240-300/sq. m		

Station Road		£160- 250/sq. m		
The Arcade		£180/sq. m		
The Parade, Southfields		£95- 120/sq. m		
The Wynd		£105- 120/sq. m		
(Post Office) Willian		£100/sq. m		
Type / Details	Size – sq. m	Rental (or freehold price indication) where available	Yield indication (where known or estimated from other figures)	Source / Other / comments
Baldock				
High Street (Kingswood Chemists, Astonia House)		£775/sq. m		

High Street		£225- 400/sq. m		
Hitchin Street		£100- 275/sq. m		
London Road		£110/sq. m		
Mansfield Road		£200- 225 sq. m		
St Mary's Way		£110/sq. m		
Sun Street		£175/sq. m		
Whitehorse Street		£120- 275/sq. m		
Yeomanry Drive		£110/sq. m		
Mill Street, Ashwell		£150/sq. m		
High Street, Ashwell		£150- £200/sq. m		

Knebworth				
Stockens Green		£120/sq. m		
Stevenage Road		£165/sq. m		
Type / Details	Size – sq. m	Rental (or freehold price indication) where available	Yield indication (where known or estimated from other figures)	Source / Other / comments
London Road		£220-350; principally £300/sq. m		
Station Road		£225/sq. m		
Also noted: Neighbourhood Centre, Whitehorse Lane, Great Ashby Way, Nr Stevenage		£250/sq. m (larger unit of 978 sq. m approx. assessed at £172/sq. m)		
Other information sources providing sales / yields indications, etc:				

Angel Pavement, Royston	694 sq. ft. (65 sq. m) unit.	Offered to let at £9,750 p.a. (indicates £150/sq. m) or for sale at £120,000.	Asking figures indicate yield view circa 8% but unconfirmed.	Estates Gazette Property Link (estatesgazette.com) – Cheffins (Entry last updated Nov 11)
High Street, Royston	913 sq. ft. (85 sq. m) unit.	Offered to let at £21,500 p.a. (indicates £253/sq. m) or for sale at £220,000.	Asking figures indicate yield view circa 9.8% but unconfirmed.	Estates Gazette Property Link (estatesgazette.com) – Aitchison Rafferty (Entry last updated Aug 11)
Hermitage Road, Hitchin	2,379 sq. ft. (221 sq. m) unit.	Offered to let at £30,000 p.a. (indicates £136/sq. m) or for sale at £325,000.	Asking figures indicate yield view circa 9.2% but unconfirmed.	Estates Gazette Property Link (estatesgazette.com) – Aitchison Rafferty (Entry last updated Nov 11)
Type / Details	Size – sq. m	Rental (or freehold price indication) where available	Yield indication (where known or estimated from other figures)	Source / Other / comments
Central Hitchin	Proposed retail / residential scheme – tbc. Quoted as 3,000-33,000 sq. ft. to let.			Estates Gazette Property Link (estatesgazette.com) – Strutt & Parker (Entry last updated Nov 11)

<p>Garden Square Shopping Centre, Letchworth</p>	<p>8 shops to let within main central precinct – units having sales areas from 47 to 442 sq. m.</p>	<p>Quoting rents from £25,000 to £125,000 p.a.</p>		<p>Estates Gazette Property Link (estatesgazette.com) – Strutt & Parker (Entry last updated Nov 11)</p>
<p>Searching for new /recent build retail property examples / retail deals in general produced very little information. VOA rating list and EGi were referred to.</p>				

Type / Details	Size – sq. m	Rental (or freehold price indication) where available	Yield indication (where known or estimated from other figures)	Source / Other / comments
OFFICES - Examples				
<p>The VOA Rating list 2010 contains 940 entries for the District (Category – Offices & premises - CO) with rating assessments indicating VOA rental opinions ranging between £47.50 and £200/sq. m at the extremes. Units at the upper end of this range are in the main very small (usually 100 sq. m or less). At the lower end are some conversions and former industrial type space, etc. The most frequent indications are within the £100-£130/sq. m for existing office space, and certainly within the £75-£150/sq. m range. Examples as follows:</p>				
Amor Way, Letchworth	Approx. 300 sq. m	£88/sq. m		VOA Rating list 2010 valuations as an indication of rental levels
Pixmore Avenue, Letchworth	Approx. 100-300 sq. m	£89-105/sq. m		ditto
Ditto – Pixmore Centre	Small suites - to c. 50 sq. m	£100/sq. m		ditto
Avenue One, Letchworth	Approx. 980-1,750 sq. m	£75-125/sq. m		ditto
Birds Hill Letchworth	40-50 sq. m	£85-110/sq. m		ditto
Blackhorse Road, Letchworth	Approx. 300-500 sq. m	£50/sq. m		ditto

Type / Details	Size – sq. m	Rental (or freehold price indication) where available	Yield indication (where known or estimated from other figures)	Source / Other / comments
Broadway, Letchworth	Approx. 140-1,600 sq. m	£75-110/sq. m		ditto
Business Centre East, Avenue One, Letchworth	Approx. 426 sq. m	£145/sq. m		ditto
Business Centre West, Avenue One, Letchworth	Approx. 110-380 sq. m	£85-105/sq. m		ditto
Third Avenue, Letchworth	Approx. 177 sq. m	£105/sq. m		ditto
Commerce Way, Letchworth	Approx. 130-500 sq. m	£50-90/sq. m		ditto
Devonshire Business Centre, Works Road, Letchworth	Approx. 10-110 sq. m	£100- 110/sq. m		ditto

Type / Details	Size – sq. m	Rental (or freehold price indication) where available	Yield indication (where known or estimated from other figures)	Source / Other / comments
Dunhams Lane, Letchworth	Approx. 300-900 sq. m	Range £65-155/sq. m		ditto
Eastcheap/Central Approach, Letchworth	Approx. 60-190 sq. m	Range £55-115/sq. m		ditto
Fifth Avenue, Letchworth	Approx. 35-1,640 sq. m	£75- £115/sq. m		ditto
Ditto - Venture House, Fifth Avenue	Range of small suites, most approx. 50 sq. m	£115/sq. m		ditto
Focus Four, Fourth Avenue, Letchworth	Approx. 270-1,280 sq. m	£125- 155/sq. m		ditto
Icknield Way, Letchworth	Approx. 115-920 sq. m	£100- 135/sq. m		ditto
Leys Avenue, Letchworth	Approx. 20-185 sq. m	£75-135/sq. m		ditto

Type / Details	Size – sq. m	Rental (or freehold price indication) where available	Yield indication (where known or estimated from other figures)	Source / Other / comments
Nexus, Broadway, Letchworth	Approx. 30-560 sq. m	£115- 135/sq. m		ditto
High Street, Letchworth	Approx. 25-200 sq. m	£120- 155/sq. m		ditto
Pioneer House, Norton Way South, Letchworth	Approx. 440 sq. m	£142/sq. m		ditto
Norton Way South - other	Suites of up to approx. 300 sq. m	£75-110/sq. m		ditto
Ridge Road, Letchworth	Approx. 80 -220 sq. m	£100-120/sq. m		ditto
Spirella Building, Bridge Road, Letchworth	Suites of up to 290 sq. m	£155-165/sq. m		ditto
ditto	Suites of approx. 400-900 sq. m	£125- 143/sq. m		ditto

Type / Details	Size – sq. m	Rental (or freehold price indication) where available	Yield indication (where known or estimated from other figures)	Source / Other / comments
ditto	Approx. 1,000 sq. m	£125		ditto
Station Place/ Station Road, Letchworth	Approx. 40-300 sq. m	£95- 135/sq. m (larger suites e.g. at Dorchester House 600 sq. m + assessed at £65/sq. m)		ditto
Other information sources providing sales / yields indications, etc:				
Dunham’s Lane, Letchworth	4,788 – 9,555 sq. ft.	Offices offered for sale at £125/sq. ft. (1,345/sq. m)		Estates Gazette Property Link (estatesgazette.com) – Davies (Entry last updated July 11)
ditto	4,767 sq. ft. (443 sq. m)	Quoting rental at £49,500 p.a. (indicates £112/sq. m) or for sale at £595,000 (£1,343/sq. m).	Asking figures indicate yield 8.3% but unconfirmed.	Estates Gazette Property Link (estatesgazette.com) – Brown & Lee (Entry last updated Nov 11)

Type / Details	Size – sq. m	Rental (or freehold price indication) where available	Yield indication (where known or estimated from other figures)	Source / Other / comments
Bancroft/Bancroft Court, Hitchin	Wide range approx. 30-680 sq. m	Range £74-150/sq. m. Most at £100-130/sq. m. Few examples above these ranges (small suites).		ditto
Bedford Road, Hitchin	Approx. 12-270 sq. m	£105- 120/sq. m		
Brand Street, Hitchin	Approx. 30-690 sq. m	£105-130/sq. m (1 @ £150)		ditto
Bilton Road, Hitchin	Approx. 35-80 sq. m	£100- 110/sq. m		ditto
Bridge Street, Hitchin	Approx. 35-220 sq. m	£110-125/sq. m (1 @ £150)		ditto

Type / Details	Size – sq. m	Rental (or freehold price indication) where available	Yield indication (where known or estimated from other figures)	Source / Other / comments
Bucklersbury, Hitchin	Approx. 20-180 sq. m	£120- 130/sq. m		ditto
Bury Mead Road, Hitchin	Approx. 20-900 sq. m	£100-110/sq. m (1 @ £120)		ditto
Cam Centre, Wilbury Way, Hitchin	Approx. 63 sq. m	£105/sq. m plus range of smaller suites at lower rental indications of circa £65/sq. m.		ditto
Knowl Piece, Wilbury Way, Hitchin	Approx. 140-700 sq. m	Range £90-130/sq. m		ditto
Charlton Road, Hitchin	Approx. 250 sq. m	£100/sq. m		ditto
Cooks Way, Hitchin	Approx. 530 sq. m	£120/sq. m		ditto

Type / Details	Size – sq. m	Rental (or freehold price indication) where available	Yield indication (where known or estimated from other figures)	Source / Other / comments
Bilton Road, Hitchin	35-80 sq. m	£100-110/sq. m		ditto
Church Yard, Hitchin	Approx. 77-163 sq. m	£120/sq. m		ditto
Franklin Gardens, Hitchin	Approx. 120 sq. m	£125/sq. m		ditto
Hermitage Road, Hitchin	Approx. 55-1,400 sq. m	£100- 120/sq. m (1 @ £150)		ditto
High Street, Hitchin	Approx. 50-200 sq. m	£90-130/sq. m		ditto
Hunting Gate, Hitchin	Approx. 140-1,650 sq. m	£65-80/sq. m		ditto
Walsworth Road, Hitchin	Approx. 200-450 sq. m	£95/sq. m		ditto
ditto	Range of smaller suites	£110/sq. m		ditto

Type / Details	Size – sq. m	Rental (or freehold price indication) where available	Yield indication (where known or estimated from other figures)	Source / Other / comments
Market Place, Hitchin	Approx. 50-400 sq. m	£120- 130/sq. m		ditto
Park Street, Hitchin	Approx. 580 sq. m	£120/sq. m		ditto
Paynes Park, Hitchin	Approx. 10-220 sq. m	£120/sq. m in the main, rising to £130-150 in a few instances		ditto
Portmill Lane, Hitchin	Approx. 170-520 sq. m	£95-120/sq. m		ditto
Sun Street, Hitchin	Up to approx. 115 sq. m	Generally £120-130/sq. m		ditto
Tilehouse Street, Hitchin	Up to approx. 160 sq. m	Approx. £160/sq. m. Some larger premises assessed at £120/sq. m.		ditto

Type / Details	Size – sq. m	Rental (or freehold price indication) where available	Yield indication (where known or estimated from other figures)	Source / Other / comments
Community Resource Centre, Winbush House, Unity Road, Hitchin	Approx. 229 sq. m	£120/sq. m		ditto
Titmore Green, Little Wymondley, Hitchin	Up to approx. 275 sq. m	£120/sq. m		ditto
Bearton Road / Green, Hitchin	Approx. 14-47/sq. m	£175- 200/sq. m		ditto
Bakers Lane / Farriers Close, Codicote, Hitchin	Approx. 30-80 sq. m	£100- 130/sq. m		ditto
Drivers End, Codicote, Hitchin	Approx. 40-400 sq. m	£100- 110/sq. m		ditto
Codicote Innovation Centre, Hitchin	Very small suites of up to 20 sq. m	£200/sq. m		
ditto	Slight larger suites of up to 50 sq. m	£175/sq. m		ditto
Bedford Road, Ickleford, Hitchin	107 sq. m	£140/sq. m		ditto

Type / Details	Size – sq. m	Rental (or freehold price indication) where available	Yield indication (where known or estimated from other figures)	Source / Other / comments
Halls Green, Weston, Hitchin	Approx. 20-170 sq. m	£100-115/sq. m (1 @ £60)		ditto
Weston Barns, Hitchin Road, Weston, Hitchin	Approx. 40-170 sq. m	£68-115/sq. m		ditto
Hexton Stables / Manor, Hexton, Hitchin	Approx. 110-120 sq. m	£60-70/sq. m		ditto
Hitchwood Lane, Preston, Hitchin	Approx. 15-106 sq. m	£140- 155/sq. m		ditto
ditto	Approx. 280 sq. m	£130/sq. m		ditto
Other information sources providing sales / yields indications, etc:				
Old Park Road, Hitchin	Approx. 6,333 sq. ft. (588 sq. m)	Former County Court building offered on rental basis at £10/sq. ft. or for sale at £950,000.	Asking figures indicate anticipated yield 6.7% but unconfirmed.	Estates Gazette Property Link (estatesgazette.com) – Aitchison Rafferty (Entry last updated July & Oct 11)

Type / Details	Size – sq. m	Rental (or freehold price indication) where available	Yield indication (where known or estimated from other figures)	Source / Other / comments
Saltmore Farm, New Inn Road, Hinxworth, Baldock	Approx. 35-90 sq. m	£75-115/sq. m		ditto
Back Street / High Street, Ashwell, Baldock	Approx. 14-780 sq. m	£108- 120/sq. m (typically around £120; 1 at £150)		ditto
Bygrave, Baldock	Approx. 66-153 sq. m	£60-86/sq. m		
Church Street, Baldock	Approx. 94 sq. m	£120/sq. m		ditto
Hitchin Street, Baldock	Up to approx. 40 sq. m	£110- 125/sq. m		ditto
Football Close, Baldock	Approx. 35-93 sq. m	£120/sq. m		ditto

Type / Details	Size – sq. m	Rental (or freehold price indication) where available	Yield indication (where known or estimated from other figures)	Source / Other / comments
Meeting House Lane, Baldock	Approx. 85-150 sq. m	£120- 184/sq. m		ditto
Whitehorse Street, Baldock	Range of suites up to approx. 150 sq. m.	Typically £120/sq. m. Some larger with lower assessments; 1 at £140/sq. m.		
Barkway, Royston	12-450 sq. m	£50- £120/sq. m		ditto
Fish Hill, Royston	186 sq. m	£90/sq. m		ditto
Princes Mews, Royston	Approx. 65-360 sq. m	£92.50- 110/sq. m		ditto
High Street, Royston	Approx. 40-120/sq. m	£105- 125/sq. m		ditto
Market Hill, Royston	Up to approx. 290 sq. m	Range £80-£131/sq. m (1 @ £180)		ditto

Type / Details	Size – sq. m	Rental (or freehold price indication) where available	Yield indication (where known or estimated from other figures)	Source / Other / comments
ditto	Approx. 440 sq. m	£100/sq. m		ditto
Baldock Street, Royston	Approx. 90-180 sq. m	£97-105/sq. m		ditto
ditto	Range of smaller suites	£125/sq. m		ditto
Kneesworth Street, Royston	Approx. 13-270 sq. m	£75-115/sq. m		ditto
Melbourn Street, Royston	Approx. 30-300 sq. m	£90- 125/sq. m		ditto
Newark Close, Royston	Approx. 80-500 sq. m	£74-105/sq. m		ditto
The Maltings, Green Drift, Royston	Up to approx. 270 sq. m	£&0-70/sq. m but upper end of that range principally		ditto

Type / Details	Size – sq. m	Rental (or freehold price indication) where available	Yield indication (where known or estimated from other figures)	Source / Other / comments
Upper King Street, Royston	Approx. 50-250 sq. m	£86- £115/sq. m		ditto
Park Farm, Nuthampstead, Royston	Approx. 990 sq. m	£35/sq. m		ditto
Other information sources providing sales / yields indications, etc:				
Melbourn Street, Royston	Modern office building investment. Comprises 7,068 sq. ft. (approx. 657 sq. m).	Currently let at £88,305 p.a. (indicates approx. £134/sq. m – near fully occupied). Offered for sale at £1.1m.	Indicates 8% yield; quoted as 7.24% after costs based on asking price.	Estates Gazette Property Link (estatesgazette.com) –Barker Storey Matthews (Entry last updated July 11)
Ash House/ Beech House, Melbourn Science Park, Royston	Approx. 850-2,800 sq. ft. (80 – 260 sq. m)	Offered to let at £15.50-£16.00/sq. ft. (£167-172/sq. m)		Estates Gazette Property Link (estatesgazette.com) –Carter Jonas (Entry last updated July & Oct 11)

Type / Details	Size – sq. m	Rental (or freehold price indication) where available	Yield indication (where known or estimated from other figures)	Source / Other / comments
Knebworth Park, Knebworth	Approx. 170 sq. m	£100/sq. m		ditto
London Road, Knebworth	Approx. 18-75 sq. m	£120/sq. m		ditto
VOA Rating List category ‘ML’ associated with offices lists 9 entries for the District including Council offices, an education office, careers services offices and other similar premises – generally assessed at £50-£100/sq. m.				
And see EGi extracts at the end this Appendix				

HOTELS

Searched VOA Rating List web-site – 15 hotels listed - no summary valuations available owing to commercial sensitivities – limited information to apply. Wider web research showed values to be highly variable dependent on type, location and likely letting income. In practice, much on viability will depend on specifics. Assumptions have been made – see report details.

CARE HOMES

From our research, so far as we could see there is no well-established new build care homes market – no current examples. No readily available local information to inform values assumptions, which were considered following wider research and looking further afield. Searched VOA Rating List web-site but none found. Limited information to apply. Wider web research showed values to be highly variable dependent on type, location and other factors. Again, viability will in practice depend on specifics. Assumptions have been made – see report details.

Type / Details	Size	Info	Price	Source / Other / comments
MISCELLANEOUS / LAND (limited information - as advertised)				
Works Road, Letchworth	Opportunities for 20,000 – 80,000 sq. ft. new build business space	Design & Build / land available. No quoted price.		Estates Gazette Property Link (estatesgazette.com) – Brown & Lee / Colliers (Entry last updated March 11)
Avenue One, Letchworth	0.93 acre yard / storage site	No quoted price.		Estates Gazette Property Link (estatesgazette.com) – Davies (Entry last updated July 11)
Stotfold nr Letchworth	B1 development sites – (1) 2.57 acres and (6) 3.03 acres.	Price indications tbc.		Estates Gazette Property Link (estatesgazette.com) – Bidwells (Entry last updated Oct 11)
York Way, Royston	0.47 acre (0.19 Ha) site with OPP for B1&B8 devt.	Under offer – based on advertised price of £150,000 freehold	Indicates circa £300,000/acre or £740,000/Ha but unconfirmed.	Estates Gazette Property Link (estatesgazette.com) – Lambert Smith Hampton (Entry last updated Nov 11)
Bury Mead Road, Hitchin	0.917 acre site	Marketed for £550,000 freehold – land including workshops & buildings	Indicates circa £1.36m/Ha but unconfirmed basis.	Estates Gazette Property Link (estatesgazette.com) – Aitchison Rafferty (Entry last updated June 11)

Former sorting office site Portmill Lane, Hitchin	0.74 acre / 0.3 Ha including approx. 1,800 sq. m buildings	Offers invited with no guide price.		Estates Gazette Property Link (estatesgazette.com) – Lambert Smith Hampton (Entry last updated Nov 11)
Former Pig Testing Station, Hitchin Road, Stotfold, Letchworth	13.5 acre / 5.46Ha site with OPP for a business park and 5 replacement dwellings	Offers were invited with no guide price. Agents indicated went under offer at circa £1.5m.	Indicates circa £275,000/Ha but details unconfirmed.	Estates Gazette Property Link (estatesgazette.com) – Bidwells (Entry last updated Aug 11)
A505 Baldock Road, Royston	Bar/restaurant devt site of 2.2 acres (0.9Ha).	Proposed building area circa 500 sq. m.	Guide price £400,000. Indicates approx. £444,000/Ha but basis uncertain.	Estates Gazette Property Link (estatesgazette.com) – Barker Storey Matthews (Entry last updated Oct 11)
'findaproperty.com' – search for commercial property – nothing more to add to above information.				
Notes (all tables):				
The above not exhaustive.				
Where stated: p.p. = planning permission (o.p.p. = outline planning permission; d.p.p. = detailed planning permission (reserved matters approval).				
VOA Rating categories for retail are Hypermarkets & superstores (over 2500 sq. m); Large food stores (750-2500 sq. m); retail warehouse & premises; shops & premises				

RICS Commercial Property Market Survey (Quarter 3 – 2011)

This was released under the headline:

‘Tentative recovery in real estate shows signs of faltering’

- *‘Occupier demand falls back for the first (time) since Q3 2010’*
- *‘London rental expectations ease, though offices remain more resilient’*
- *‘Capital value expectations outside the capital turn more negative as investment demand dries up’*

‘The latest RICS UK Commercial Market Survey shows that tenant demand retreated over the quarter which, coupled with rising available space, is resulting in a more negative view on rental expectations. Surveyors attribute the fall in sentiment to the uncertain outlook for the wider economy.’

‘At the all property level, respondents turned downbeat across much of the UK, though the picture in London and the South remains broadly flat. There are also some tentative signs that the London market, which has largely bucked the national trend up to now, is beginning to see sentiment ease; rents are expected to fall in the capital for the first time in a year.’

‘Meanwhile, outside of London rental expectations turned even more negative. Significantly, sentiment has fallen across all sectors of the market. Retail demand slipped furthest into negative territory, while available space also rose fastest in the retail sector.’

‘However, rental expectations at the national level were most negative for offices.’

‘Development starts declined across all sectors, while investment demand remained largely unchanged from last quarter.’

‘Capital value expectations fell across all sectors outside of London, most noticeably for offices.’

Update at point of report completion – latest information

RICS Commercial Property Market Survey (Quarter 3 – 2012)

‘The survey was released under the headline and essentially continued to report on a weak market scenario for commercial property: ‘Demand falls as uncertainty prevails’

- *Demand weakens while supply continues to edge upwards*
- *Rent expectations remain negative at headline level; London offices continue to buck the trend*

- *Investment enquiries fall and capital value expectations are rooted in negative territory*

The RICS UK Commercial Market Survey for the third quarter shows that sentiment among surveyors dipped further, as the on-going weakness in the economy weighs on confidence in the sector. Indeed, at the headline level, a further modest drop in occupier demand and coupled with a rise in availability resulted in a negative rental expectations net balance; 11% more surveyors expect rents to fall as opposed to rise in the next quarter. Unsurprisingly, inducement packages offered by landlords are seen to be rising.

Anecdotal evidence from respondents suggests that occupiers are reluctant to commit to leasing decisions while the economy remains under pressure. The Olympics are also said to have impacted on occupier activity in the market over the third quarter.

Meanwhile, investment activity also appears to have fallen back in Q3, as purchaser enquiries retreated over the period. Surveyors once again site the difficulty in raising finance as one of the chief reasons for the dearth of transaction activity; not surprisingly, the availability of investment funds net balance decreased again, but at a lesser pace than in Q2.

Consequently, capital value expectations weakened further. New developments appear to have been on hold through the quarter, with the net balance suggesting little change had occurred. Looking at the sector breakdown, retail appears to be bearing the brunt of the downturn, with the sector showing the greatest falls in tenant demand and rental expectations. The contrast is provided by the industrial sector, which is broadly stable; the net balance for rent expectations has been close to zero for the last three quarters.

Finally, capital values for retail and office units are the most negative, though they are also in decline for industrials’.

CBRE November Monthly Index

‘London, 8 December 2011 – After seven months of incremental capital value increases, UK commercial property values stalled in November, with total returns of 0.4 per cent, down from the 0.6 per cent recorded in October, according to CBRE’s latest UK Monthly Index.

Year-to-date total returns for commercial property are now 7.6 per cent, with capital growth of 1.9 per cent over this time. Central London capital growth managed to remain positive, although the majority of other sub-sectors saw marginal decreases in values. Shops and Retail Warehouses were the only other two major sub-sectors to avoid falls in values this

month, with Shopping Centres, Industrials and offices outside the capital all seeing values slide in November.

Rental values held firm in November, as weakness in Shops, Shopping Centres and Regional Offices were offset by growth in the Central London Office and Retail Warehouse sectors. So far this year, rents remain flat on the CBRE Monthly Index.

Nick Parker, Senior Analyst of UK Economics & Forecasting at CBRE, said: “November was the first month this year where more widespread weakness started to creep into the UK property market performance with more real estate sub-sectors seeing capital value falls than gains. This comes as little surprise to most observers, with market momentum gradually fading over the past seven months. Given the wider economic uncertainty caused by weak fundamentals in the UK economy plus the growing threat posed by the Eurozone, it now seems that investor appetite has once again become more narrowly focused on the super-prime end of the quality spectrum at the expense of assets further up the risk curve.”

November UK Monthly Index snapshot:

- Overall capital values were flat this month, with total returns of 0.4 per cent.
- Office returns weakened to 0.5 per cent in November from 0.7 per cent last month, with capital values flat over the month.
- Central London offices again saw the strongest sub-sector returns at 0.7 per cent, with capital values up by 0.3 per cent, and rental growth of 0.3 per cent.
- The Outer London / M25 Office sector was the weakest property sub-sector this month, as values fell by 0.5 per cent, delivering a marginally positive return of 0.1 per cent.
- Rest of UK office total returns also weakened in November to 0.2 per cent, on a par with the Shopping Centres.
- Retail warehouse and High Street shop capital values were unchanged this month, with both sector delivering total returns of 0.5%.
- Industrial property saw values fall by 0.1% again this month, with total returns of 0.4%, a marginal deterioration on the previous month.

- *Overall rental values were flat over the month, with the year to date also seeing rental values unchanged.*
- *Equivalent yields were unchanged over the month, staying at 6.5 per cent.'*

Notes to Appendix III

- This is not intended to be and must not be interpreted as definitive or formal valuation exercise.
- The research carried out has not been exhaustive. It has focused on information readily available from the Council and a range of other sources as noted in this Appendix and study report, as is appropriate to informing a range of assumptions and judgments in keeping with the high level nature of this viability overview.
- In practice, assumptions and appraisal inputs, as well as outcomes, will vary beyond the ranges explored here. In our opinion the most relevant range of guides and assumptions, bearing in mind the study purpose, have been used. These have enabled us to consider the points at which likely scheme viability would support CIL contributions of certain levels – to consider the potential “switch points” and assumptions combinations that could mean schemes moving in to viable or non-viable territory.
- As it does with other areas of policy and delivery, the Council will be able to keep an eye on market trends and consider keeping under review the type of information contained within this study Appendix – to help inform its ongoing monitoring and any potential future review in light of market and cost movements, any changes in infrastructure requirements and regulations; and local delivery experiences.
- per sq. m (/sq. m) = per square metre (may also be seen as m²). Rental rates / price indications and floor areas given in sq. m are normally rounded to the nearest (whole) sq. using conventional rounding.
- per sq. ft. (/sq. ft.) = per square foot (may also be seen as ft²).
- 1 sq. m = 10.764 sq. ft.
1 Hectare (Ha/ha) = 2.47 acres
- Appendix III text sections in italics are quoted from the sources listed; non-italic sections within or adjacent to those are comments or clarifications added by DSP.

Appendix III text ends – EGi reporting extract / examples follow



EGi Town Report Prepared

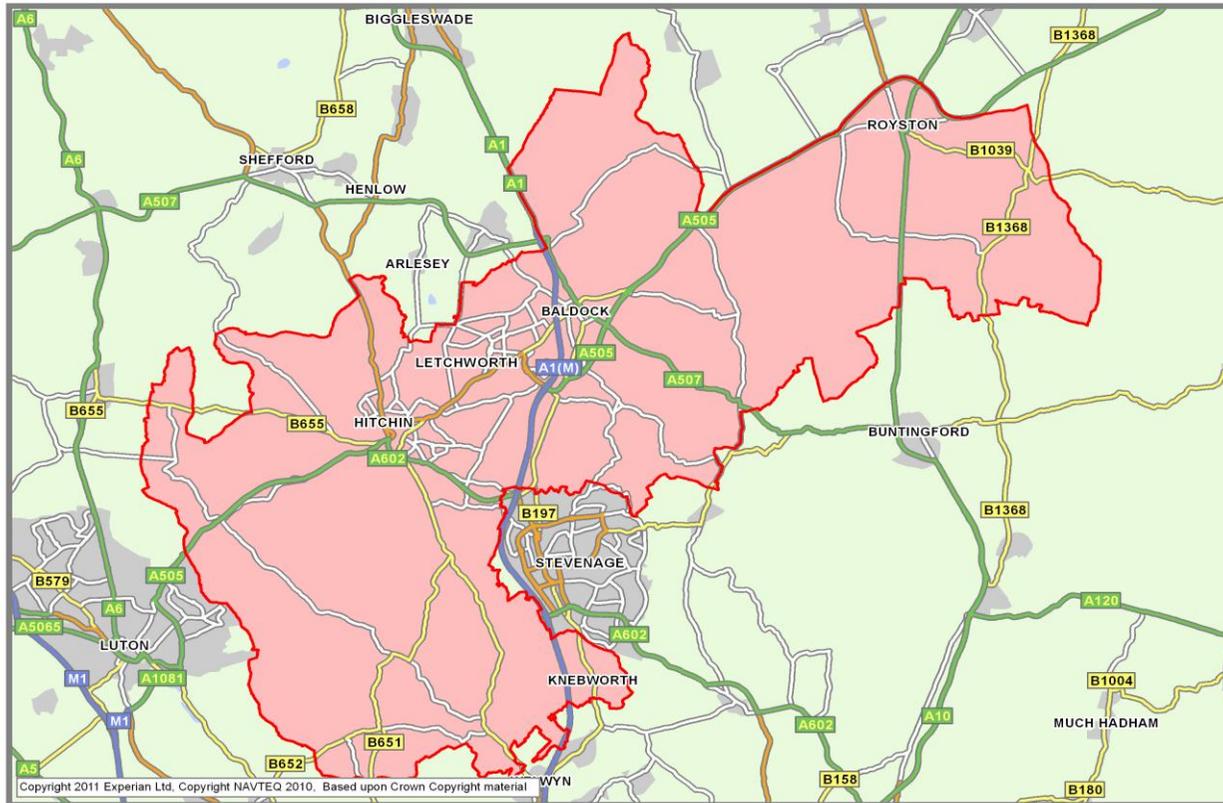
30 November 2011

Area: North Hertfordshire (2010 Districts and Council Areas)

Map of Area



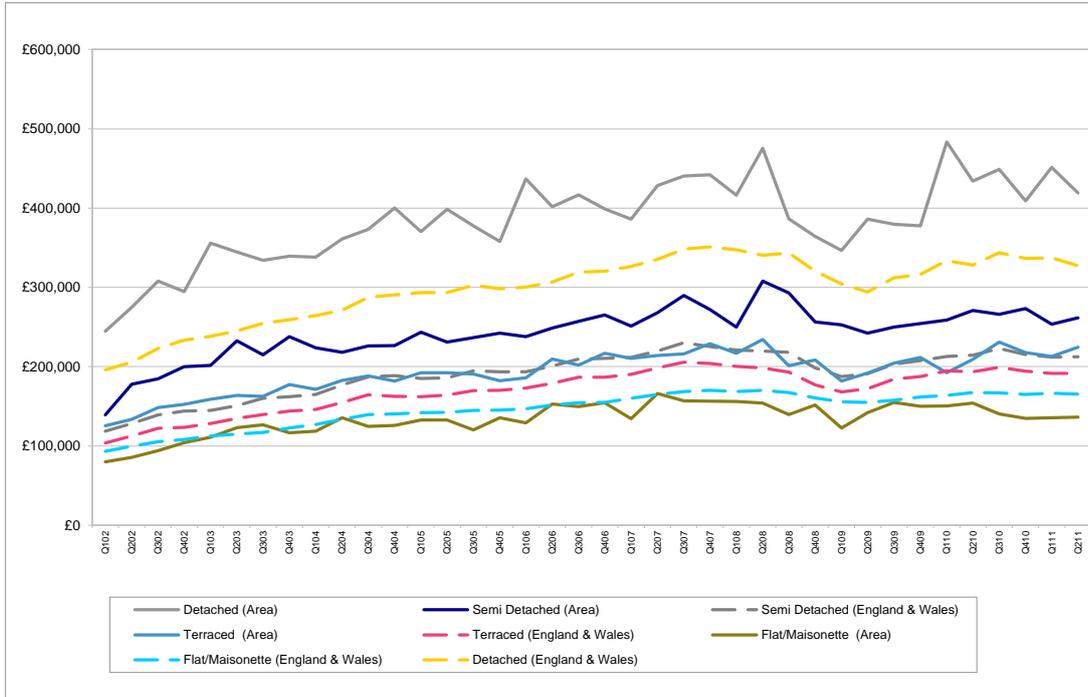
Area: North Hertfordshire (2010 Districts and Council Areas)



Residential Property Prices



Area: North Hertfordshire (2010 Districts and Council Areas)
Base: Great Britain



	Detached (Area)	Detached (England & Wales)	Semi Detached (Area)	Semi Detached (England & Wales)	Terraced (Area)	Terraced (England & Wales)	Flat/Maisonette (Area)	Flat/Maisonette (England & Wales)
Q102	£244,774	£196,044	£139,108	£118,512	£125,314	£103,613	£80,151	£93,150
Q202	£274,693	£205,705	£177,934	£128,151	£133,597	£112,439	£85,511	£99,836
Q302	£308,054	£223,059	£184,713	£139,248	£148,410	£122,311	£93,972	£105,226
Q402	£294,461	£233,596	£200,167	£143,911	£152,448	£123,523	£104,039	£108,325
Q103	£355,826	£238,212	£201,564	£144,905	£158,887	£128,323	£110,855	£112,572
Q203	£344,654	£245,157	£232,700	£150,946	£163,731	£134,896	£123,010	£115,133
Q303	£334,055	£254,895	£214,915	£160,183	£162,392	£139,446	£126,648	£117,104
Q403	£339,216	£259,345	£237,782	£162,054	£177,311	£143,999	£116,794	£122,732
Q104	£338,251	£264,315	£223,848	£165,144	£171,218	£145,877	£118,480	£127,132
Q204	£361,129	£271,079	£218,260	£177,211	£182,691	£154,906	£135,711	£133,433
Q304	£372,962	£287,458	£226,024	£187,136	£188,200	£164,738	£124,743	£139,440
Q404	£400,203	£290,669	£226,762	£188,561	£181,775	£162,640	£126,019	£140,371
Q105	£370,357	£293,287	£243,380	£185,121	£192,448	£162,103	£132,843	£142,110
Q205	£398,367	£293,444	£230,895	£185,914	£192,344	£164,041	£132,702	£142,433
Q305	£377,544	£302,735	£236,825	£194,731	£190,699	£169,897	£120,429	£145,010
Q405	£357,870	£298,099	£242,136	£193,378	£182,231	£170,138	£135,638	£145,021
Q106	£436,963	£300,219	£237,819	£193,745	£186,023	£172,820	£129,084	£146,870
Q206	£401,719	£306,661	£248,766	£200,709	£209,610	£178,961	£152,957	£151,702
Q306	£416,751	£319,137	£257,301	£209,747	£202,029	£186,872	£149,581	£154,479
Q406	£398,750	£320,476	£265,170	£210,616	£216,889	£186,563	£154,540	£155,059
Q107	£385,917	£326,363	£250,977	£211,759	£210,499	£190,281	£134,419	£160,140
Q207	£428,141	£335,484	£267,974	£219,550	£213,988	£198,421	£166,099	£164,999
Q307	£440,566	£348,092	£289,821	£230,083	£216,027	£205,580	£157,006	£168,438
Q407	£441,922	£351,058	£272,088	£225,482	£229,133	£203,822	£156,328	£170,270
Q108	£416,111	£347,179	£249,958	£220,939	£216,780	£200,213	£155,906	£168,706
Q208	£475,253	£340,709	£307,838	£219,663	£234,103	£198,402	£153,896	£170,021
Q308	£386,260	£343,333	£292,946	£218,174	£201,050	£193,256	£139,720	£167,368
Q408	£364,196	£320,534	£256,546	£198,363	£208,487	£177,211	£151,655	£160,545
Q109	£346,615	£304,328	£252,550	£187,464	£181,972	£168,188	£122,705	£155,790
Q209	£385,956	£294,403	£242,416	£190,931	£191,960	£172,387	£142,054	£154,797
Q309	£379,677	£311,996	£249,757	£203,058	£204,516	£184,237	£155,007	£157,786
Q409	£377,761	£316,271	£254,338	£207,763	£211,766	£187,433	£150,080	£161,832
Q110	£483,482	£333,730	£258,929	£212,908	£192,329	£194,672	£150,278	£163,614
Q210	£434,023	£328,031	£270,946	£214,459	£209,053	£193,673	£154,002	£167,544
Q310	£448,757	£343,793	£266,163	£223,007	£231,140	£198,991	£140,382	£166,974
Q410	£409,047	£336,692	£273,406	£215,288	£217,638	£194,266	£134,918	£165,119
Q111	£451,335	£337,241	£253,553	£212,139	£212,972	£191,405	£135,417	£166,616
Q211	£419,034	£327,347	£261,681	£212,276	£224,425	£191,486	£136,238	£165,380

(Not Available for Scotland)

*Please note that if prices are shown as '£0' no data is available for the corresponding centre. Please also note that these quarters relate to financial quarters.

Retail Rents



Area: North Hertfordshire (2010 Districts and Council Areas)
 Base: Great Britain

Colliers International has provided its estimated prime retail rents for key In Town locations throughout the UK.



Provided by Colliers International ©.

The Colliers International In Town retail rents database is based upon their opinion of the open market Zone A rent in more than 600 shopping locations in the UK.

The rental values relate to a hypothetical shop unit of optimum size and configuration in the prime pitch. The figures have been arrived at by adopting zone sizes standard for the location and are expressed at £ per sq ft per annum.

In the case of shopping centre locations where the rent payable is the greater of the base Rent (a percentage of Full Rental Value (typically 80%)) or a percentage of turnover, the rental contained is Full Rental Value (i.e. grossed up Base Rent).

In assessing their opinion of the open market Zone A rent Colliers International only acknowledge the presence of shopping centres once completed and open to the public.

Contact: Dr Richard Doidge, Director of Research Consultancy, Colliers International. Email: richard.doidge@colliers.com Tel: 020 7344 6872

*Please note that if rent values are shown as '£0' no data is available for the corresponding years. Only the top ten centres whose rents are highest in 2010 are graphed.

Estimated Zone A Rents																									
Centre	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Hitchin															£50	£55	£55	£65	£70	£95	£100	£100	£95	£95	£95

Office Availability



Powered by



Area: North Hertfordshire (2010 Districts and Council Areas)

Base: Great Britain

Data provided by EGPropertyLink - all live availability records are listed. The 20 most recent on the market are displayed, click on the filter arrows to view more. Use the listed URL to view more details of these properties.

Date	Postcode	Address	Type	Agents	Floorspace	Rental	Asking Price	URL
18/11/2011	SG5 1RT		To Let	Bowyer Byrce	146 sq m			http://www.egi.co.uk/Research/AvailabilityDetails.aspx?hdnSelectedDLList=3359793
27/10/2011	SG3 6AT	Station Approach Knebworth SG3 6AT	To Let	Davies & Co				http://www.egi.co.uk/Research/AvailabilityDetails.aspx?hdnSelectedDLList=3354965
24/10/2011	SG6 4ET	Suite 104 Spirella Building Bridge Road Letchworth SG6 4ET	To Let	Brown & Lee Chartered Surveyors				http://www.egi.co.uk/Research/AvailabilityDetails.aspx?hdnSelectedDLList=4353481
24/10/2011	SG6 1PE	605 Works Road Letchworth SG6 1PE	To Let	Brown & Lee Chartered Surveyors				http://www.egi.co.uk/Research/AvailabilityDetails.aspx?hdnSelectedDLList=4353487
24/10/2011	SG6 1UG	First Floor, Exeter House, 1 Amor Way Dunhams Lane Letchworth Garden City SG6 1UG	To Let	Brown & Lee Chartered Surveyors				http://www.egi.co.uk/Research/AvailabilityDetails.aspx?hdnSelectedDLList=4353477
20/10/2011	SG5 2JR	Former Hitchin County Court Building 1-12 Old Park Road Hitchin SG5 2JR	For Sale, To Let	Aitchison Raffety				http://www.egi.co.uk/Research/AvailabilityDetails.aspx?hdnSelectedDLList=3352725
19/10/2011	SG4 8HY	Business Unit Coleman Business Centre Kimpton Hertfordshire SG4 8HY	To Let	Bidwells				http://www.egi.co.uk/Research/AvailabilityDetails.aspx?hdnSelectedDLList=3352523
19/10/2011	SG4 8HY	Business Unit Coleman Business Centre Kimpton Hertfordshire SG4 8HY	To Let	Bidwells				http://www.egi.co.uk/Research/AvailabilityDetails.aspx?hdnSelectedDLList=3352515
12/10/2011	SG6 1SP	Unit 17A Jubilee Trade Centre Letchworth SG6 1SP	To Let	Davies & Co				http://www.egi.co.uk/Research/AvailabilityDetails.aspx?hdnSelectedDLList=3350835
11/10/2011	SG4 0AP	Alexander House 40a Wilbury Way Hitchin SG4 0AP	To Let	Brown & Lee Chartered Surveyors				http://www.egi.co.uk/Research/AvailabilityDetails.aspx?hdnSelectedDLList=3350563
27/09/2011	SG6 1PE	605 Works Road Letchworth Garden City SG6 1PE	To Let	Brown & Lee Chartered Surveyors				http://www.egi.co.uk/Research/AvailabilityDetails.aspx?hdnSelectedDLList=3346997
26/09/2011	SG5 1AA	Royal Mail Site, Hermitage Road/Portmill Lane Hitchin SG5 1AA	For Sale	Lambert Smith Hampton				http://www.egi.co.uk/Research/AvailabilityDetails.aspx?hdnSelectedDLList=3346742
26/09/2011	SG4 0SB	Thrifty House, Unit 4 Bilton Road Hitchin SG4 0SB	To Let	Brown & Lee Chartered Surveyors	48 - 78 sq m	£6000 - 9785 PA		http://www.egi.co.uk/Research/AvailabilityDetails.aspx?hdnSelectedDLList=3346735
22/09/2011	SG4 8XG		To Let	Aitchison Raffety				http://www.egi.co.uk/Research/AvailabilityDetails.aspx?hdnSelectedDLList=3346091

Date	Postcode	Address	Type	Agents	Floorspace	Rental	Asking Price	URL
19/09/2011	SG5 2DW		For Sale	Aitchison Raffety				http://www.egi.co.uk/Research/AvailabilityDetails.aspx?hdnSelectedDLList=3345353
17/09/2011	SG8 7AG	Lumen House Lumen Road Hertfordshire Royston SG8 7AG	To Let	Carter Jonas - Cambridge				http://www.egi.co.uk/Research/AvailabilityDetails.aspx?hdnSelectedDLList=3311019
09/09/2011	sg5 1bg		To Let	Aitchison Raffety				http://www.egi.co.uk/Research/AvailabilityDetails.aspx?hdnSelectedDLList=3343822
09/08/2011	SG8 7BX	4The Lanterns Royston SG8 7BX	To Let	Barker Storey Mathews	139 sq m	£19435 PA		http://www.egi.co.uk/Research/AvailabilityDetails.aspx?hdnSelectedDLList=3336537
08/08/2011	SG6 1LH	Arden Press House Pixmore Avenue Letchworth SG6 1LH	To Let	Capita Symonds				http://www.egi.co.uk/Research/AvailabilityDetails.aspx?hdnSelectedDLList=3301887
05/08/2011	SG4 0TY	Units 3 & 6 Theobald Business Centre Knowl Piece Hitchin SG4 0TY	To Let	Aitchison Raffety	68 - 115 sq m	£5500 - 10000 PA		http://www.egi.co.uk/Research/AvailabilityDetails.aspx?hdnSelectedDLList=3335124
05/08/2011	sg4 0ty	Unit 5, Theobald Business Centre Knowl Piece Hitchin sg4 0ty	To Let	Aitchison Raffety				http://www.egi.co.uk/Research/AvailabilityDetails.aspx?hdnSelectedDLList=3335133
05/08/2011	SG4 0TY	Unit 10 Theobald Business Centre Knowl Piece Hitchin SG4 0TY	To Let	Aitchison Raffety				http://www.egi.co.uk/Research/AvailabilityDetails.aspx?hdnSelectedDLList=3335141
27/07/2011	SG6 1SP	17Jubilee Trade Centre Letchworth Garden City SG6 1SP	To Let	Davies & Co				http://www.egi.co.uk/Research/AvailabilityDetails.aspx?hdnSelectedDLList=3333735
22/07/2011	SG6 1LP	Wheatley House Works Road Letchworth Garden City SG6 1LP	For Sale, To Let	Davies & Co				http://www.egi.co.uk/Research/AvailabilityDetails.aspx?hdnSelectedDLList=3332776
18/07/2011	SG6 1UG	First Floor Exeter House Amor Way Letchworth Garden City SG6 1UG	To Let	Davies & Co				http://www.egi.co.uk/Research/AvailabilityDetails.aspx?hdnSelectedDLList=3331852
18/07/2011	SG6 1BE	Phoenix House & Solutions House Dunham's Lane Letchworth Business Park Letchworth Garden City SG6 1BE	To Let	Davies & Co	217 - 888 sq m			http://www.egi.co.uk/Research/AvailabilityDetails.aspx?hdnSelectedDLList=3331814
18/07/2011	SG6 1BE	Phoenix House Dunham's Lane Letchworth Business Park Letchworth Garden City SG6 1BE	For Sale	Davies & Co				http://www.egi.co.uk/Research/AvailabilityDetails.aspx?hdnSelectedDLList=3331819
18/07/2011	SG6 1BE	Phoenix House & Solutions House Dunham's Lane Letchworth Business Park Letchworth Garden City SG6 1BE	For Sale	Davies & Co				http://www.egi.co.uk/Research/AvailabilityDetails.aspx?hdnSelectedDLList=3331825

Date	Postcode	Address	Type	Agents	Floorspace	Rental	Asking Price	URL
18/07/2011	SG6 1BE	Solutions House Dunham's Lane Letchworth Business Park Letchworth Garden City SG6 1BE	For Sale	Davies & Co				http://www.egi.co.uk/Research/AvailabilityDetails.aspx?hdnSelectedDLList=3331830
14/07/2011	SG6 1WU	Jubilee House Jubilee Road Letchworth SG6 1WU	To Let	Davies & Co	232 - 279 sq m			http://www.egi.co.uk/Research/AvailabilityDetails.aspx?hdnSelectedDLList=3331156
11/07/2011	SG4 0TW	Unit 1 The Cam Centre 45 Hitchin SG4 0TW	For Sale, To Let	Brown & Lee Chartered Surveyors	168 - 338 sq m			http://www.egi.co.uk/Research/AvailabilityDetails.aspx?hdnSelectedDLList=3330491
11/07/2011	SG8 8DL	Cokenach Offices, Barkway Royston SG8 8DL	To Let	Savills				http://www.egi.co.uk/Research/AvailabilityDetails.aspx?hdnSelectedDLList=3330539
11/07/2011	SG8 8DL	Cokenach Offices Barkway Royston SG8 8DL	To Let	Savills				http://www.egi.co.uk/Research/AvailabilityDetails.aspx?hdnSelectedDLList=3330565
08/07/2011	SG8 7BZ	16 The Lanterns Melbourn Street Royston SG8 7BZ	Investment	Barker Storey Matthews	658 sq m			http://www.egi.co.uk/Research/AvailabilityDetails.aspx?hdnSelectedDLList=3329947
06/07/2011	SG8 8DL	Cokenach Offices Barkway Royston SG8 8DL	To Let	Savills				http://www.egi.co.uk/Research/AvailabilityDetails.aspx?hdnSelectedDLList=3329732
28/06/2011	SG6 2HF	Ground Floor Bemac House Fifth Avenue Letchworth SG6 2HF	To Let	Davies & Co	186 - 279 sq m			http://www.egi.co.uk/Research/AvailabilityDetails.aspx?hdnSelectedDLList=3327956
27/06/2011	SG6 1SP	Unit 6 Jubilee Trade Centre Letchworth Garden City SG6 1SP	To Let	Davies & Co				http://www.egi.co.uk/Research/AvailabilityDetails.aspx?hdnSelectedDLList=3327697
23/06/2011	SG6 1GJ	Devonshire Business Centre Works Road Letchworth Garden City SG6 1GJ	To Let	Brown & Lee Chartered Surveyors	36 - 85 sq m			http://www.egi.co.uk/Research/AvailabilityDetails.aspx?hdnSelectedDLList=3327084
16/06/2011	SG6 4ET	Suite 103 Spirella Building Bridge Road Letchworth Garden City SG6 4ET	To Let	Brown & Lee Chartered Surveyors				http://www.egi.co.uk/Research/AvailabilityDetails.aspx?hdnSelectedDLList=3325792
09/06/2011	SG4 8HY	Unit 5 Coleman Business Centre Kimpton Hitchin SG4 8HY	To Let	Bowyer Bryce				http://www.egi.co.uk/Research/AvailabilityDetails.aspx?hdnSelectedDLList=3322110
13/05/2011	SG6 1LP	Wheatley House Works Road Letchworth Garden City SG6 1LP	For Sale, To Let	Davies & Co				http://www.egi.co.uk/Research/AvailabilityDetails.aspx?hdnSelectedDLList=3313944
12/04/2011	SG6 3TA	Suite 301 The Nexus Building Broadway Letchworth Garden City SG6 3TA	To Let	Brown & Lee Chartered Surveyors				http://www.egi.co.uk/Research/AvailabilityDetails.aspx?hdnSelectedDLList=3307277
25/03/2011	SG6 2HB		To Let	Aitchison Raffety				http://www.egi.co.uk/Research/AvailabilityDetails.aspx?hdnSelectedDLList=3299706

Date	Postcode	Address	Type	Agents	Floorspace	Rental	Asking Price	URL
11/03/2011	SG6 1BE	Solutions House Dunhams Lane Letchworth Garden City SG6 1BE	For Sale, To Let	Brown & Lee Chartered Surveyors				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedDLList=3291614
01/03/2011	SG5 1JW		To Let	Bowyer Bryce	146 sq m			http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedDLList=3287390
24/02/2011	SG4 9EG		For Sale, To Let	Aitchison Raffety				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedDLList=3283576
28/01/2011	SG4 7JT	Titmore Court Titmore Green Little Wymondley SG4 7JT	To Let	Brown & Lee Chartered Surveyors	28 - 135 sq m	£7250 - 10600 PA		http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedDLList=3266115
27/01/2011	SG4 7SA	Ladygrove Court Hitchwood Lane Preston Hitchin SG4 7SA	For Sale, To Let	Brasier Freeth	25 - 215 sq m			http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedDLList=3265922
27/01/2011	sg4 9sp	Third Floor, Left North Lyon Court Walsworth Road Hitchin sg4 9sp	To Let	Brasier Freeth	174 sq m			http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedDLList=3265891
18/01/2011	SG8 7BX	4A The Lanterns Melbourn Royston SG8 7BX	To Let	Barker Storey Matthews				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedDLList=3258682
13/01/2011	SG7 6QN		For Sale	Aitchison Raffety				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedDLList=3257328
10/01/2011	SG4 8TR	Node Court Drivers End Codicote SG4 8TR	Development Opportunity, For Sale	Brasier Freeth	115 - 229 sq m			http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedDLList=3256344
10/01/2011	SG6 3DL	First Floor Letchworth House Central Approach Letchworth SG6 3DL	To Let	Brasier Freeth	87 - 177 sq m			http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedDLList=3256341
07/01/2011	SG4 7SA	Ladygrove Court Hitchwood Lane Preston Hitchin SG4 7SA	To Let	Brasier Freeth	25 - 172 sq m			http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedDLList=3255755
07/01/2011	SG4 9SP	Third Floor, Right South Lyon Court Walsworth Road Hitchin SG4 9SP	To Let	Brasier Freeth	174 - 355 sq m			http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedDLList=3255757
07/01/2011	SG4 9SP	Ground Floor, Right South, Lyon Court Walsworth Road Hitchin SG4 9SP	To Let	Brasier Freeth	212 sq m			http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedDLList=3255760
07/01/2011	SG4 9SP	Second Floor, Right South Lyon Court Walsworth Road Hitchin SG4 9SP	To Let	Brasier Freeth	227 - 452 sq m			http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedDLList=3255761
07/01/2011	SG4 9SP	Ground Floor, Left North Lyon Court Walsworth Road Hitchin SG4 9SP	To Let	Brasier Freeth	212 - 228 sq m			http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedDLList=3255769
06/01/2011	SG6 2HB	Campus One Avenue One Letchworth Business Park Letchworth Garden City SG6 2HB	For Sale	Davies & Co	706 - 2211 sq m			http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedDLList=3255353

Date	Postcode	Address	Type	Agents	Floorspace	Rental	Asking Price	URL
06/01/2011	SG6 2HF	Bemac House Fifth Avenue Letchworth Garden City SG6 2HF	To Let	Davies & Co				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedDLList=3255175
06/01/2011	SG6 1LW	Office Space Diamond Industrial Centre Works Road Letchworth SG6 1LW	To Let	Davies & Co				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedDLList=3255411
14/12/2010	SG4 4JG	Former Pig Testing Station Hitchin Road Stotfold Letchworth SG4 4JG	For Sale	Bidwells				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedDLList=3243216
08/12/2010	SG5 1RP	The Glover Centre Bury Mead Road Hitchin SG5 1RP	To Let	Bowyer Bryce	23 - 31 sq m			http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedDLList=3230209
08/12/2010	SG4 8HY	Unit 5 Coleman Business Centre Claggy Road Kimpton SG4 8HY	To Let	Bowyer Bryce				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedDLList=3230208
02/12/2010	SG8 5AY	2 Kiln House Yard Royston SG8 5AY	To Let	Derrick Wade Waters				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedDLList=3214611
25/11/2010	SG3 6NL	135 London Road Knebworth SG3 6NL	To Let	Bowyer Bryce				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedDLList=3190679
25/11/2010	SG8 8DL	Cokenach Offices Cokenach Estate Barkway Royston SG8 8DL	To Let	Savills	46 - 743 sq m			http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedDLList=3191855
22/11/2010	SG4 0TJ	6-10 Hunting Gate Hitchin SG4 0TJ	For Sale, To Let	Brown & Lee Chartered Surveyors	418 - 4770 sq m			http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedDLList=3182923
05/11/2010	SG5 1DY	Latchmore Court 1-8 Brand Street Hitchin SG5 1DY	To Let	Aitchison Raffety	120 - 230 sq m	£9675 - 18540 PA		http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedDLList=3167851
05/11/2010	SG5 1DY		To Let	Aitchison Raffety	19 - 57 sq m	£2425 - 4250 PA		http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedDLList=3167876
05/11/2010	SG5 1NQ		To Let	Aitchison Raffety				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedDLList=3168014
05/11/2010	sg4 0tp		To Let	Aitchison Raffety				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedDLList=3168005
23/09/2010	SG5 1RP	The Glover Centre Bury Mead Road Hitchin SG5 1RP	To Let	Bowyer Bryce	23 - 31 sq m			http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedDLList=3104859
01/09/2010	SG4 0TW	9 Cam Centre Wilbury Way Hitchin SG4 0TW	For Sale	Brown & Lee Chartered Surveyors				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedDLList=315924
01/09/2010	SG6 2HW	Venture House Avenue One Letchworth Garden City SG6 2HW	To Let	Brown & Lee Chartered Surveyors	16 - 103 sq m	£2000 - 12200 PA		http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedDLList=396

Date	Postcode	Address	Type	Agents	Floorspace	Rental	Asking Price	URL
25/08/2010	SG4 8TR	The Midden, Node Court Drivers End Welwyn Garden City SG4 8TR	To Let	Aitchison Raffety				http://www.egi.co.uk/Research/AvailabilityDetails.aspx?hdnSelectedDLList=38980
25/08/2010	SG4 8TR	1 Node Court Drivers End Lane Hitchin SG4 8TR	For Sale, To Let	Aitchison Raffety	115 - 229 sq m			http://www.egi.co.uk/Research/AvailabilityDetails.aspx?hdnSelectedDLList=339676
18/08/2010	SG6 1LH	Suite A & B Arden Press House Arden Press Way Letchworth Garden City SG6 1LH	To Let	Aitchison Raffety	129 - 363 sq m			http://www.egi.co.uk/Research/AvailabilityDetails.aspx?hdnSelectedDLList=3119004
16/08/2010	SG8 5AY	Upton House Baldock Street Royston SG8 5AY	To Let	Barker Storey Matthews	10 - 23 sq m			http://www.egi.co.uk/Research/AvailabilityDetails.aspx?hdnSelectedDLList=329560
15/06/2010	SG3 6EX	121 London Road Knebworth SG3 6EX	To Let	Brown & Lee Chartered Surveyors	28 - 177 sq m			http://www.egi.co.uk/Research/AvailabilityDetails.aspx?hdnSelectedDLList=320548
15/06/2010	SG7 6AE	Coach House Cloisters Hitchin Street Baldock SG7 6AE	To Let	Brown & Lee Chartered Surveyors	18 - 111 sq m			http://www.egi.co.uk/Research/AvailabilityDetails.aspx?hdnSelectedDLList=31329
21/05/2010	SG4 7SA	Ladygrove Court Hitchwood Lane Preston Near Hitchin SG4 7SA	To Let	Brown & Lee Chartered Surveyors	34 - 172 sq m	£10500 - 11800 PA		http://www.egi.co.uk/Research/AvailabilityDetails.aspx?hdnSelectedDLList=397
21/05/2010	SG6 4ET	Suite 109 Spirella Building Bridge Road Letchworth SG6 4ET	To Let	Brown & Lee Chartered Surveyors				http://www.egi.co.uk/Research/AvailabilityDetails.aspx?hdnSelectedDLList=3145920
11/05/2010	SG5 1EH	Paynes Park Hitchin SG5 1EH	To Let	Instant		£114 - 203 Per Sq Ft	£0 Per Sq Ft	http://www.egi.co.uk/Research/AvailabilityDetails.aspx?hdnSelectedDLList=316826
11/05/2010	SG6 1JG	Pixmore Avenue Letchworth SG6 1JG	To Let	Instant				http://www.egi.co.uk/Research/AvailabilityDetails.aspx?hdnSelectedDLList=334971
22/03/2010	SG5 2DE	Second Floor, The Maltings Bridge Street Hitchin SG5 2DE	To Let	Brown & Lee Chartered Surveyors				http://www.egi.co.uk/Research/AvailabilityDetails.aspx?hdnSelectedDLList=3113308
22/03/2010	SG4 0SB	Thrifty House 4 Bilton Road Hitchin SG4 0SB	To Let	Brown & Lee Chartered Surveyors	48 - 78 sq m	£6000 - 9750 PA		http://www.egi.co.uk/Research/AvailabilityDetails.aspx?hdnSelectedDLList=368166
22/03/2010	SG4 0TW	Intech House 34/35 The Cam Centre Hitchin SG4 0TW	To Let	Brown & Lee Chartered Surveyors				http://www.egi.co.uk/Research/AvailabilityDetails.aspx?hdnSelectedDLList=3110867
17/03/2010	SG5 1DS	Second Floor 18 Market Place Hitchin SG5 1DS	To Let	Brown & Lee Chartered Surveyors				http://www.egi.co.uk/Research/AvailabilityDetails.aspx?hdnSelectedDLList=3141359
14/01/2010	SG3 6BY	Lytton Hall Knebworth Estate Knebworth SG3 6BY	To Let	Brown & Lee Chartered Surveyors	125 - 251 sq m			http://www.egi.co.uk/Research/AvailabilityDetails.aspx?hdnSelectedDLList=398

Office Deals Listing



Area: North Hertfordshire (2010 Districts and Council Areas)
Base: Great Britain

The 20 most recent deals for this area and sector are displayed below, click on the arrows on the date heading to show all the deals.

Date	Postcode	Address	Type	Lessee/ Purchaser	Total Space	Price	Rental PSM	Yield (%)
28/09/2011	SG6 1LH	Arden Press House, Arden Press Way, Letchworth Garden City, Hertfordshire, SG6 1LH	Lease	Lessee: PC Cooney Limited	129.413 Net sq m	N/A	£37.67	N/A
26/09/2011	SG5 1BG	21 Bucklersbury, Hitchin, Hertfordshire, SG5 1BG	Licence	Lessee: Just E- Commerce Limited	38.1828 Net sq m	N/A	£88.05	N/A
19/09/2011	SG5 2DU	92 Tilehouse Street, Hitchin, Hertfordshire, SG5 2DU	Licence	Lessee: 4R Future Limited	7.89669 Net sq m	N/A	£265.98	N/A
19/09/2011	SG6 3EU	4b Leys Avenue, Letchworth Garden City, Hertfordshire, SG6 3EU	Lease	Lessee: Mico Agency Limited	67.1683 Net sq m	N/A	£74.49	N/A
01/07/2011	SG6 4ET	The Spirella Building, Bridge Road, Letchworth, Hertfordshire, SG6 4ET	Lease	Lessee: Private individual(s)	155.704 Net sq m	N/A	£139.93	N/A
21/04/2011	SG6 4ET	The Spirella Building, Bridge Road, Letchworth, Hertfordshire, SG6 4ET	Lease	Lessee: Willmott Dixon Limited	2831.48 Net sq m	N/A	N/A	N/A
15/11/2010	SG4 9SP	Lyon Court, Walsworth Road, Hitchin, Hertfordshire, SG4 9SP	Lease	Lessee: Swan Fostering Limited	451.598 Net sq m	N/A	N/A	N/A
15/11/2010	SG8 7AG	Lumen House, Lumen Road, Royston, Hertfordshire, SG8 7AG	Lease	Lessee: Hedgerows Day Nursery Limited	278.428 Net sq m	N/A	N/A	N/A
15/10/2010	SG8 7BX	Archway House, 4c-4d The Lanterns, Melbourn Street, Royston, Hertfordshire, SG8 7BX	Lease	Lessee: Alphametrics Financial Systems Limited	135.73 Net sq m	N/A	£120.13	N/A
15/09/2010	SG8 7BZ	Katherines Yard, Melbourn Street, Royston, Hertfordshire, SG8 7BZ	Lease	N/A	73.7644 Net sq m	N/A	N/A	N/A
23/04/2010	SG5 1RT	37 Bury Mead Road, Hitchin, Hertfordshire, SG5 1RT	Lease	Lessee: SSE Services PLC	96.8042 Net sq m	N/A	£53.82	N/A
23/04/2010	SG5 1RT	37 Bury Mead Road, Hitchin, Hertfordshire, SG5 1RT	Lease	Lessee: Toon Materials Limited	49.8885 Net sq m	N/A	£53.82	N/A
09/02/2010	SG5 1DJ	Portmill House, Portmill Lane, Hitchin, Hertfordshire, SG5 1DJ	Lease	Lessee: Dr Hadwen Trust Trading Limited	195.095 Net sq m	N/A	£96.88	N/A

Area: North Hertfordshire (2010 Districts and Council Areas)
 Base: Great Britain

Planning applications for this use type in this area. The most recent 20 are displayed, use the filter arrows to display more.

Address	Status	Application Date	Permission Date	Subsector	Proposed Size	Units	Planning Authority
Titmore Green Farm, Titmore Green, Hitchin, Hertfordshire, SG4 7JT	PPG	05/09/2011	31/10/2011	Business (B1a), Business (B1c), Industrial (B8)	82	Gross sq m	North Hertfordshire District Council
Knebworth Barns, Knebworth Park, Knebworth, Hertfordshire, SG3 6PY	PPG	25/10/2010	20/01/2011	Retail (A1), Assembly & Leisure (D2), Business (B1a), General	N/A	N/A	North Hertfordshire District Council
Cutters House, Lumen Road, Royston, Hertfordshire, SG8 7AG	PPG	26/07/2010	20/09/2010	Assembly & Leisure (D2), Business (B1a)	N/A	N/A	North Hertfordshire District Council
Brooklands House, 42 Wilbury Way, Hitchin, Hertfordshire, SG4 0TW	PPG	02/06/2010	28/07/2010	Business (B1c), Business (B1a)	306	Gross sq m	North Hertfordshire District Council
Royal Air Force Barkway, The Joint, Royston, Hertfordshire, SG8 8DR	With	17/12/2009		Business (B1a)	572	Gross sq m	North Hertfordshire District Council
Land At, Beverley Close, York Way, Royston, Hertfordshire, SG8 9DU	OutPPG	04/12/2008	21/01/2009	Business (B1a)	938	Gross sq m	North Hertfordshire District Council
The Old Grammar School, Broadway, Letchworth Garden City, Hertfordshire, SG6 3PS	App	22/08/2008		Business (B1a)	4680	Gross sq m	North Hertfordshire District Council
Titmore Green Farm, Titmore Green, Hitchin, Hertfordshire, SG4 7JT	PPG	01/08/2008	26/09/2008	Business (B1a), Business (B1c), Industrial (B8)	82	Gross sq m	North Hertfordshire District Council

Retail Availability



Area: North Hertfordshire (2010 Districts and Council Areas)
Base: Great Britain

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Data provided by EGPropertyLink - all live availability records are listed. The 20 most recent on the market are displayed, click on the filter arrows to view more. Use the listed URL to view more details of these properties.

Date	Postcode	Address	Type	Agents	Floorspace	Rental	Asking Price	URL
15/11/2011	SG8 9AS	7 Angel Pavement Royston SG8 9AS	For Sale	CHEFFINS				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3344852
14/10/2011	SG5 1DN	12 Churchgate Shopping CentreChurchgate Hitchin SG5 1DN	To Let	Brown & Lee Chartered Surveyors				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3351511
14/10/2011	SG5 1DN	7 Churchgate Shopping CentreChurchgate Hitchin SG5 1DN	To Let	Brown & Lee Chartered Surveyors				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3351519
14/10/2011	SG5 1DN	26 Churchgate Shopping CentreChurchgate Hitchin SG5 1DN	To Let	Brown & Lee Chartered Surveyors				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3351521
14/10/2011	SG8 9AW	47-49 High Street Royston SG8 9AW	For Sale, To Let	Brown & Lee Chartered Surveyors				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3351531
12/10/2011	SG6 1LA	Units 5, 7 & 8Woodside Industrial ParkWorks Road Letchworth Garden City SG6 1LA	To Let	Davies & Co	278 - 913 sq m			http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3350833
12/10/2011	SG6 1HL	Blackhorse Park Letchworth SG6 1HL	For Sale, To Let	Davies & Co				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3350832
16/09/2011	SG4 8XE		To Let	Aitchison Raffety				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3344945
09/09/2011	SG6 2JF	1Campus 5 Letchworth Garden City SG6 2JF	To Let	Davies & Co				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3343886
18/08/2011	SG5 1ST	50-58 Strathmore Avenue Hitchin SG5 1ST	For Sale, Investment	Aitchison Raffety				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3338862
18/08/2011	SG4 0TW		To Let	Brown & Lee Chartered Surveyors				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3338921
27/07/2011	SG6 2JF	Unit 27Campus 5 Letchworth Business Park Letchworth Garden City SG6 2JF	To Let	Davies & Co				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3333737
22/07/2011	SG5 2DN	Bridge Street Hitchin SG5 2DN	To Let	Claridges Commercial				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3332775
22/07/2011	SG6 2HB	Campus OneAvenue One Letchworth Business Park Letchworth Garden City SG6 2HB	To Let	Davies & Co				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3332766
22/07/2011	SG6 1LP	Wheatley HouseWorks Road Letchworth Garden City SG6 1LP	For Sale, To Let	Davies & Co				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3332776
19/07/2011	SG6 3DE	20 Eastcheap Letchworth SG6 3DE	To Let	CHEFFINS				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3325175
18/07/2011	SG6 1LW	Workshop SpaceDiamond Industrial Centre Letchworth Garden City SG6 1LW	To Let	Davies & Co				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3331894
07/07/2011	SG5 1DB	76-77 Hermitage Road Hitchin SG5 1DB	For Sale, To Let	Aitchison Raffety				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3329789

Date	Postcode	Address	Type	Agents	Floorspace	Rental	Asking Price	URL
27/06/2011	SG6 1LA		To Let	Davies & Co				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3327718
27/06/2011	SG6 1UG	Unit 1 Amor Way Letchworth SG6 1UG	To Let	Davies & Co				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3327702
27/06/2011	SG6 2JF	Campus 5 Unit 27 Third Avenue Letchworth Business Park Letchworth SG6 2JF	To Let	Davies & Co				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3327725
17/06/2011	SG8 5UH	Unit 11 Royston Trading Estate Royston SG8 5UH	To Let	Wrest Park Enterprise Centre				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3325963
15/06/2011	SG7 6EB	2A Mansfield Road Baldoock SG7 6EB	To Let	CHEFFINS				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3315591
08/06/2011	SG5 1DN	Hitchin SG5 1DN	To Let	Strutt & Parker (bulkload)	279 - 3066 sq m			http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3321700
06/06/2011	SG5 1rt	Bury Mead Road Hitchin SG5 1rt	For Sale	Aitchison Raffety				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3320261
26/05/2011	SG5 1LJ		To Let	Aitchison Raffety				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3318102
13/05/2011	SG4 8HY		To Let	Bowyer Bryce	327 sq m			http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3313932
13/05/2011	SG6 1LP	Wheatley House Works Road Letchworth Garden City SG6 1LP	For Sale, To Let	Davies & Co				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3313944
21/04/2011	SG4 0AA	143-145 Grove Road Hitchin SG4 0AA	To Let	Brown & Lee Chartered Surveyors				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3309355
25/03/2011	SG7 6QB		To Let	Aitchison Raffety				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3299707
08/03/2011	SG7 6EB		To Let	CHEFFINS				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3289693
01/02/2011	SG6 1LA	20/21 Woodside Industrial Park Works Road Letchworth Garden City SG6 1LA	To Let	Brown & Lee Chartered Surveyors	636 - 1274 sq m	£42500 - 79900 PA		http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3269756
27/01/2011	SG7 6QB		To Let	Aitchison Raffety				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3265803
24/01/2011	SG6 2JF	Unit 6 Campus 5 Letchworth SG6 2JF	To Let	Davies & Co				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3262556
17/01/2011	sg4 0ty	59-61 Knowl Piece Hitchin sg4 0ty	For Sale, To Let	Aitchison Raffety				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3258376
13/01/2011	SG4 9TS	34 Queen Street Hitchin SG4 9TS	To Let	Aitchison Raffety	215 - 978 sq m			http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3257287
13/01/2011	SG6 1TD	Units 6, 7, 8 & 9 6-9 Ascot Industrial Estate Letchworth Garden City SG6 1TD	To Let	Aitchison Raffety	158 - 190 sq m	£11000 - 13000 PA		http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3257289
13/01/2011	SG6 2HB		To Let	Aitchison Raffety				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3257298
13/01/2011	SG8 5HW	15 Jarman Way Royston SG8 5HW	For Sale, To Let	Aitchison Raffety	181 - 313 sq m			http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3257324
13/01/2011	SG8 5HW	15 Jarman Way Royston SG8 5HW	For Sale, To Let	Aitchison Raffety	181 - 313 sq m			http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3257327

Date	Postcode	Address	Type	Agents	Floorspace	Rental	Asking Price	URL
13/01/2011	SG8 9AW	47-49 High Street Royston SG8 9AW	For Sale, To Let	Aitchison Raffety				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3257284
10/01/2011	SG4 8HY	Unit 2 Coleman Business Centre Claggy Road Hitchin SG4 8HY	To Let	Brasier Freeth				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3256190
14/12/2010	SG6 1JJ		To Let	Let Direct				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3243486
08/11/2010	SG6 1TN		To Let	Aitchison Raffety				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3169320
24/09/2010	SG5 1RT		To Let	Davies & Co				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3133758
22/09/2010	SG5 1RT	1 Northend Industrial Estate Bury Mead Road Hitchin SG5 1RT	To Let	Brown & Lee Chartered Surveyors				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3132908
08/09/2010	SG6 1HE	Unit 16 Shafesbury Industrial Estate Lcknield Way Letchworth Garden City SG6 1HE	To Let	Brown & Lee Chartered Surveyors				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3130824
01/09/2010	SG6 1LH	Arden Press House Pixmore Avenue Letchworth Garden City SG6 1LH	To Let	Brown & Lee Chartered Surveyors				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3144142
02/08/2010	SG6 3DN	Garden Square Shopping Centre Letchworth SG6 3DN	To Let	Brasier Freeth LLP	48 - 452 sq m			http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=396120
07/05/2010	SG6 1LA	4 Woodside Industrial Park Works Road Letchworth Garden City SG6 1LA	To Let	Brown & Lee Chartered Surveyors				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3118426
23/04/2010	SG8 5HG	Beverley Close Royston SG8 5HG	To Let	Brown & Lee Chartered Surveyors				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3140441
23/04/2010	SG4 0JE	Data Centre Cooks Way Hitchin SG4 0JE	To Let	Brown & Lee Chartered Surveyors				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=335380
23/04/2010	SG4 0TW	Unit 20 Cam Centre Wilbury Way Hitchin SG4 0TW	For Sale	Brown & Lee Chartered Surveyors				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=31182
23/04/2010	SG7 5BP	Silverton Mews Meeting House Lane Baldock SG7 5BP	To Let	Brown & Lee Chartered Surveyors				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=330619
23/04/2010	SG8 7AG	Cutlers House Lumen Road Royston SG8 7AG	For Sale, To Let	Brown & Lee Chartered Surveyors				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3140437

Retail Deals Listing



Area: North Hertfordshire (2010 Districts and Council Areas)
Base: Great Britain

The 20 most recent deals for this area and sector are displayed below, click on the arrows on the date heading to show all the deals.

Date	Postcode	Address	Type	Lessee/ Purchaser	Total Space	Price (£)	Zone A Rent	Yield (%)
16/11/2010	SG8 9AS	10a Angel Pavement, Royston, Hertfordshire, SG8 9AS	Lease	Lessee: North Hertfordshire Homes	71.256 Net sq m	N/A	£12500	N/A
12/11/2010	SG4 7NL	The Greyhound, London Road, Hitchin, Hertfordshire, SG4 7NL	Lease	Lessee: Private individual(s)	48 Seats	N/A	£22500	N/A
22/10/2010	SG7 6AL	3-5 Hitchin Street, Baldock, Hertfordshire, SG7 6AL	Lease	N/A	71.1631 Net sq m	N/A	£6000	N/A
01/07/2010	SG8 9AG	40-42 High Street, Royston, Hertfordshire, SG8 9AG	Lease	Lessee: Store 21	575.994 Net sq m	N/A	£60000	N/A
15/05/2010	LU2 8LH	Silver Lion, West Street, Luton, Hertfordshire, LU2 8LH	Sale	Purchaser: Private Clients	N/A	£300000	N/A	N/A
15/05/2010	SG6 3BJ	57 Station Road, Letchworth, Hertfordshire, SG6 3BJ	Lease	Lessee: Private Client	232.256 Net sq m	N/A	N/A	N/A
26/03/2010	SG8 9AS	11 Angel Pavement, Royston, Hertfordshire, SG8 9AS	Lease	Lessee: Private Clients	106.373 Net sq m	N/A	£11000	N/A
18/03/2010	SG5 1BB	13 Bucklersbury, Hitchin, Hertfordshire, SG5 1BB	Lease	Lessee: Private Investor	45.7079 Net sq m	N/A	£7000	N/A
01/03/2010	SG6 3BB	19-29 Station Road, Letchworth Garden City, Hertfordshire, SG6 3BB	Lease	Lessee: Concept Windows & Conservatories Limited	121.33 Net sq m	N/A	£17000	N/A
01/03/2010	SG6 3BQ	39 Station Road, Letchworth Garden City, Hertfordshire, SG6 3BQ	Lease	Lessee: Aspidistra	42.1776 Net sq m	N/A	£2720	N/A
01/03/2010	SG6 3BQ	41 Station Road, Letchworth Garden City, Hertfordshire, SG6 3BQ	Lease	Lessee: Emporium	47.3802 Net sq m	N/A	£3060	N/A
01/03/2010	SG6 3EL	23 The Wynd, Letchworth Garden City, Hertfordshire, SG6 3EL	Lease	Lessee: Hall of Wax	20.903 Net sq m	N/A	£1350	N/A
01/03/2010	SG6 3EN	2 The Wynd, Letchworth Garden City, Hertfordshire, SG6 3EN	Lease	Lessee: Private individual(s)	31.2152 Net sq m	N/A	£1670	N/A
01/03/2010	SG6 3EN	3 The Wynd, Letchworth Garden City, Hertfordshire, SG6 3EN	Lease	Lessee: Serendipity	31.2152 Net sq m	N/A	£2100	N/A
01/03/2010	SG6 3EN	6-8 The Wynd, Letchworth Garden City, Hertfordshire, SG6 3EN	Lease	Lessee: Gemology Limited	41.9918 Net sq m	N/A	£2680	N/A
01/03/2010	SG6 3EN	26 The Wynd, Letchworth Garden City, Hertfordshire, SG6 3EN	Lease	Lessee: Equanimity Images	38.5544 Net sq m	N/A	£2500	N/A
17/02/2010	SG8 5BA	Morrisons, Baldock Street, Royston, Hertfordshire, SG8 5BA	Investment Sale	Purchaser: CBRE Investors Limited	211.91 Net sq m	£37600000	N/A	5.3
17/12/2009	SG5 1JW	27 Bancroft, Hitchin, Hertfordshire, SG5 1JW	Lease	Lessee: Make a Shake Limited	39.6693 Net sq m	N/A	£7500	N/A
15/12/2009	SG8 9JR	The Corn Exchange, Market Hill, Royston, Hertfordshire, SG8 9JR	Lease	N/A	217.02 Net sq m	N/A	N/A	N/A
02/12/2009	SG8 9JR	The Corn Exchange, Market Hill, Royston, Hertfordshire, SG8 9JR	Investment Sale	N/A	217.02 Net sq m	£362000	N/A	N/A

Date	Postcode	Address	Type	Lessee/ Purchaser	Total Space	Price (£)	Zone A Rent	Yield (%)
01/12/2009	SG5 1LS	124 Bancroft, Hitchin, Hertfordshire, SG5 1LS	Lease	Lessee: Private individual(s)	193.701 Net sq m	N/A	£55000	N/A
01/11/2009	SG4 9DN	67 Stevenage Road, Hitchin, Hertfordshire, SG4 9DN	Lease	N/A	63.2664 Net sq m	N/A	£10000	N/A
01/11/2009	SG5 1DN	10 Churchgate, Hitchin, Hertfordshire, SG5 1DN	Lease	N/A	107.767 Net sq m	N/A	£17000	N/A
15/09/2009	SG8 9NT	Little Chef, Baldock Road, Royston, Hertfordshire, SG8 9NT	Lease	N/A	278.707 Net sq m	N/A	N/A	N/A
01/09/2009	SG5 1DN	12 Churchgate, Hitchin, Hertfordshire, SG5 1DN	Lease	N/A	180.509 Net sq m	N/A	£18000	N/A
01/09/2009	SG5 1DW	38 Churchyard, Hitchin, Hertfordshire, SG5 1DW	Licence	N/A	46.3582 Net sq m	N/A	£9250	N/A
01/09/2009	SG8 9AG	32 High Street, Royston, Hertfordshire, SG8 9AG	Lease	N/A	36.2319 Net sq m	N/A	£8500	N/A
15/08/2009	SG5 1DW	39 Churchyard, Hitchin, Hertfordshire, SG5 1DW	Lease	N/A	44.1286 Net sq m	N/A	£9250	N/A
10/08/2009	SG5 1AT	20 High Street, Hitchin, Hertfordshire, SG5 1AT	Investment Sale	Lessee: Phones 4U, Purchaser: Private Clients	37.1609 Net sq m	£725000	£42500	5.55
01/08/2009	SG5 1JQ	14 Bancroft, Hitchin, Hertfordshire, SG5 1JQ	Lease	Lessee: White Stuff	246.191 Net sq m	N/A	£65500	N/A
15/07/2009	SG5 1DN	18 Churchgate, Hitchin, Hertfordshire, SG5 1DN	Lease	N/A	78.9669 Net sq m	N/A	£8000	N/A
15/07/2009	SG5 1HP	18 Churchyard, Hitchin, Hertfordshire, SG5 1HP	Lease	N/A	127.648 Net sq m	N/A	£17000	N/A
19/06/2009	SG5 1AT	21 High Street, Hitchin, Hertfordshire, SG5 1AT	Investment Sale	Lessee: Shoe Zone Limited, Purchaser: Glendale Securities Limited	255.017 Net sq m	£1050000	£76500	6.9
15/06/2009	SG8 9JR	The Corn Exchange, Market Hill, Royston, Hertfordshire, SG8 9JR	Lease	N/A	32.33 Net sq m	N/A	N/A	N/A
15/05/2009	SG4 8JT	3 Church Road, Hitchin, Hertfordshire, SG4 8JT	Lease	Lessee: HBOS	74.2289 Net sq m	N/A	£16000	N/A
01/05/2009	SG5 1DG	93 Hermitage Road, Hitchin, Hertfordshire, SG5 1DG	Lease	N/A	67.3541 Net sq m	N/A	£14000	N/A
07/04/2009	SG6 3NX	Plinston Retail Park, Jubilee Road, Letchworth, Hertfordshire, SG6 3NX	Lease	Lessee: Dreams Bed Superstore	717.206 Net sq m	N/A	£115800	N/A
01/03/2009	SG8 9AS	1 Angel Pavement, Royston, Hertfordshire, SG8 9AS	Lease	Lessee: Private individual(s)	159.513 Net sq m	N/A	£19000	N/A

Planning Applications - Retail



Area: North Hertfordshire (2010 Districts and Council Areas)

Base: Great Britain

Planning applications for this use type in this area. The most recent 20 are displayed, use the filter arrows to display more.

Address	Status	Application Date	Permission Date	Subsector	Proposed Size	Units	Planning Authority
21&21a Hermitage Road, Hitchin, Hertfordshire, SG5 1BT	PPG	22/07/2011	09/09/2011	Retail (A3), Retail (A4), Retail (A1), Assembly & Leisure (D2)	26	Gross sq m	North Hertfordshire District Council
21&21a Hermitage Road, Hitchin, Hertfordshire, SG5 1BT	PPG	22/07/2011	09/09/2011	Retail (A3), Retail (A4), Retail (A1), Assembly & Leisure (D2)	40	Gross sq m	North Hertfordshire District Council
21&21a Hermitage Road, Hitchin, Hertfordshire, SG5 1BT	PPG	22/07/2011	09/09/2011	Retail (A3), Retail (A4), Retail (A1), Assembly & Leisure (D2)	56	Gross sq m	North Hertfordshire District Council
21&21a Hermitage Road, Hitchin, Hertfordshire, SG5 1BT	PPG	22/07/2011	09/09/2011	Retail (A3), Retail (A4), Retail (A1), Assembly & Leisure (D2)	26	Gross sq m	North Hertfordshire District Council
21&21a Hermitage Road, Hitchin, Hertfordshire, SG5 1BT	PPG	22/07/2011	09/09/2011	Retail (A3), Retail (A4), Retail (A1), Assembly & Leisure (D2)	40	Gross sq m	North Hertfordshire District Council
21&21a Hermitage Road, Hitchin, Hertfordshire, SG5 1BT	PPG	22/07/2011	09/09/2011	Retail (A3), Retail (A4), Retail (A1), Assembly & Leisure (D2)	56	Gross sq m	North Hertfordshire District Council
21&21a Hermitage Road, Hitchin, Hertfordshire, SG5 1BT	PPG	22/07/2011	09/09/2011	Retail (A3), Retail (A4), Retail (A1), Assembly & Leisure (D2)	26	Gross sq m	North Hertfordshire District Council
21&21a Hermitage Road, Hitchin, Hertfordshire, SG5 1BT	PPG	22/07/2011	09/09/2011	Retail (A3), Retail (A4), Retail (A1), Assembly & Leisure (D2)	40	Gross sq m	North Hertfordshire District Council
21&21a Hermitage Road, Hitchin, Hertfordshire, SG5 1BT	PPG	22/07/2011	09/09/2011	Retail (A3), Retail (A4), Retail (A1), Assembly & Leisure (D2)	56	Gross sq m	North Hertfordshire District Council
Lyon Court, Walsworth Road, Hitchin, Hertfordshire, SG4 9SP	PPG	29/03/2011	07/09/2011	Residential (C3), Residential (C3), Retail (A1)	423	Gross sq m	North Hertfordshire District Council
20-21 Hermitage Road, Hitchin, Hertfordshire, SG5 1BT	PPG	22/11/2010	17/01/2011	Retail (A3), Assembly & Leisure (D2)	715	Gross sq m	North Hertfordshire District Council
Knebworth Barns, Knebworth Park, Knebworth, Hertfordshire, SG3 6PY	PPG	25/10/2010	20/01/2011	Retail (A1), Assembly & Leisure (D2), Business (B1a), General	N/A	N/A	North Hertfordshire District Council

Shopping Centre Details



Area: North Hertfordshire (2010 Districts and Council Areas)

Base: Great Britain

30/11/2011

Details from EGI's Shopping Centre Research. The Shopping Centre Research database contains information on purpose-built retail schemes - shopping centre, retail park, factory outlet, or shopping park. The database focuses on schemes of in excess of 50.

Address	Opening Date	Total Size (sq m)	Opening Hours	Anchor Tenants	Owner(s)
The Wynd, Openshaw Way, Letchworth Garden City, Hertfordshire, SG6 3ER	01/06/2011	N/A	N/A	N/A	
Plinston Retail Park, Jubilee Road, Letchworth, Hertfordshire, SG6 3NX	01/01/1997	6503	N/A	N/A	
Garden Square Shopping Centre, Commerce Way, Letchworth, Hertfordshire, SG6 3DN	01/06/1974	15557.7	Mon - Sat 09:00 - 17:30	Marks & Spencer Simply Food	Plessey Pension Fund

Industrial Availability



Area: North Hertfordshire (2010 Districts and Council Areas)
Base: Great Britain



Data provided by EGPropertyLink - all live availability records are listed. The 20 most recent on the market are displayed, click on the filter arrows to view more. Use the listed URL to view more details of these properties.

Date	Postcode	Address	Type	Agents	Floorspace	Rental	Asking Price	URL
03/11/2011	SG8 5FE	Unit 9, RO24Jarman Way Royston SG8 5FE	To Let	Aitchison Raffety				http://www.egi.co.uk/Research/AvailabilityDetail.asp?x?hdnSelectedIDList=3356544
31/10/2011	SG4 0TW	Cam CentreWilbury Way HITCHIN SG4 0TW	For Sale	Colliers International	359 - 1094 sq m			http://www.egi.co.uk/Research/AvailabilityDetail.asp?x?hdnSelectedIDList=3336198
28/10/2011	SG4 8HP		To Let	Brasier Freeth				http://www.egi.co.uk/Research/AvailabilityDetail.asp?x?hdnSelectedIDList=3355143
14/10/2011	SG5 1DN	12 Churchgate Shopping CentreChurchgate Hitchin SG5 1DN	To Let	Brown & Lee Chartered Surveyors				http://www.egi.co.uk/Research/AvailabilityDetail.asp?x?hdnSelectedIDList=3351511
12/10/2011	SG6 1LA	Units 5, 7 & 8Woodside Industrial ParkWorks Road Letchworth Garden City SG6 1LA	To Let	Davies & Co	278 - 913 sq m			http://www.egi.co.uk/Research/AvailabilityDetail.asp?x?hdnSelectedIDList=3350833
12/10/2011	SG6 1HL	Blackhorse Park Letchworth SG6 1HL	For Sale,To Let	Davies & Co				http://www.egi.co.uk/Research/AvailabilityDetail.asp?x?hdnSelectedIDList=3350832
28/09/2011	SG8 5HA	3 & 4 Orchard Road, RoystonRoyston SG8 5HA	To Let	Bidwells				http://www.egi.co.uk/Research/AvailabilityDetail.asp?x?hdnSelectedIDList=3347135
17/09/2011	SG8 7AG	Lumen HouseLumen Road Hertfordshire Royston SG8 7AG	To Let	Carter Jonas - Cambridge				http://www.egi.co.uk/Research/AvailabilityDetail.asp?x?hdnSelectedIDList=3311019
09/09/2011	SG6 2JF	1Campus 5 Letchworth Garden City SG6 2JF	To Let	Davies & Co				http://www.egi.co.uk/Research/AvailabilityDetail.asp?x?hdnSelectedIDList=3343886
01/09/2011	SG8 5HA	3 Orchard RoadOrchard Road Royston SG8 5HA	To Let	Bidwells				http://www.egi.co.uk/Research/AvailabilityDetail.asp?x?hdnSelectedIDList=3342402
18/08/2011	SG4 0TW		To Let	Brown & Lee Chartered Surveyors				http://www.egi.co.uk/Research/AvailabilityDetail.asp?x?hdnSelectedIDList=3338921
17/08/2011	SG8 5HN	Unit 23, GreenfieldOrchard Road Royston SG8 5HN SG8 5HN	To Let	Bidwells	900 - 1200 sq m			http://www.egi.co.uk/Research/AvailabilityDetail.asp?x?hdnSelectedIDList=3337753
17/08/2011	SG8 5HA	3 & 4 Orchard Road Royston SG8 5HA	To Let	Bidwells	2016 sq m			http://www.egi.co.uk/Research/AvailabilityDetail.asp?x?hdnSelectedIDList=3337850
05/08/2011	sg4 0ty	Unit 5, Theobald Business CentreKnowl Piece Hitchin sg4 0ty	To Let	Aitchison Raffety				http://www.egi.co.uk/Research/AvailabilityDetail.asp?x?hdnSelectedIDList=3335133
05/08/2011	SG6 1JF	Units 13, 14 & 15Such Close Letchworth Garden City SG6 1JF	To Let	Aitchison Raffety	119 - 402 sq m			http://www.egi.co.uk/Research/AvailabilityDetail.asp?x?hdnSelectedIDList=3335153
05/08/2011	SG6 1HP	Units 5, 6, 9 & 11Green Lane 3 Industrial Estate Letchworth Garden City SG6 1HP	To Let	Aitchison Raffety				http://www.egi.co.uk/Research/AvailabilityDetail.asp?x?hdnSelectedIDList=3335151
27/07/2011	SG6 1LA	Unit 3Woodside Industrial Estate Letchworth SG6 1LA	To Let	Davies & Co				http://www.egi.co.uk/Research/AvailabilityDetail.asp?x?hdnSelectedIDList=3333738

Date	Postcode	Address	Type	Agents	Floorspace	Rental	Asking Price	URL
27/07/2011	SG6 2JF	Unit 27Campus 5 Letchworth Business Park Letchworth Garden City SG6 2JF	To Let	Davies & Co				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3333737
27/07/2011	SG6 1SP	17Jubilee Trade Centre Letchworth Garden City SG6 1SP	To Let	Davies & Co				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3333735
22/07/2011	SG6 2WW	Camfield HouseAvenue One Letchworth Garden City SG6 2WW	For Sale,To Let	Davies & Co				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3332779
22/07/2011	SG6 2HB	Campus OneAvenue One Letchworth Business Park Letchworth Garden City SG6 2HB	To Let	Davies & Co				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3332766
18/07/2011	SG6 1LW	Workshop SpaceDiamond Industrial Centre Letchworth Garden City SG6 1LW	To Let	Davies & Co				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3331894
27/06/2011	SG6 1LA		To Let	Davies & Co				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3327718
27/06/2011	SG6 1UG	Unit 1Amor Way Letchworth SG6 1UG	To Let	Davies & Co				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3327702
27/06/2011	SG6 2JF	Campus 5Unit 27Third Avenue Letchworth Business Park Letchworth SG6 2JF	To Let	Davies & Co				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3327725
22/06/2011	SG6 1LA	25 Woodside Industrial ParkWorks Road Letchworth Garden City SG6 1LA	For Sale,To Let	Brown & Lee Chartered Surveyors				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3326936
17/06/2011	SG8 5UH	Unit 11 Royston Trading Estate Royston SG8 5UH	To Let	Wrest Park Enterprise Centre				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3325963
17/06/2011	SG8 5UH	Yard SpaceRoyston Trading Estate Royston SG8 5UH	To Let	Wrest Park Enterprise Centre				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3325964
09/06/2011	SG3 6NL	135London Road Knebworth SG3 6NL	To Let	Bowyer Bryce				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3322122
06/06/2011	Sg5 1rt	Bury Mead Road Hitchin Sg5 1rt	For Sale	Aitchison Raffety				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3320261
13/05/2011	SG4 8HY		To Let	Bowyer Bryce	327 sq m			http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3313932
13/05/2011	SG6 1LP	Wheatley HouseWorks Road Letchworth Garden City SG6 1LP	For Sale,To Let	Davies & Co				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3313944
25/03/2011	SG6 2HB		To Let	Aitchison Raffety				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3299706
23/03/2011	SG6 1JT	Protea Business Park Pixmore Avenue Letchworth Garden City SG6 1JT	To Let	Brown & Lee Chartered Surveyors	109 - 231 sq m	£9000 - 9450 PA		http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3299100
23/03/2011	SG6 1LA	5 Woodside Industrial Park Letchworth Garden City SG6 1LA	For Sale	Brown & Lee Chartered Surveyors				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3299106
07/03/2011	SG4 0SE	2-4 Wallace Way Hitchin SG4 0SE	For Sale	Aitchison Raffety	216 - 443 sq m			http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3289232

Date	Postcode	Address	Type	Agents	Floorspace	Rental	Asking Price	URL
26/02/2011	SG4 0SX	27-29 Knowl Piece Wilbury Way Hitchin SG4 0SX	For Sale	Lambert Smith Hampton				http://www.egi.co.uk/Research/AvailabilityDetail.asp?x?hdnSelectedIDList=3285646
17/02/2011	SG6 1UG	Unit 1 Amor Way Dunhams Lane Letchworth Garden City SG6 1UG	To Let	Brown & Lee Chartered Surveyors				http://www.egi.co.uk/Research/AvailabilityDetail.asp?x?hdnSelectedIDList=3278851
01/02/2011	SG6 1LA	20/21 Woodside Industrial Park Works Road Letchworth Garden City SG6 1LA	To Let	Brown & Lee Chartered Surveyors	636 - 1274 sq m	£42500 - 79900 PA		http://www.egi.co.uk/Research/AvailabilityDetail.asp?x?hdnSelectedIDList=3269756
27/01/2011	SG6 1EX		Investment	Aitchison Raffety				http://www.egi.co.uk/Research/AvailabilityDetail.asp?x?hdnSelectedIDList=3265817
24/01/2011	SG6 2JF	Unit 6 Campus 5 Letchworth SG6 2JF	To Let	Davies & Co				http://www.egi.co.uk/Research/AvailabilityDetail.asp?x?hdnSelectedIDList=3262556
21/01/2011	SG8 5HN	21 Greenfield Orchard Road Royston SG8 5HN	To Let	Barker Storey Matthews				http://www.egi.co.uk/Research/AvailabilityDetail.asp?x?hdnSelectedIDList=3261902
17/01/2011	sg4 0ty	59-61 Knowl Piece Hitchin sg4 0ty	For Sale, To Let	Aitchison Raffety				http://www.egi.co.uk/Research/AvailabilityDetail.asp?x?hdnSelectedIDList=3258376
13/01/2011	SG4 9TS	34 Queen Street Hitchin SG4 9TS	To Let	Aitchison Raffety	215 - 978 sq m			http://www.egi.co.uk/Research/AvailabilityDetail.asp?x?hdnSelectedIDList=3257287
13/01/2011	sg4 0ty		For Sale	Aitchison Raffety				http://www.egi.co.uk/Research/AvailabilityDetail.asp?x?hdnSelectedIDList=3257388
13/01/2011	SG6 1TD	Units 6, 7, 8 & 9 6-9 Ascot Industrial Estate Letchworth Garden City SG6 1TD	To Let	Aitchison Raffety	158 - 190 sq m	£11000 - 13000 PA		http://www.egi.co.uk/Research/AvailabilityDetail.asp?x?hdnSelectedIDList=3257289
13/01/2011	SG6 2HB		To Let	Aitchison Raffety				http://www.egi.co.uk/Research/AvailabilityDetail.asp?x?hdnSelectedIDList=3257298
13/01/2011	SG8 5HW	15 Jarman Way Royston SG8 5HW	For Sale, To Let	Aitchison Raffety	181 - 313 sq m			http://www.egi.co.uk/Research/AvailabilityDetail.asp?x?hdnSelectedIDList=3257324
13/01/2011	SG8 5HW	15 Jarman Way Royston SG8 5HW	For Sale, To Let	Aitchison Raffety	181 - 313 sq m			http://www.egi.co.uk/Research/AvailabilityDetail.asp?x?hdnSelectedIDList=3257327
13/01/2011	SG8 5EA	Royston Vehicle Services Lower Gower Road Royston SG8 5EA	For Sale, To Let	Aitchison Raffety				http://www.egi.co.uk/Research/AvailabilityDetail.asp?x?hdnSelectedIDList=3257282
10/01/2011	SG4 8HY	Unit 2 Coleman Business Centre Claggy Road Hitchin SG4 8HY	To Let	Brasier Freeth				http://www.egi.co.uk/Research/AvailabilityDetail.asp?x?hdnSelectedIDList=3256190
06/01/2011	SG6 1LA	22 Woodside Industrial Park Letchworth Garden City SG6 1LA	To Let	Davies & Co				http://www.egi.co.uk/Research/AvailabilityDetail.asp?x?hdnSelectedIDList=3255397
20/12/2010	SG8 5HN	Unit 3 Greenfield Orchard Road Royston SG8 5HN	For Sale	Brown & Lee Chartered Surveyors				http://www.egi.co.uk/Research/AvailabilityDetail.asp?x?hdnSelectedIDList=3250224
14/12/2010	SG6 1JJ		To Let	Let Direct				http://www.egi.co.uk/Research/AvailabilityDetail.asp?x?hdnSelectedIDList=3243486
14/12/2010	SG6 1JJ	Pixmore Estate Letchworth Garden City SG6 1JJ	To Let	Let Direct				http://www.egi.co.uk/Research/AvailabilityDetail.asp?x?hdnSelectedIDList=3243493
08/12/2010	SG6 2WW	Masons Paper Avenue One Letchworth Business park Letchworth Garden City SG6 2WW	For Sale, To Let	Brown & Lee Chartered Surveyors				http://www.egi.co.uk/Research/AvailabilityDetail.asp?x?hdnSelectedIDList=3229777

Date	Postcode	Address	Type	Agents	Floorspace	Rental	Asking Price	URL
03/12/2010	SG8 7AG	Cutlers House Lumen Road Royston SG8 7AG	For Sale, To Let	Barker Storey Matthews				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3217544
25/11/2010	SG5 1RP	Units 2 & 4 Glovers Court Bury Mead Road Hitchin SG5 1RP	To Let	Bowyer Bryce				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3190693
25/11/2010	SG5 1RP	Glovers Court Bury Mead Road Hitchin SG5 1RP	To Let	Bowyer Bryce	75 - 149 sq m			http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3190669
25/11/2010	SG4 0TW	Unit 25 The Cam Centre Wilbury Way Hitchin SG4 0TW	To Let	Bowyer Bryce	243 - 733 sq m			http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3190668
22/11/2010	SG4 0TJ	6-10 Hunting Gate Hitchin SG4 0TJ	For Sale, To Let	Brown & Lee Chartered Surveyors	418 - 4770 sq m			http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3182923
22/11/2010	SG7 6HP	Unit 12 Bondor Business Centre Baldock Industrial Estate Baldock SG7 6HP	To Let	Brown & Lee Chartered Surveyors				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3182927
18/11/2010	SG8 7AG	Cutlers House Lumen Road Royston SG8 7AG	For Sale	Barker Storey Matthews				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3176347
08/11/2010	SG6 1TN		To Let	Aitchison Raffety				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3169320
05/11/2010	SG5 1NQ		To Let	Aitchison Raffety				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3168014
05/11/2010	SG5 1RT		Under Offer	Aitchison Raffety				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3168023
05/11/2010	sg4 0tp		To Let	Aitchison Raffety				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3168005
18/10/2010	SG4 0SA	1-2 Cadwell lane Hitchin SG4 0SA	For Sale	3H Property Consultants	60350000 sq m			http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3160329
24/09/2010	SG5 1RT		To Let	Davies & Co				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3133758
24/09/2010	SG6 1LH	4 Arden Press Way Pixmore Avenue Letchworth Garden City SG6 1LH	To Let	Brown & Lee Chartered Surveyors				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3129000
22/09/2010	SG5 1RT	1 Northend Industrial Estate Bury Mead Road Hitchin SG5 1RT	To Let	Brown & Lee Chartered Surveyors				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3132908
08/09/2010	SG6 1HE	Unit 16 Shaftesbury Industrial Estate Letchworth Garden City SG6 1HE	To Let	Brown & Lee Chartered Surveyors				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3130824
07/09/2010	SG6 1LH		To Let	Aitchison Raffety	174 - 403 sq m			http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3119223
01/09/2010	SG4 0TW	9 Cam Centre Wilbury Way Hitchin SG4 0TW	For Sale	Brown & Lee Chartered Surveyors				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=315924
01/09/2010	SG6 1LH	Arden Press House Pixmore Avenue Letchworth Garden City SG6 1LH	To Let	Brown & Lee Chartered Surveyors				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3144142
20/08/2010	SG6 1LH	7 Arden Press Way Letchworth Garden City SG6 1LH	To Let	Brown & Lee Chartered Surveyors				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=363819

Date	Postcode	Address	Type	Agents	Floorspace	Rental	Asking Price	URL
21/05/2010	SG4 7SA	Ladygrove Court Hitchwood Lane Preston Near Hitchin SG4 7SA	To Let	Brown & Lee Chartered Surveyors	34 - 172 sq m	£10500 - 11800 PA		http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=397
07/05/2010	SG6 1LA	4 Woodside Industrial Park Works Road Letchworth Garden City SG6 1LA	To Let	Brown & Lee Chartered Surveyors				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3118426
23/04/2010	SG4 0JE	Data Centre Cooks Way Hitchin SG4 0JE	To Let	Brown & Lee Chartered Surveyors				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=335380
23/04/2010	SG4 0TW	Unit 20 Cam Centre Wilbury Way Hitchin SG4 0TW	For Sale	Brown & Lee Chartered Surveyors				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=31182
23/04/2010	SG4 0UZ		To Let	Brown & Lee Chartered Surveyors				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=327647
23/04/2010	SG7 5BP	Silverton Mews Meeting House Lane Baldock SG7 5BP	To Let	Brown & Lee Chartered Surveyors				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=330619
23/04/2010	SG8 7AG	Cutlers House Lumen Road Royston SG8 7AG	For Sale, To Let	Brown & Lee Chartered Surveyors				http://www.egi.co.uk/Research/AvailabilityDetail.aspx?hdnSelectedIDList=3140437

Industrial Deals Listing



Area: North Hertfordshire (2010 Districts and Council Areas)

Base: Great Britain

The 20 most recent deals for this area and sector are displayed below, click on the arrows on the date heading to show all the deals.

Date	Postcode	Address	Type	Lessee/ Purchaser	Total Space	Price (£)	Rental PSM	Yield (%)
19/09/2011	SG8 5HL	The Quadrant, Newark Close, Royston, Hertfordshire, SG8 5HL	Lease	Lessee: Eco- Engery UK Power Limited	162.579 Net sq m	N/A	£61.46	N/A
14/06/2011	SG4 0TY	51 Knowl Piece, Wilbury Way, Hitchin, Hertfordshire, SG4 0TY	Lease	Lessee: Workflow Imaging Systems Limited	268.023 Net sq m	N/A	£63.40	N/A
15/12/2010	SG4 0TJ	Hunting Gate, Hitchin, Hertfordshire, SG4 0TJ	Lease	Lessee: AXA General Insurance Limited	986.622 Net sq m	N/A	N/A	N/A
15/12/2010	SG8 5HW	RO24 Royston, Jarman Way, Royston, Hertfordshire, SG8 5HW	Sale	Purchaser: Private individual(s)	170.011 Net sq m	N/A	N/A	N/A
15/10/2010	SG6 1XS	Dunhams Court, Dunhams Lane, Letchworth, Hertfordshire, SG6 1XS	Lease	Lessee: Titan Logistics	1196.12 Net sq m	N/A	N/A	N/A
01/10/2010	SG8 5HW	25 Jarman Way, Royston, Hertfordshire, SG8 5HW	Sale	N/A	111.483 Net sq m	N/A	N/A	N/A
15/08/2010	SG6 1SP	Jubilee Trade Centre, Jubilee Road, Letchworth Garden City, Hertfordshire, SG6 1SP	Lease	Lessee: Electronic Waste Recycling Limited	1865.01 Net sq m	N/A	N/A	N/A
23/07/2010	SG8 5HW	RO24 Royston, Jarman Way, Royston, Hertfordshire, SG8 5HW	Sale	Purchaser: Look To Buy Limited	207.172 Net sq m	£152500	N/A	N/A
24/05/2010	SG6 1AQ	Former Ectron Premises, Knap Close, Letchworth Garden City, Hertfordshire, SG6 1AQ	Lease	Lessee: Caterpillar Oruga Limited	450.576 Net sq m	N/A	£35.52	N/A
15/02/2010	SG7 6HP	Bondor Business Centre, Off London Road, Baldock, Hertfordshire, SG7 6HP	Lease	Lessee: Assembly Solutions (UK) Limited	111.483 Net sq m	N/A	£71.80	N/A

Planning Applications - Industrial



Area: North Hertfordshire (2010 Districts and Council Areas)

Base: Great Britain

Planning applications for this use type in this area. The most recent 20 are displayed, use the filter arrows to display more.

Address	Status	Application Date	Permission Date	Subsector	Proposed Size	Units	Planning Authority
Wheatley House, Works Road, Letchworth Garden City, Hertfordshire, SG6 1LP	App	05/10/2011		Industrial (B2), Industrial (B8)	500	Gross sq m	North Hertfordshire District Council
Wheatley House, Works Road, Letchworth Garden City, Hertfordshire, SG6 1LP	App	05/10/2011		Industrial (B2), Industrial (B8)	572	Gross sq m	North Hertfordshire District Council
Wheatley House, Works Road, Letchworth Garden City, Hertfordshire, SG6 1LP	App	05/10/2011		Industrial (B2), Industrial (B8)	500	Gross sq m	North Hertfordshire District Council
Wheatley House, Works Road, Letchworth Garden City, Hertfordshire, SG6 1LP	App	05/10/2011		Industrial (B2), Industrial (B8)	572	Gross sq m	North Hertfordshire District Council
B O C, Dunhams Lane, Letchworth Garden City, Hertfordshire, SG6 1LL	PPG	12/09/2011	03/11/2011	Industrial (B8)	751	Gross sq m	North Hertfordshire District Council
Royal Air Force Barkway, The Joint, Royston, Hertfordshire, SG8 8DR	PPG	09/09/2011	04/11/2011	Business (B1c), Industrial (B2)	571	Gross sq m	North Hertfordshire District Council
Titmore Green Farm, Titmore Green, Hitchin, Hertfordshire, SG4 7JT	PPG	05/09/2011	31/10/2011	Business (B1a), Business (B1c), Industrial (B8)	276	Gross sq m	North Hertfordshire District Council
5-6 Bilton Road, Hitchin, Hertfordshire, SG4 0SB	PPG	01/07/2011	22/08/2011	Industrial (B1/2/8)	1425	Gross sq m	North Hertfordshire District Council
32-34 Bury Mead Road, Hitchin, Hertfordshire, SG5 1RT	PPG	11/05/2011	04/08/2011	Industrial (B1/2/8)	1088	Gross sq m	North Hertfordshire District Council
Parklands Distribution Centre, Knowl Piece, Wilbury Way, Hitchin, Hertfordshire, SG4 0TY	PPG	27/10/2010	13/01/2011	Industrial (B2), Industrial (B8), General	N/A	N/A	North Hertfordshire District Council
5 Hunting Gate, Hitchin, Hertfordshire, SG4 0TJ	App	26/10/2010		Industrial (B2)	1456	Gross sq m	North Hertfordshire District Council
Land Between, A505 York Way, Royston, Hertfordshire, SG8 5HF	PPG	20/10/2010	13/01/2011	Industrial (B1/2/8)	2867	Gross sq m	North Hertfordshire District Council
Land Adjacent To The, B197 Jacks Hill, Hitchin, Hertfordshire, SG4 7EQ	App	19/10/2010		Industrial (B2)	527	Gross sq m	North Hertfordshire District Council
Anglian Business Park, Land At The South End Of, Orchard Road, Royston, Hertfordshire, SG8 5TW	PPG	28/05/2010	15/09/2011	Industrial (B1/2/8)	1273	Gross sq m	North Hertfordshire District Council