

Epping Forest District Council - (Draft) Appendix I - Local Plan & CIL Viability Assessment - Residential Assumptions Overview Sheet

Scenario type Appraised	Density	Site type	Dwelling Mix (BF = Bed Flat; BH = Bed House)	Percentage Affordable Housing & Tenure Mix							Build Period (Months)	
				0% Affordable Housing*		30% Affordable Housing*		40% Affordable Housing*		50% Affordable Housing*		
				Private Mix	Private Mix	Affordable Mix: Tenure Split 70% Rent, 30% Intermediate (shared ownership)	Private Mix	Affordable Mix: Tenure Split 70% Rent, 30% Intermediate (shared ownership)	Private Mix	Affordable Mix: Tenure Split 70% Rent, 30% Intermediate (shared ownership)		
1 House	30	PDL / Existing Residential	1 x 4BH	1 x 4BH	N/A	N/A	N/A	N/A	N/A	N/A	6	
4 Houses	30	PDL / Existing Residential	4 x 3BH	4 x 3BH	N/A	N/A	N/A	N/A	N/A	N/A	6	
5 Houses	30	PDL / Existing Residential	5 x 3BH	5 x 3BH	N/A	N/A	N/A	N/A	N/A	N/A	6	
9 Houses	30	Greenfield / PDL	9 x 4BH	9 x 4BH	N/A	N/A	N/A	N/A	N/A	N/A	9	
10 Houses	30	Greenfield / PDL	10 x 4BH	10 x 4BH	N/A	N/A	N/A	N/A	N/A	N/A	9	
15 Houses	30	Greenfield / PDL	10 x 3BH, 5 x 4BH	N/A	7 x 3BH, 3 x 4BH	1 x 3BH, 2 x 4BH AR, 2 x 3BH SO	6 x 3BH, 3 x 4BH	2 x 3BH, 2 x 4BH AR, 2 x 3BH SO	5 x 3BH, 3 x 4BH	3 x 3BH, 2 x 4BH AR, 2 x 3BH SO	12	
15 Flats	75	Greenfield / PDL	5 x 1BF, 10 x 2BF	N/A	3 x 1BF, 7 x 2BF	1 x 1BF, 2 x 2BF AR, 1 x 1BF, 1 x 2BF SO	3 x 1BF, 6 x 2BF	1 x 1BF, 3 x 2BF AR, 1 x 1BF, 1 x 2BF SO	3 x 1BF, 5 x 2BF	1 x 1BF, 4 x 2BF AR, 1 x 1BF, 1 x 2BF SO	12	
25 Mixed	40	Greenfield / PDL	5 x 1BF, 4 x 2BF, 3 x 2BH, 10 x 3BH, 3 x 4BH	N/A	3 x 1BF, 3 x 2BF, 2 x 2BH, 7 x 3BH, 2 x 4BH	1 x 1BF, 1 x 2BF, 3 x 3BH, 1 x 4BH AR, 1 x 1BF, 1 x 2BH SO	3 x 1BF, 2 x 2BF, 2 x 2BH, 6 x 3BH, 2 x 4BH	1 x 1BF, 1 x 2BF, 4 x 3BH, 1 x 4BH AR, 1 x 1BF, 1 x 2BF, 1 x 2BH SO	3 x 1BF, 2 x 2BF, 2 x 2BH, 5 x 3BH, 2 x 4BH	1 x 1BF, 1 x 2BF, 5 x 3BH, 1 x 4BH AR, 1 x 1BF, 1 x 2BF, 1 x 2BH SO	12	
30 Flats (Sheltered)	125	PDL	22 x 1BF, 8 x 2BF	N/A	15 x 1BF, 6 x 2BF	5 x 1BF, 1 x 2BF AR, 2 x 1BF, 1 x 2BF SO	13 x 1BF, 5 x 2BF	6 x 1BF, 2 x 2BF AR, 3 x 1BF, 1 x 2BF SO	11 x 1BF, 4 x 2BF	8 x 1BF, 3 x 2BF AR, 3 x 1BF, 1 x 2BF SO	18	
50 Flats	75	Greenfield / PDL	15 x 1BF, 35 x 2BF	N/A	10 x 1BF, 25 x 2BF	4 x 1BF, 7 x 2BF AR, 1 x 1BF, 3 x 2BF SO	9 x 1BF, 21 x 2BF	4 x 1BF, 10 x 2BF AR, 2 x 1BF, 4 x 2BF SO	7 x 1BF, 17 x 2BF	6 x 1BF, 13 x 2BF AR, 2 x 1BF, 5 x 2BF SO	18	
50 Mixed	40	Greenfield / PDL	10 x 1BF, 8 x 2BF, 6 x 2BH, 20 x 3BH, 6 x 4BH	N/A	7 x 1BF, 6 x 2BF, 4 x 2BH, 14 x 3BH, 4 x 4BH	1 x 2BF, 6 x 3BH, 2 x 4BH AR, 3 x 1BF, 1 x 2BF, 2 x 2BH SO	6 x 1BF, 4 x 2BF, 4 x 2BH, 12 x 3BH, 4 x 4BH	2 x 1BF, 2 x 2BF, 8 x 3BH, 2 x 4BH AR, 2 x 1BF, 2 x 2BF, 2 x 2BH SO	6 x 1BF, 4 x 2BF, 4 x 2BH, 10 x 3BH, 4 x 4BH	2 x 1BF, 2 x 2BF, 10 x 3BH, 2 x 4BH AR, 2 x 1BF, 2 x 2BF, 2 x 2BH SO	18	
100 Mixed	40	PDL	20 x 1BF, 16 x 2BF, 12 x 2BH, 40 x 3BH, 12 x 4BH	N/A	14 x 1BF, 12 x 2BF, 8 x 2BH, 28 x 3BH, 8 x 4BH	2 x 2BF, 12 x 3BH, 4 x 4BH AR, 6 x 1BF, 2 x 2BF, 4 x 2BH SO	12 x 1BF, 8 x 2BF, 8 x 2BH, 24 x 3BH, 8 x 4BH	4 x 1BF, 4 x 2BF, 16 x 3BH, 4 x 4BH AR, 4 x 1BF, 4 x 2BF, 4 x 2BH SO	12 x 1BF, 8 x 2BF, 8 x 2BH, 20 x 3BH, 8 x 4BH	4 x 1BF, 4 x 2BF, 20 x 3BH, 4 x 1BF, 4 x 2BF, 4 x 2BH SO	24	
500 Mixed <sup>1</sup>	35	Greenfield	100 x 1BF, 80 x 2BF, 60 x 2BH, 200 x 3BH, 60 x 4BH	N/A	70 x 1BF, 60 x 2BF, 40 x 2BH, 140 x 3BH, 40 x 4BH	10 x 2BF, 60 x 3BH, 20 x 4BH AR, 30 x 1BF, 10 x 2BF, 20 x 2BH SO	60 x 1BF, 40 x 2BF, 40 x 2BH, 120 x 3BH, 40 x 4BH	20 x 1BF, 20 x 2BF, 80 x 3BH, 20 x 4BH AR, 20 x 1BF, 20 x 2BF, 20 x 2BH SO	60 x 1BF, 40 x 2BF, 40 x 2BH, 100 x 3BH, 40 x 4BH	20 x 1BF, 20 x 2BF, 100 x 3BH, 20 x 4BH AR, 20 x 1BF, 20 x 2BF, 20 x 2BH SO	60***	
1,000 Mixed <sup>1</sup>	35	Greenfield	200 x 1BF, 160 x 2BF, 120 x 2BH, 400 x 3BH, 120 x 4BH	N/A	140 x 1BF, 120 x 2BF, 80 x 2BH, 280 x 3BH, 80 x 4BH	10 x 2BF, 120 x 3BH, 40 x 4BH AR, 60 x 1BF, 20 x 2BF, 40 x 2BH SO	120 x 1BF, 80 x 2BF, 80 x 2BH, 240 x 3BH, 80 x 4BH	40 x 1BF, 40 x 2BF, 160 x 3BH, 40 x 4BH AR, 40 x 1BF, 40 x 2BF, 40 x 2BH SO	120 x 1BF, 80 x 2BF, 80 x 2BH, 200 x 3BH, 80 x 4BH	40 x 1BF, 40 x 2BF, 200 x 3BH, 40 x 4BH AR, 40 x 1BF, 40 x 2BF, 40 x 2BH SO	78***	
2,000 Mixed <sup>1</sup>	35	Greenfield	400 x 1BF, 320 x 2BF, 240 x 2BH, 800 x 3BH, 240 x 4BH	N/A	280 x 1BF, 240 x 2BF, 160 x 2BH, 560 x 3BH, 160 x 4BH	40 x 2BF, 240 x 3BH, 80 x 4BH AR, 120 x 1BF, 40 x 2BF, 80 x 2BH SO	240 x 1BF, 160 x 2BF, 160 x 2BH, 480 x 3BH, 160 x 4BH	80 x 1BF, 80 x 2BF, 320 x 3BH, 80 x 4BH AR, 80 x 1BF, 80 x 2BF, 80 x 2BH SO	240 x 1BF, 160 x 2BF, 160 x 2BH, 400 x 3BH, 160 x 4BH	80 x 1BF, 80 x 2BF, 400 x 3BH, 80 x 4BH AR, 80 x 1BF, 80 x 2BF, 80 x 2BH SO	120***	

\*Fully applied policy position. Actual percentage will vary due to policy requirement.

\*\*\* Assumes multiple developers

<sup>1</sup> Schemes similar to these to be tested through Stage 2 works as more is known about site supply / location

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	VL1	VL2	VL3	VL4	VL5	VL6	VL7	VL8	VL9
Location (Range)	Waltham Abbey, Loughton Lower*		Waltham Abbey High Beech, Fyfield, Abridge, Stapleford Abbots, Buckhurst Hill East, Epping Lindsey, Lower Nazeing			Theydon Bois			
	Chipping Ongar, North West, Loughton Alderton, Waltham Abbey North East		Buckhurst Hill West, Epping Hemnal, Loughton St Johns, Epping Green			Loughton Forest, High Ongar, Matching Green, Chigwell Village,			
	Sheering, Willingdale, Moreton, Loughton Roding, Roydon, Thornwood Common, Chigwell Row					Loughton St Marys			
	1 Bed Flat	£123,750	£146,250	£168,750	£191,250	£213,750	£236,250	£258,750	£281,250
2 Bed Flat	£165,000	£195,000	£225,000	£255,000	£285,000	£315,000	£345,000	£375,000	£405,000
2 Bed House	£206,250	£243,750	£281,250	£318,750	£356,250	£393,750	£431,250	£468,750	£506,250
3 Bed House	£261,250	£308,750	£356,250	£403,750	£451,250	£498,750	£546,250	£593,750	£641,250
4 Bed House	£343,750	£406,250	£468,750	£531,250	£593,750	£656,250	£718,750	£781,250	£843,750
Value House (£/m2)	£2,750	£3,250	£3,750	£4,250	£4,750	£5,250	£5,750	£6,250	£6,750

\*Loughton Fairmead / Loughton Broadway

Affordable Housing Revenue: Affordable Rented - capitalisation based on up to 80% of net market rent. Average of Harlow & Stortford, Outer North East London and South East Herts BRMA LHA rates applied for 1 & 2-bed properties (£143 & £180 per week respectively) and lowest of LHA rates £196 & £276 per week respectively for 3 and 4 beds.

Affordable Rent Value: 1-bed flat = £103,944; 2-bed flat = £130,793; 2-bed house = £130,793; 3-bed house = £142,746; 4-bed house = £201,023

Shared Ownership Value: Average of 60% of market value

Development / Policy Costs			
<b>RESIDENTIAL BUILDING, MARKETING &amp; S106 COSTS</b>			
Build Costs Mixed Developments - generally (£/sq. m) <sup>1</sup>		£1,096	
Build Costs Estate Housing - generally (£/sq. m)		£1,059	
Build Costs Flats - generally (£/sq. m)		£1,266	
Build Costs Flats - 6+ storey (£/sq. m)		£1,592	
Build Costs (Sheltered Housing - 3-storey) (£/sq.m) <sup>1</sup>		£1,283	
Build Costs Houses (One-off housing - <=3 units) (£/sq. m) <sup>1</sup>		£1,570	
Site Prep & Survey Costs (£ / unit)		£4,500	£400,000/gross hectare - strategic scale development
Contingencies (% of build cost)		5%	
Professional & Other Fees (% of build cost)		10.0%	
Sustainable Design / Construction Standards (average £ per unit E/O cost) - CSH L4 <sup>2</sup>		£1,932	
Lifetime Homes (10% of dwellings on 10+ units only) <sup>3</sup>		£1,975	
Residual s.106 /non-CIL costs (£ per unit) - small scale PDL / Greenfield sites		£3,000	In addition to CIL trial rates applied - taken from s106 costs assumed still to apply after introduction of CIL (site specific mitigation) and including notional allowance towards POS
Residual s.106 /non-CIL costs (£ per unit) - large scale strategic greenfield sites		TBC	Notional allowance
Marketing & Sales Costs (%of GDV)		3%	
Legal Fees on sale (£ per unit)		£750	
<b>DEVELOPER'S RETURN FOR RISK AND PROFIT</b>			
Open Market Housing Profit (% of GDV)		20.0%	
Affordable Housing Profit (% of GDV)		6.0%	
<b>FINANCE &amp; ACQUISITION COSTS</b>			
Arrangement Fees - (% of loan)		2.0%	
Agents' Fees (% of site value)		1.50%	
Legal Fees (% of site value)		0.75%	
Stamp Duty Land Tax (% of site value)		0% to 5%	HMRC scale
Finance Rate - Build (%)		6.5%	
Finance Rate - Land (%)		6.5%	

Notes:

<sup>1</sup> 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. The BCIS figure for Epping Forest has been used (location index 1.11). BCIS data: GIA: Mixed Development (generally) - £996/m<sup>2</sup> GIA: Estate Housing (generally) - £962/m<sup>2</sup>; Flats (generally) - £1,151/m<sup>2</sup>; Flats (6+ Storey) - £1,447/m<sup>2</sup>; Sheltered housing - £1,166/m<sup>2</sup>; one-off housing (detached) - £1,427/m<sup>2</sup>.

BCIS build costs rebased to Average figure of Epping Forest Location Factor (compared with national base 100) including preliminaries and contractor's profit but without externals, contingencies or fees.

Above build costs include external works at 10% (added to BCIS basis).

<sup>2</sup> The above costs are based on the DCLG Housing Standards Review Impact Assessment costings assuming CSH L4 base. Appraisals assume cost uplift in line with figures above assuming average cost uplift from each unit type (£1,932 per unit average). Sensitivity testing on Zero Carbon compliance - data taken from Zero Carbon Hub / Saven - Cost Analysis: Meeting the Zero Carbon Standard (February 2014).

<sup>3</sup> Allowance to achieve Lifetime Homes Standards, acknowledged within report as potential variable cost issue (depending on design etc.) DCLG Housing Standards Review Impact Assessment costings indicate average extra over cost to be £1,045 (works cost) and £930 (additional space cost). Total average for LTH = £1,975 per unit. Building for Life requirements assumed not to add any additional cost over those included.

Appendix 1 - EFOC Development Appraisal Assumptions v7.xlsx

Epping Forest District Council - (Draft) Appendix I - Local Plan & CIL Viability Assessment - Commercial Assumptions Overview Sheet

Development Use Type / Use Class indication	Example Scheme Type	GIA (sq. m)	Site Coverage	Site Size (Ha)	Build Period (Months)**	Values Range - Average Annual Rents £/sq. m (unless stated otherwise)			Build Cost (£/sq. m)*	External works cost addition (%)	Total Build Cost (£/sq. m excl fees etc.)	Notes:
						Low	Mid	High				
Retail - larger format (A1) - convenience	Large Supermarket - Town centre	2500	40%	0.63	12	£180	£200	£220	£1,185	20%	£1,422	BCIS - Hypermarkets / Supermarkets - generally
Retail - larger format (A1) - comparison	Retail Warehousing - edge of centre	1500	25%	0.60	7	£140	£170	£200	£616	20%	£739	BCIS - Retail Warehousing - Generally
A1- A5 - Small Retail	Other retail - town centre	300	70%	0.04	6	£125	£150	£175	£817	20%	£980	BCIS - Shops - Generally
A1-A5 - Small retail	Convenience Stores*	300	50%	0.06	6	£75	£85	£95	£817	20%	£980	BCIS - Shops - Generally
A1-A5 - Small Retail	Farm shop, rural unit, café or similar	200	40%	0.05	6	£50	£70	£90	£817	20%	£980	BCIS - Shops - Generally
B1(a) Offices - Town Centre	Office Building	500	60%	0.08	6	£125	£150	£175	£1,496	20%	£1,795	BCIS - Offices - 3-5 stories; air-conditioned
B1(a) Offices - Out of town centre	Office Building (business park type - various)	2500	40%	0.63	12	£125	£175	£225	£1,357	20%	£1,628	BCIS - Offices generally
B1(a) Offices - Rural	Farm diversification, rural business centres, ancillary to other rural area uses	250	40%	0.06	6	£50	£70	£90	£1,357	20%	£1,628	BCIS - Offices generally
B1, B2, B8 - Industrial / Warehousing	Start-up / move-on unit	500	40%	0.13	6	£70	£90	£110	£1,002	20%	£1,202	BCIS - Advance factories / offices - mixed facilities (B1) 500 - 2,000 sq. m
B1, B2, B8 - Industrial / Warehousing	Larger industrial / warehousing unit including offices - edge of centre	2000	40%	0.50	9	£50	£70	£90	£698	20%	£838	BCIS - Advance factories / offices - mixed facilities (B1) > 2,000 sq. m
B1, B2, B8 - Industrial / Warehousing	Glasshouse industries (Garden Nurseries)	5,000	40%	1.25	18	£50	£60	£70	£343	20%	£412	BCIS - Nurseries, Horticulture, Greenhouses etc.
C1 - Hotel	Hotel - various types - tourism-led (range dependant on market / type). 60-bed.	2800	80%	0.35	14	£4,000**	£5,000**	£6,000**	Variable - £1,224 - £1,712/sq. m total			BCIS data (specific sites and information review).
C2 - Residential Institution	Nursing home / care home	3000	60%	0.50	16	£160	£180	£200	£1,591	20%	£1,909	BCIS - Nursing Homes, convalescent homes, short stay medical homes
Other / Sui Generis	Variable - considered on strength of values / costs relationship basis for a range of other development uses including agricultural / horticultural / clinics / fitness / leisure / Rural diversification / Farm Shops? Agricultural storage?(D Class uses) etc.	Value / costs relationship strength considered in report										

\* Convenience stores with sales area of less than 3,000 sq. ft. (280 sq. m), assuming longer opening hours.

\*\*per room per annum

Development Costs	
BREAAM / other enhancements addition contingency (% of cost) <sup>1</sup>	8%
Professional Fees (% of cost)	10%
Contingencies (% of cost)	5%
Planning / Building Regs etc. / insurances (% of cost)	2.0%
Site survey / preparation costs / S106	Variable
<b>Finance Costs</b>	
Finance rate p.a. (including over lead-in and letting / sales period)	6.5%
Arrangement / other fees (% of cost)	2.0%
<b>Marketing Costs</b>	
Advertising Fees (% of annual income)	1%
Letting Fees (% of annual income)	10%
Purchaser's costs	5.75%
<b>Developer Profit (% of GDV)</b>	20%
<b>Yields</b>	Variable applicability - tested across range at 5.0% to 8.0%
<b>Site Acquisition Costs</b>	
Agents Fees (% of site value)	1.50%
Legal Fees (% of site value)	0.75%
Stamp Duty (% of value - HMRC scale)	0 to 5%

\*BCIS Median - Location Factor for Epping Forest DC (112; compared with 100 base)

\*\*BCIS Construction Duration Calculator

<sup>1</sup> For non-residential developments requirement for BREEAM Very Good from 2013; Excellent from 2016 plus 10% - 20% on-site renewable / low carbon sources. Cost addition estimate only.

Appendix I - EFDC Development Appraisal Assumptions v7.xlsx

	Harlow & Stortford BRMA	Outer North East London BRMA	South East Herts BRMA	<b>Average</b>
One Bedroom Rate:	£128.19	£154.83	£145.12	<b>£142.71</b>
Two Bedrooms Rate:	£163.16	£190.96	£184.61	<b>£179.58</b>
Three Bedrooms Rate:	£196.15	£233.08	£221.42	<b>£216.88</b>
Four Bedrooms Rate:	£276.92	£309.67	£290.88	<b>£292.49</b>