



Site Assessment Study – Viability

(an appendix to the study)

December 2019

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1. Introduction

Scope

1.1 Dacorum Borough Council (DBC) is undertaking a Site Assessment Study to evaluate the suitability of sites for potential allocation in the new Dacorum Local Plan. The Site Assessment Study will form part of the evidence base for the Local Plan, for the period to 2036. The Site Assessment Study is evaluating two main types of site:

- a. Greenfield sites in the Green Belt or Rural Area (beyond the Green Belt);
- b. Previously developed sites in the Green Belt or Rural Area (beyond the Green Belt).

1.2 HDH Planning & Development Ltd have been appointed to make an assessment of the deliverability, in terms of viability. 160 or so potential major sites¹ were 'sifted' to assess their suitability for development. Of the 82 sites that have passed the first rounds of sifting, in accordance with the requirements of the National Planning Policy Framework (NPPF) and the National Planning Practice Guidance (PPG), 46 are being assessed further.

1.3 Paragraph 67 of the 2019 NPPF requires Planning Authorities to prepare a Strategic Housing Land Availability Assessment (SHLAA) saying:

Strategic policy-making authorities should have a clear understanding of the land available in their area through the preparation of a strategic housing land availability assessment. From this, planning policies should identify a sufficient supply and mix of sites, taking into account their availability, suitability and likely economic viability. Planning policies should identify a supply of:

- a) *specific, deliverable sites for years one to five of the plan period³²; and*
- b) *specific, developable sites or broad locations for growth, for years 6-10 and, where possible, for years 11-15 of the plan.*

1.4 In this context 'deliverable' and 'developable' are defined (in the 2019 NPPF Glossary) as:

Deliverable: *To be considered deliverable, sites for housing should be available now, offer a suitable location for development now, and be achievable with a realistic prospect that housing will be delivered on the site within five years. In particular:*

- a) *sites which do not involve major development and have planning permission, and all sites with detailed planning permission, should be considered deliverable until permission expires, unless there is clear evidence that homes will not be delivered within five years (for example because they are no longer viable, there is no longer a demand for the type of units or sites have long term phasing plans).*
- b) *where a site has outline planning permission for major development, has been allocated in a development plan, has a grant of permission in principle, or is identified on a brownfield*

¹ Being sites of 10 or more homes, in terms of housing or over 1,000m² in terms of employment of other development.

register, it should only be considered deliverable where there is clear evidence that housing completions will begin on site within five years.

2019 NPPF Glossary

- 1.5 An important part of the process is to ensure that the sites being considered for inclusion in the Plan are deliverable.
- 1.6 In 2016 HDH completed the *Dacorum Borough Council – SHLAA Viability Study*, (HDH, February 2016). This report is an update to that work (although it is presented as a stand-alone document). This document sets out the methodology used, the key assumptions adopted, and contains an assessment of the viability of deliverability of the sites identified in the SHLAA.
- 1.7 A consultation event was held on 14th February 2019. Representatives of the main developers, development site landowners, their agents and housing providers were invited. The comments made are set out through this report. The report was essentially completed in the early summer however publication has been delayed to ensure that some of the modelling assumptions are appropriate and consistent with AECOM's wider work. After a period of delay this report was completed in late 2019.
- 1.8 In the two or so years before this report, various Government announcements were made about changes to the planning processes. The Ministry of Housing Communities and Local Government (MHCLG) updated the National Planning Policy Framework, (2018 NPPF), and published new Planning Practice Guidance (PPG) in July 2018. In February 2019 the NPPF was further updated (2019 NPPF), although these changes did not impact on viability. In May 2019 the viability sections of the PPG were updated again. The methodology used in this report is consistent with the 2019 NPPF and the updated PPG (as at October 2019).

Report Structure

- 1.9 This report examines the viability of development across Council's SHLAA sites, and follows the following format:
 - Chapter 2** The reasons for, and approach to viability testing, including a review of the requirements of the 2019 NPPF and updated (July 2018) PPG.
 - Chapter 3** The methodology used.
 - Chapter 4** An assessment of the housing market, including market and affordable housing with the purpose of establishing the worth of different types of housing in different areas.
 - Chapter 5** An assessment of the non-residential market.
 - Chapter 6** An assessment of the costs of land to be used when assessing viability.
 - Chapter 7** The cost and general development assumptions to be used in the development appraisals.

Chapter 8 A summary of the various policy requirements and constraints that influence the type of development that come forward.

Chapter 9 A summary of the range of modelled sites used for the financial development appraisals.

Chapter 10 The results of the appraisals and consideration of residential development.

Chapter 11 The results of the appraisals and consideration of non-residential development.

Chapter 12 Conclusions in relation to the deliverability of development.

Project Team

- 1.10 This project is led by AECOM, with HDH Planning & Development Ltd acting as the principal sub-contractor providing cost consultancy expertise.

AECOM Infrastructure & Environment Ltd

- 1.11 AECOM is a fully integrated professional and technical services firm that designs, builds, finances and operates infrastructure assets around the world. Its Planning, Economics and Development team has considerable experience in developing evidence base documents for local planning authorities and the planning process.

HDH Planning & Development Ltd

- 1.12 HDH is firm of Chartered Surveyors that is a specialist planning consultancy providing evidence to support planning and housing authorities. The firm was founded in 2011. The main areas of expertise are:
- a. Borough wide and site-specific viability analysis.
 - b. Community Infrastructure Levy testing.
 - c. Local and Strategic Housing Market Assessments and Housing Needs Assessments.

General Caveat

- 1.13 The findings contained in this report are based upon information from various sources including that provided by the Council and by others, upon the assumption that all relevant information has been provided. This information has not been independently verified by HDH or AECOM. The conclusions and recommendations contained in this report are concerned with policy requirements, guidance and regulations which may be subject to change. They reflect a Chartered Surveyor's perspective and do not reflect or constitute legal advice.
- 1.14 No part of this report constitutes a valuation and the report should not be relied on in that regard.

Metric or imperial

- 1.15 The property industry uses both imperial and metric data – often working out costings in metric (£/m²) and values in imperial (£/acre and £/sqft). This is confusing so metric measurements are used throughout this report. The following conversion rates may assist readers.

1m	=	3.28ft (3' and 3.37")	1ft	=	0.30m
1m ²	=	10.76 sqft	1sqft	=	0.0929m ²
1ha	=	2.471acres	1acre	=	0.405ha

- 1.16 A useful broad rule of thumb to convert m² to sqft is simply to add a final zero.

Compliance

- 1.17 HDH Planning & Development Ltd is a firm regulated by the Royal Institution of Chartered Surveyors (RICS). As a firm regulated by the RICS it is necessary to have regard to RICS Professional Standards and Guidance. There are two principle pieces of relevant guidance, being the *Financial viability in planning: conduct and reporting RICS professional statement, England (1st Edition, May 2019)* and *Financial Viability in planning (1st edition), RICS guidance note 2012*.
- 1.18 *Financial Viability in planning (1st edition), RICS guidance note 2012* is currently subject to a full review to reflect the changes in the 2019 NPPF and the updated PPG (May 2019). As part of the review, *Financial viability in planning: conduct and reporting. 1st edition, May 2019* was published in May 2019. This includes mandatory requirements for RICS members and RICS-regulated firms. HDH confirms that the May 2019 Guidance has been followed in full.
- HDH confirms that in preparing this report the firm has acted with objectivity, impartially and without interference and with reference to all appropriate available sources of information.
 - HDH is acting for the Council and has followed a collaborative approach involving the LPA, developers, landowners and other interested parties. There has not been agreement on all points by all parties, it has therefore been necessary to make a judgment when making assumptions in this report.
 - The specification under which this project is undertaken is included as **Appendix 8** of this report.
 - HDH confirms it has no conflicts of interest in undertaking this project.
 - HDH confirms that, in preparing this report, no performance-related or contingent fees have been agreed.
 - The presumption is that a viability assessment should be published in full. HDH has prepared this report on the assumption that it will be published in full.
 - HDH confirms that a non-technical summary has been provided (in the form of Chapter 12). Viability in the plan-making process is a technical exercise that is undertaken

specifically to demonstrate compliance (or otherwise) with the NPPF and PPG. It is firmly recommended that this report only be published and read in full.

- h. HDH confirms that adequate time has been taken to allow engagement with stakeholders through this project.
- i. This assessment includes appropriate sensitivity testing in Chapter 10. This includes the effect of different tenures, different affordable housing requirements against different levels of developer contributions, and the impact of price and cost change.
- j. The Guidance includes a requirement that, *'all contributions to reports relating to assessments of viability, on behalf of both the applicants and authorities, must comply with these mandatory requirements. Determining the competency of subcontractors is the responsibility of the RICS member or RICS-regulated firm'*. Much of the information that informed this Viability Assessment was provided by Dacorum Borough Council. This information was not provided in a subcontractor role and, in accordance with HDH's instructions, this information has not been challenged nor independently verified.



2. Viability Testing

- 2.1 The 2019 NPPF requires planning authorities to give consideration to the deliverability of sites. Viability testing is an element of that process. The requirement to assess viability forms part of the 2019 NPPF, and it is a requirement of the CIL Regulations. In each case the requirement is slightly different, but they have much in common.
- 2.2 Over several years, in the run up to this report, various national consultations have been carried out with regard to different aspects of the plan-making process. These included references to, and sections on, viability. The NPPF and the viability sections of the Planning Practice Guidance (PPG) were updated in July 2018 replacing the earlier documents. The NPPF was further updated in February 2019, although the changes in this iteration do not directly impact on the requirements to consider viability.

National Planning Policy Framework (February 2019)

- 2.3 As in the 2012 NPPF, viability remains a core area of the plan-making process. The 2019 NPPF does not include detail on the viability process, rather stresses the importance of viability.
- 2.4 The main change is a shift of viability testing from the development management stage to the plan-making stage.

Where up-to-date policies have set out the contributions expected from development, planning applications that comply with them should be assumed to be viable. It is up to the applicant to demonstrate whether particular circumstances justify the need for a viability assessment at the application stage. The weight to be given to a viability assessment is a matter for the decision maker, having regard to all the circumstances in the case, including whether the plan and the viability evidence underpinning it is up to date, and any change in site circumstances since the plan was brought into force. All viability assessments, including any undertaken at the plan-making stage, should reflect the recommended approach in national planning guidance, including standardised inputs, and should be made publicly available.

2019 NPPF, Paragraph 57

- 2.5 Careful consideration has been made to the updated PPG in this study (see below).
- 2.6 The effectiveness of plans was important under the 2012 NPPF, but a greater emphasis is put on deliverability in the 2019 NPPF. The following, updated, definition is provided:

Deliverable: *To be considered deliverable, sites for housing should be available now, offer a suitable location for development now, and be achievable with a realistic prospect that housing will be delivered on the site within five years. In particular:*

- a) *sites which do not involve major development and have planning permission, and all sites with detailed planning permission, should be considered deliverable until permission expires, unless there is clear evidence that homes will not be delivered within five years (for example because they are no longer viable, there is no longer a demand for the type of units or sites have long term phasing plans).*
- b) *where a site has outline planning permission for major development, has been allocated in a development plan, has a grant of permission in principle, or is identified on a brownfield*

register, it should only be considered deliverable where there is clear evidence that housing completions will begin on site within five years.

2019 NPPF Glossary

2.7 Under the heading Identifying land for homes, the importance of viability is highlighted:

Strategic policy-making authorities should have a clear understanding of the land available in their area through the preparation of a strategic housing land availability assessment. From this, planning policies should identify a sufficient supply and mix of sites, taking into account their availability, suitability and likely economic viability. Planning policies should identify a supply of:

- a) specific, deliverable sites for years one to five of the plan period³²; and*
- b) specific, developable sites or broad locations for growth, for years 6-10 and, where possible, for years 11-15 of the plan.*

2019 NPPF, Paragraph 67

2.8 Under the heading *Making effective use of land*, viability forms part of ensuring land is suitable for development:

Local planning authorities, and other plan-making bodies, should take a proactive role in identifying and helping to bring forward land that may be suitable for meeting development needs, including suitable sites on brownfield registers or held in public ownership, using the full range of powers available to them. This should include identifying opportunities to facilitate land assembly, supported where necessary by compulsory purchase powers, where this can help to bring more land forward for meeting development needs and/or secure better development outcomes.

2019 NPPF, Paragraph 119

2.9 Under the heading *Achieving appropriate densities*, viability forms part of the consideration:

Planning policies and decisions should support development that makes efficient use of land, taking into account:

- a) the identified need for different types of housing and other forms of development, and the availability of land suitable for accommodating it;*
- b) local market conditions and viability;*
- c) the availability and capacity of infrastructure and services – both existing and proposed – as well as their potential for further improvement and the scope to promote sustainable travel modes that limit future car use;*
- d) the desirability of maintaining an area’s prevailing character and setting (including residential gardens), or of promoting regeneration and change; and*
- e) the importance of securing well-designed, attractive and healthy places.*

2019 NPPF, Paragraph 122

2.10 The 2019 NPPF does not include guidance on undertaking viability work. This is included within the PPG that was also updated in July 2018.

Planning Practice Guidance

2.11 The viability sections of the PPG (Chapter 10) have been completely rewritten. Having said this, the changes largely provide clarity and confirm best practice, rather than prescribe a new approach or methodology.

2.12 Having said this, the emphasis of viability testing has been changed significantly. The, now superseded, requirements for viability testing were set out in paragraphs 173 and 174 of the 2012 NPPF which said:

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

174 ... the cumulative impact of these standards and policies should not put implementation of the plan at serious risk, and should facilitate development throughout the economic cycle...

2.13 The test was whether or not the policy requirements were so high that development was threatened. Paragraphs 10-009-20190509 and 10-009-20190509 radically change this:

... ensure policy compliance and optimal public benefits through economic cycles...

10-009-20190509

and the aims of the planning system to secure maximum benefits in the public interest through the granting of planning permission.

10-009-20190509

2.14 The purpose of viability testing is now to ensure that ‘*maximum benefits in the public interest*’ have been secured. This is a notable change in emphasis.

2.15 The updated PPG includes 4 main sections:

1 - Viability and plan making

2.16 The overall requirement is that:

...policy requirements should be informed by evidence of infrastructure and affordable housing need, and a proportionate assessment of viability that takes into account all relevant policies, and local and national standards, including the cost implications of the Community Infrastructure Levy (CIL) and section 106...

PPG 10-001-20190509

2.17 This study takes a proportionate approach, building on the Council's existing available evidence, and considers all the local and national policies that will apply to new development.

It is the responsibility of plan makers in collaboration with the local community, developers and other stakeholders, to create realistic, deliverable policies. Drafting of plan policies should be iterative and informed by engagement with developers, landowners, and infrastructure and affordable housing providers.

PPG 10-002-20190509

- 2.18 Consultation forms an important part of this study. A consultation event was held in February 2019.

Policy requirements, particularly for affordable housing, should be set at a level that takes account of affordable housing and infrastructure needs and allows for the planned types of sites and development to be deliverable, without the need for further viability assessment at the decision making stage.

PPG 10-002-20180724

- 2.19 The delivery of affordable housing has been tested against a range of levels of developer contributions.

It is the responsibility of site promoters to engage in plan making, take into account any costs including their own profit expectations and risks, and ensure that proposals for development are policy compliant. Policy compliant means development which fully complies with up to date plan policies.

PPG 10-002-20190509

- 2.20 In this early stage of the plan-making process no specific sites have been included for the new Local Plan, rather the full range of potential sites are being considered. In due course the Council will engage with the promoters of the key sites.

Assessing the viability of plans does not require individual testing of every site or assurance that individual sites are viable. Plan makers can use site typologies to determine viability at the plan making stage. Assessment of samples of sites may be helpful to support evidence. In some circumstances more detailed assessment may be necessary for particular areas or key sites on which the delivery of the plan relies.

PPG 10-003-20180724

- 2.21 This study is based on typologies² that have been developed by AECOM and the Council by having regard to the potential sites identified through the wider Site Assessment Study. In addition, the potential Strategic Sites are modelled separately.

It is important to consider the specific circumstances of strategic sites. Plan makers can undertake site specific viability assessment for sites that are critical to delivering the strategic priorities of the plan. This could include, for example, large sites, sites that provide a significant proportion of planned supply, sites that enable or unlock other development sites or sites within priority regeneration areas. Information from other evidence informing the plan (such as Strategic Housing Land Availability Assessments) can help inform viability assessment for strategic sites.

PPG 10-005-20180724

² The PPG provides further detail at 10-004:

A typology approach is where sites are grouped by shared characteristics such as location, whether brownfield or greenfield, size of site and current and proposed use or type of development. The characteristics used to group sites should reflect the nature of sites and type of development proposed for allocation in the plan.

- 2.22 Under the scope of works agreed with the Council, the larger potential sites, over 400 units, are considered individually. Through the February 2019 consultation the 400 unit threshold was questioned. The PPG does not provide guidance in this regard. Generally, we would suggest that any site that is likely to have a capacity of more than 20% of the Council's five year land supply requirement, be tested specifically, as a strategic site – on the basis that if it did not come forward the five year land supply could be undermined. The Council's current five year land supply is based on the current target of 430 dwellings per year, hence the 400 unit threshold. As and when a final list of sites is selected for the emerging Plan, it may be necessary to revisit this in the context of a new housing requirement figure. In this iteration of the report, two further sites that are over 350 units have also been tested.

Plan makers should engage with landowners, developers, and infrastructure and affordable housing providers to secure evidence on costs and values to inform viability assessment at the plan making stage.

It is the responsibility of site promoters to engage in plan making, take into account any costs including their own profit expectations and risks, and ensure that proposals for development are policy compliant. Policy compliant means development which fully complies with up to date plan policies. A decision maker can give appropriate weight to emerging policies. It is important for developers and other parties buying (or interested in buying) land to have regard to the total cumulative cost of all relevant policies when agreeing a price for the land. Under no circumstances will the price paid for land be a relevant justification for failing to accord with relevant policies in the plan.

PPG 10-006-20190509

- 2.23 Consultation has formed part of the preparation of this study. This study assumes the total cumulative cost of all relevant policies (as they stand in January 2019) apply.

2 - Viability and decision taking

- 2.24 It is beyond the scope of this study to consider viability in decision making.

3 - Standardised inputs to viability assessment

- 2.25 The general principles of viability testing are set out under paragraph 10-010-20180724.

Viability assessment is a process of assessing whether a site is financially viable, by looking at whether the value generated by a development is more than the cost of developing it. This includes looking at the key elements of gross development value, costs, land value, landowner premium, and developer return...

... Any viability assessment should be supported by appropriate available evidence informed by engagement with developers, landowners, and infrastructure and affordable housing providers. Any viability assessment should follow the government's recommended approach to assessing viability as set out in this National Planning Guidance and be proportionate, simple, transparent and publicly available. Improving transparency of data associated with viability assessment will, over time, improve the data available for future assessment as well as provide more accountability regarding how viability informs decision making.

In plan making and decision making viability helps to strike a balance between the aspirations of developers and landowners, in terms of returns against risk, and the aims of the planning system to secure maximum benefits in the public interest through the granting of planning permission.

PPG 10-010-20180724

2.26 This study sets out the approach, methodology and assumptions used. These have been subject to consultation and have drawn on a range of data sources. Ultimately, the Council will use this report to inform which sites to include in the new Local Plan.

Gross development value is an assessment of the value of development. For residential development, this may be total sales and/or capitalised net rental income from developments. Grant and other external sources of funding should be considered. For commercial development broad assessment of value in line with industry practice may be necessary.

For broad area-wide or site typology assessment at the plan making stage, average figures can be used, with adjustment to take into account land use, form, scale, location, rents and yields, disregarding outliers in the data. For housing, historic information about delivery rates can be informative.

PPG 10-011-20180724

2.27 The residential values have been established though data from the Land Registry and other sources. These have been averaged as suggested. Non-residential values have been derived though consideration of capitalised rents as well as sales.

2.28 Paragraph 10-012-20180724 lists a range of costs to be taken into account.

- *build costs based on appropriate data, for example that of the Building Cost Information Service*
- *abnormal costs, including those associated with treatment for contaminated sites or listed buildings, or costs associated with brownfield, phased or complex sites. These costs should be taken into account when defining benchmark land value*
- *site-specific infrastructure costs, which might include access roads, sustainable drainage systems, green infrastructure, connection to utilities and decentralised energy. These costs should be taken into account when defining benchmark land value*
- *the total cost of all relevant policy requirements including contributions towards affordable housing and infrastructure, Community Infrastructure Levy charges, and any other relevant policies or standards. These costs should be taken into account when defining benchmark land value*
- *general finance costs including those incurred through loans*
- *professional, project management, sales, marketing and legal costs incorporating organisational overheads associated with the site. Any professional site fees should also be taken into account when defining benchmark land value*
- *explicit reference to project contingency costs should be included in circumstances where scheme specific assessment is deemed necessary, with a justification for contingency relative to project risk and developers return*

2.29 All these costs are taken into account.

2.30 The PPG then goes on to set out how land values should be considered, confirming the use of the Existing Use Value Plus (EUV+) approach.

To define land value for any viability assessment, a benchmark land value should be established on the basis of the existing use value (EUV) of the land, plus a premium for the landowner. The premium for the landowner should reflect the minimum return at which it is considered a reasonable landowner would be willing to sell their land. The premium should provide a reasonable incentive, in comparison with other options available, for the landowner to sell land for development while allowing a sufficient contribution to comply with policy

requirements. Landowners and site purchasers should consider policy requirements when agreeing land transactions. This approach is often called 'existing use value plus' (EUV+).

PPG 10-013-20190509

2.31 The PPG goes on to set out:

Benchmark land value should:

- be based upon existing use value*
- allow for a premium to landowners (including equity resulting from those building their own homes)*
- reflect the implications of abnormal costs; site-specific infrastructure costs; and professional site fees and*

Viability assessments should be undertaken using benchmark land values derived in accordance with this guidance. Existing use value should be informed by market evidence of current uses, costs and values. Market evidence can also be used as a cross-check of benchmark land value but should not be used in place of benchmark land value. There may be a divergence between benchmark land values and market evidence; and plan makers should be aware that this could be due to different assumptions and methodologies used by individual developers, site promoters and landowners.

This evidence should be based on developments which are fully compliant with emerging or up to date plan policies, including affordable housing requirements at the relevant levels set out in the plan. Where this evidence is not available plan makers and applicants should identify and evidence any adjustments to reflect the cost of policy compliance. This is so that historic benchmark land values of non-policy compliant developments are not used to inflate values over time.

In plan making, the landowner premium should be tested and balanced against emerging policies. In decision making, the cost implications of all relevant policy requirements, including planning obligations and, where relevant, any Community Infrastructure Levy (CIL) charge should be taken into account.

PPG 10-014-20190509

2.32 The approach adopted in this study is to start with the EUV. The 'plus' element is informed by the price paid for policy compliant schemes to ensure an appropriate landowners' premium.

Existing use value (EUV) is the first component of calculating benchmark land value. EUV is the value of the land in its existing use. Existing use value is not the price paid and should disregard hope value. Existing use values will vary depending on the type of site and development types. EUV can be established in collaboration between plan makers, developers and landowners by assessing the value of the specific site or type of site using published sources of information such as agricultural or industrial land values, or if appropriate capitalised rental levels at an appropriate yield (excluding any hope value for development).

Sources of data can include (but are not limited to): land registry records of transactions; real estate licensed software packages; real estate market reports; real estate research; estate agent websites; property auction results; valuation office agency data; public sector estate/property teams' locally held evidence.

PPG 10-015-20190509

2.33 The EUV has been established in this way.

2.34 The PPG sets out an approach to the developers' return

Potential risk is accounted for in the assumed return for developers at the plan making stage. It is the role of developers, not plan makers or decision makers, to mitigate these risks. The

cost of complying with policy requirements should be accounted for in benchmark land value. Under no circumstances will the price paid for land be relevant justification for failing to accord with relevant policies in the plan.

For the purpose of plan making an assumption of 15-20% of gross development value (GDV) may be considered a suitable return to developers in order to establish the viability of plan policies. Plan makers may choose to apply alternative figures where there is evidence to support this according to the type, scale and risk profile of planned development. A lower figure may be more appropriate in consideration of delivery of affordable housing in circumstances where this guarantees an end sale at a known value and reduces risk. Alternative figures may also be appropriate for different development types.

PPG 10-018-20190509

- 2.35 As set out in Chapter 7 below, this approach is followed.

4 - Accountability

- 2.36 This is a new section in the PPG. It sets out new requirements on reporting. The extent of the requirements were raised through the February 2019 consultation. The majority of the requirements relate to monitoring and reporting of the amounts of developer contributions secured and collected, as well as general transparency of the overall system so are beyond the scope of this report.
- 2.37 In line with paragraph 10-020-20180724 of the PPG that says that ‘*practitioners should ensure that the findings of a viability assessment are presented clearly. An executive summary should be used to set out key findings of a viability assessment in a clear way*’, Chapter 12 of this report is written as a standalone non-technical summary that brings the evidence together.

Community Infrastructure Levy Regulations and Guidance

- 2.38 The Council has adopted CIL. The CIL Regulations are broad, so it is necessary to have regard to the CIL Regulations and CIL Guidance (which is contained within the PPG³) when considering the delivery of the development set out in the emerging plan as well as when specifically considering CIL.
- 2.39 The CIL Regulations came into effect in April 2010 and have been subject to several subsequent amendments⁴. CIL Regulation 14 (as amended) sets out the core principle for

³ See section 25 of the PPG at <https://www.gov.uk/guidance/community-infrastructure-levy>

⁴ **SI 2010 No. 948.** The Community Infrastructure Levy Regulations 2010 *Made 23rd March 2010, Coming into force 6th April 2010.* **SI 2011 No. 987.** The Community Infrastructure Levy (Amendment) Regulations 2011 *Made 28th March 2011, Coming into force 6th April 2011.* **SI 2011 No. 2918.** The Local Authorities (Contracting Out of Community Infrastructure Levy Functions) Order 2011. *Made 6th December 2011, Coming into force 7th December 2011.* **SI 2012 No. 2975.** The Community Infrastructure Levy (Amendment) Regulations 2012. *Made 28th November 2012, Coming into force 29th November 2012.* **SI 2013 No. 982.** The Community Infrastructure Levy (Amendment) Regulations 2013. *Made 24th April 2013, Coming into force 25th April 2013.* **SI 2014 No. 385.** The Community Infrastructure Levy (Amendment) Regulations 2013. *Made 24th February 2014, Coming into force 24th*

setting CIL. It is necessary to consider these as they do impact on the wider development plan-making process, as well as the direct CIL setting process:

- (1) *In setting rates (including differential rates) in a charging schedule, a charging authority must strike an appropriate balance between—*
 - (a) *the desirability of funding from CIL (in whole or in part) the actual and expected estimated total cost of infrastructure required to support the development of its area, taking into account other actual and expected sources of funding; and*
 - (b) *the potential effects (taken as a whole) of the imposition of CIL on the economic viability of development across its area.*
- (2) *In setting rates ...*

2.40 Viability testing in the context of CIL is to assess the ‘effects’ on development. Ultimately the test that will be applied to CIL is as set out in the examination section of the PPG:

2.41 On preparing the evidence base on economic viability, the Guidance says:

A charging authority should be able to explain how their proposed levy rate or rates will contribute towards new infrastructure to support development across their area. Charging authorities will need to summarise their viability assessment. Viability assessments should be proportionate, simple, transparent and publicly available in accordance with the viability guidance. Viability assessments can be prepared jointly for the purposes of both plan making and preparing charging schedules. This evidence should be presented in a document (separate from the charging schedule) that shows the potential effects of the proposed levy rate or rates on the viability of development across the authority’s area. Where the levy is introduced after a plan has been made, it may be appropriate for a local authority to supplement plan viability evidence with assessments of recent economic and development trends, and through working with developers (e.g. through local developer forums), rather than by procuring new evidence.

PPG 25-019-20190901

2.42 This study has drawn on the existing available evidence. In due course, this study will form one part of the evidence that Dacorum Borough Council will use if the decision is made to review CIL. The Council would also need consider other ‘existing available evidence’, the comments of stakeholders and wider priorities.

2.43 From April 2015, councils were restricted in relation to pooling S106 contributions from more than five developments⁵ (where the obligation in the s106 agreement / undertaking is a reason for granting consent). The amendments to CIL Regulations⁶ that came into effect in September 2019, lifted these pooling restrictions. Payments requested under the s106 regime must be (as set out in CIL Regulation 122):

February 2014. S1 2015 No. 836. COMMUNITY INFRASTRUCTURE LEVY, ENGLAND AND WALES, The Community Infrastructure Levy (Amendment) Regulations 2015. Made 20th March 2015.

⁵ CIL Regulations 123(3)

⁶ At the time of this report the amendments are ‘laid’ before Parliament, but not yet ‘made’.

- a. necessary to make the development acceptable in planning terms;
- b. directly related to the development; and
- c. fairly and reasonably related in scale and kind to the development.

2.44 A local authority which wishes to introduce CIL must set out in a Charging Schedule the types of development to be charged (and any exceptions) and the rates of charge to be applied. CIL, once introduced, is then mandatory on all developments within the categories and areas where the Levy applies. This is unlike other policy requirements to provide affordable housing or to build to a particular environmental standard over which there can be negotiations (subject to PPG paragraphs 10-007 and 10-008) where applicants can make a case for policies to be flexed. This means that CIL must not prejudice the viability of most sites.

Wider changes Impacting on Viability

Starter Homes

- 2.45 The amended Community Infrastructure Levy Regulations include provisions which will exempt Starter Homes from the Levy where the dwelling is sold to individuals whose total household annual income is no more than £80,000 (£90,000 in Greater London).
- 2.46 The Government also plans to introduce regulations on the broader aspects of the Starter Homes policy shortly. The PPG sets out a policy for a minimum of 10% affordable home ownership units on larger sites. It has now been clarified that it is *'for local areas to work with developers to agree an appropriate level of delivery of starter homes to meet local need, alongside other affordable home ownership and rented tenures. In particular, that there will be no mandatory requirement for local authorities to deliver starter homes. Local authorities will have the flexibility to choose the appropriate affordable home ownership products to meet local need'*.

Intermediate Housing

- 2.47 In this context it is important to note that the 2019 NPPF sets out a requirement for low-cost home ownership as part of the affordable housing mix:

Where major development involving the provision of housing is proposed, planning policies and decisions should expect at least 10% of the homes to be available for affordable home ownership⁷, unless this would exceed the level of affordable housing required in the area, or significantly prejudice the ability to meet the identified affordable housing needs of specific groups. Exemptions to this 10% requirement should also be made where the site or proposed development:

- a) provides solely for Build to Rent homes;*

⁷ Footnote 29 of the 2019 NPPF clarifies as 'As part of the overall affordable housing contribution from the site'.

b) provides specialist accommodation for a group of people with specific needs (such as purpose-built accommodation for the elderly or students);

c) is proposed to be developed by people who wish to build or commission their own homes;
or

d) is exclusively for affordable housing, an entry-level exception site or a rural exception site.

Paragraph 64, 2019 NPPF

2.48 This is assumed to apply.

Viability Guidance

2.49 There is no specific technical guidance on how to test the viability in the 2019 NPPF or the PPG, although the updated PPG includes a guidance in a number of specific areas. There are several sources of guidance and appeal decisions⁸ that support the methodology HDH has developed and is used here. This study follows the *Viability Testing in Local Plans – Advice for planning practitioners* (LGA/HBF – Sir John Harman) June 2012⁹ (known as the **Harman Guidance**). This contains the following definition:

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

2.50 The planning appeal decisions, and the HCA good practice publication¹⁰ suggest that the most appropriate test of viability is to consider the Residual Value of schemes compared with the EUV, plus a premium. The premium over and above the EUV being at a level to provide the landowner with a competitive return and the inducement to sell. The Harman Guidance and *Financial viability in planning, RICS guidance note, 1st edition* (GN 94/2012) (August 2012) (known as the **RICS Guidance**) set out the principles of viability testing. Additionally, the

⁸ Barnet: APP/Q5300/ A/07/2043798/NWF, Bristol: APP/P0119/ A/08/2069226, Beckenham: APP/G5180/ A/08/2084559, Bishops Cleeve: APP/G1630/A/11/2146206 Burgess Farm: APP/U4230/A/11/2157433, CLAY FARM: APP/Q0505/A/09/2103599/NWF, Woodstock: APP/D3125/ A/09/2104658, Shinfield APP/X0360/ A/12/2179141, Oxenholme Road, APP/M0933/A/13/2193338, Former Territorial Army Centre, Parkhurst Road, Islington APP/V5570/W/16/3151698, Vannes: Court of Appeal 22 April 2010, [2010] EWHC 1092 (Admin) 2010 WL 1608437

⁹ Viability Testing in Local Plans has been endorsed by the Local Government Association and forms the basis of advice given by the, CLG funded, Planning Advisory Service (PAS).

¹⁰ Good Practice Guide. Homes and Communities Agency (July 2009).

Planning Advisory Service (PAS)¹¹ provides viability guidance and manuals for local authorities.



- 2.51 There is considerable common ground between the RICS and the Harman Guidance, but they are not consistent. The RICS Guidance recommends against the ‘current/EUV plus a margin’ – which is the methodology recommended in the Harman Guidance.

One approach has been to exclusively adopt current use value (CUV) plus a margin or a variant of this, i.e. existing use value (EUV) plus a premium. The problem with this singular approach is that it does not reflect the workings of the market as land is not released at CUV or CUV plus a margin (EUV plus).....

Financial viability in planning, RICS guidance note, 1st edition (GN 94/2012)

- 2.52 The Harman Guidance advocates an approach based on Threshold Land Value. Viability Testing in Local Plans says:

*Consideration of an appropriate **Threshold Land Value** needs to take account of the fact that future plan policy requirements will have an impact on land values and landowner expectations. Therefore, using a market value approach as the starting point carries the risk of building-in assumptions of current policy costs rather than helping to inform the potential for future policy. Reference to market values can still provide a useful ‘sense check’ on the threshold values that are being used in the model (making use of cost-effective sources of local information), but it is not recommended that these are used as the basis for the input to a model.*

We recommend that the Threshold Land Value is based on a premium over current use values and credible alternative use values (noting the exceptions below).

Viability Testing in Local Plans – Advice for planning practitioners. (June 2012)

¹¹ PAS is funded directly by DCLG to provide consultancy and peer support, learning events and online resources to help local authorities understand and respond to planning reform. (Note: Much of the most recent advice has been co-authored by HDH).

2.53 The RICS Guidance dismisses a Threshold Land Value approach as follows:

Threshold land value. A term developed by the Homes and Communities Agency (HCA) being essentially a land value at or above that which it is assumed a landowner would be prepared to sell. It is not a recognised valuation definition or approach.

2.54 As set out in Chapter 1 above, *Financial viability in planning, RICS guidance note, 1st edition* (GN 94/2012) does not fit with 2019 NPPF and updated PPG so is subject to a full review to reflect the changes in the 2019 NPPF and the updated PPG (May 2019). Relatively little weight is given to this RICS Guidance in this regard at this stage.

2.55 In line with the updated PPG this study follows the EUV Plus (EUV+) methodology. The methodology adopted is to compare the Residual Value generated by the viability appraisals, with the EUV or an AUV plus an appropriate uplift to incentivise a landowner to sell. The amount of the uplift over and above the EUV is central to the assessment of viability. It must be set at a level to provide a return to the landowner. To inform the judgement as to whether the uplift is set at the appropriate level, reference is made to the market value of the land both with and without the benefit of planning.

3. Viability methodology

Outline Methodology

- 3.1 There is no statutory technical guidance on how to go about viability testing. This report follows the Harman Guidance. The availability and cost of land are matters at the core of viability for any property development. The format of the typical valuation is:

$$\begin{array}{r} \textbf{Gross Development Value} \\ \text{(The combined value of the complete development)} \\ \\ \text{LESS} \\ \\ \textbf{Cost of creating the asset, including a profit margin} \\ \text{(Construction + fees + finance charges)} \\ \\ = \\ \\ \textbf{RESIDUAL VALUE} \end{array}$$

- 3.2 The result of the calculation indicates a land value, the Residual Value. The Residual Value is the maximum a developer can offer for a site and still make a satisfactory profit margin.
- 3.3 It is well recognised in viability testing that the developer should be rewarded for taking the risks of development. The essential balance in viability testing is around the land value and whether or not land will come forward for development. The more policy requirements and developer contributions the planning authority asks for the less the developer can afford to pay for the land. The purpose of this study is to quantify the costs of the Council's various policies on development and to assess the effect of these, those strategic infrastructure and mitigation costs from the IDP, and of CIL (where relevant), and then make a judgement as to whether or not land prices are squeezed to such an extent that, in the context of 2019 NPPF, whether the emerging sites are deliverable.
- 3.4 The land value is a difficult topic since a landowner is unlikely to be entirely frank about the price that would be acceptable, always seeking a higher one. This is one of the areas where an informed assumption has to be made about the 'premium': the margin above the 'EUV' which would induce the landowner sell. Both the RICS Guidance and the updated PPG make it clear that, when considering land value, this must be done in the context of current and emerging policies.
- 3.5 It is important to note that this study is not trying to mirror any particular developer's business model – rather it is making a broad assessment of viability in the context of plan-making and the requirements of the 2019 NPPF (and updated PPG) and CIL Regulations.

The meaning of Landowner Premium

- 3.6 The phrase 'landowner premium' is new in the updated PPG. Under the 2012 NPPF and the superseded PPG the phrase 'competitive return' was used. This is at the core of a viability assessment. The RICS Guidance includes the following definition:

Competitive returns - A term used in paragraph 173 of the NPPF and applied to 'a willing land owner and willing developer to enable development to be deliverable'. A 'Competitive Return' in the context of land and/or premises equates to the Site Value as defined by this guidance, i.e. the Market Value subject to the following assumption: that the value has regard to development plan policies and all other material planning considerations and disregards that which is contrary to the development plan. A 'Competitive Return' in the context of a developer bringing forward development should be in accordance with a 'market risk adjusted return' to the developer, as defined in this guidance, in viably delivering a project.

- 3.7 Whilst this is useful it does not provide guidance as to the size of that return. The updated PPG says:

Benchmark land value should:

- *be based upon existing use value*
- *allow for a premium to landowners (including equity resulting from those building their own homes)*
- *reflect the implications of abnormal costs; site-specific infrastructure costs; and professional site fees and*

Viability assessments should be undertaken using benchmark land values derived in accordance with this guidance. Existing use value should be informed by market evidence of current uses, costs and values. Market evidence can also be used as a cross-check of benchmark land value but should not be used in place of benchmark land value. There may be a divergence between benchmark land values and market evidence; and plan makers should be aware that this could be due to different assumptions and methodologies used by individual developers, site promoters and landowners.

This evidence should be based on developments which are fully compliant with emerging or up to date plan policies, including affordable housing requirements at the relevant levels set out in the plan. Where this evidence is not available plan makers and applicants should identify and evidence any adjustments to reflect the cost of policy compliance. This is so that historic benchmark land values of non-policy compliant developments are not used to inflate values over time.

In plan making, the landowner premium should be tested and balanced against emerging policies. In decision making, the cost implications of all relevant policy requirements, including planning obligations and, where relevant, any Community Infrastructure Levy (CIL) charge should be taken into account.

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- 3.8 There has been much discussion within the industry as to what may and may not be a landowner premium, as yet the term has not been given a firm definition through the appeal, planning examination or legal processes. 'Competitive return' was considered at the Shinfield

Appeal (January 2013)¹². Clarification has been added in the Oxenholme Road Appeal (October 2013)¹³ where the inspector confirmed that the methodology set out in Shinfield is very site specific and should only be given limited weight. More recently further clarification has been provided in the Territorial Army Centre, Parkhurst Road, Islington Appeal¹⁴ (June 2017), which has subsequently been confirmed by the High Court¹⁵. This notes the importance of comparable data, but stresses the importance of the quality of the comparable. The level of return to the landowner is discussed and the approach taken in this study is set out in the later parts of Chapter 6 below.

Existing Available Evidence

- 3.9 The 2019 NPPF, the updated PPG, the CIL Regulations and CIL Guidance are clear that the assessment of the potential impact of CIL should, wherever possible, be based on existing available evidence rather than new evidence. The evidence that is available from the Council has been reviewed.
- 3.10 Primarily, this is what has been prepared for the Council to inform its earlier Plans and the setting of CIL.
- a. *CIL Strategic Sites Testing* (BNP Paribas, October 2013)
 - b. *CIL Updated Viability Study* (BNP Paribas, July 2013)
 - c. *Dacorum Borough Council SHLAA Viability Study* (HDH, February 2016)
- 3.11 These have been used as the starting point for this study. The Council also holds evidence of what is being collected from developers under the s106 regime. This is being collected outside this study but will be drawn on when considering the results.

Stakeholder Engagement

- 3.12 The PPG and the Harman Guidance require stakeholder engagement – particularly with members of the development industry. An informal consultation event was held during February 2019. **Appendix 1** includes the presentation given and **Appendix 2** includes a summary of notes taken and subsequent comments made.
- 3.13 The consultation meeting was structured into three parts:
-

¹² APP/X0360/A/12/2179141 (Land at The Manor, Shinfield, Reading RG2 9BX)

¹³ APP/M0933/ A/13/ 2193338 (Land to the west of Oxenholme Road, Kendal, Cumbria)

¹⁴ APP/V5570/W/16/3151698 (Former Territorial Army Centre, Parkhurst Road, Islington, London, N7 0LP)

¹⁵ Parkhurst Road Limited v Secretary of State for Communities and Local Government and The Council of the London Borough of Islington [2018] EWHC 991 (Admin)

- a) A recap of viability testing in the context of the NPPF and the site selection process.
- b) Viability Assumptions, the main assumptions for the viability assessments were set out including development values, development costs, land prices, developers' and landowners' returns.
- c) Discussion, the consultants and consultees talked through the main points. The feedback was carefully recorded.

3.14 The principal points that were made were:

- a. That the general methodology and approach was appropriate.
- b. A range of approaches can be taken to establish the developer's return.
- c. The residential values are broadly in line with expectations in the current market – although there is an uncertainty around Brexit.

3.15 The comments of the consultees are reflected through this report and the assumptions adjusted where appropriate. There was not be agreement on all points, although there is broad consensus on most matters. Where there is disagreement, a judgement has been made and an explanation as to why the assumption used is set out.

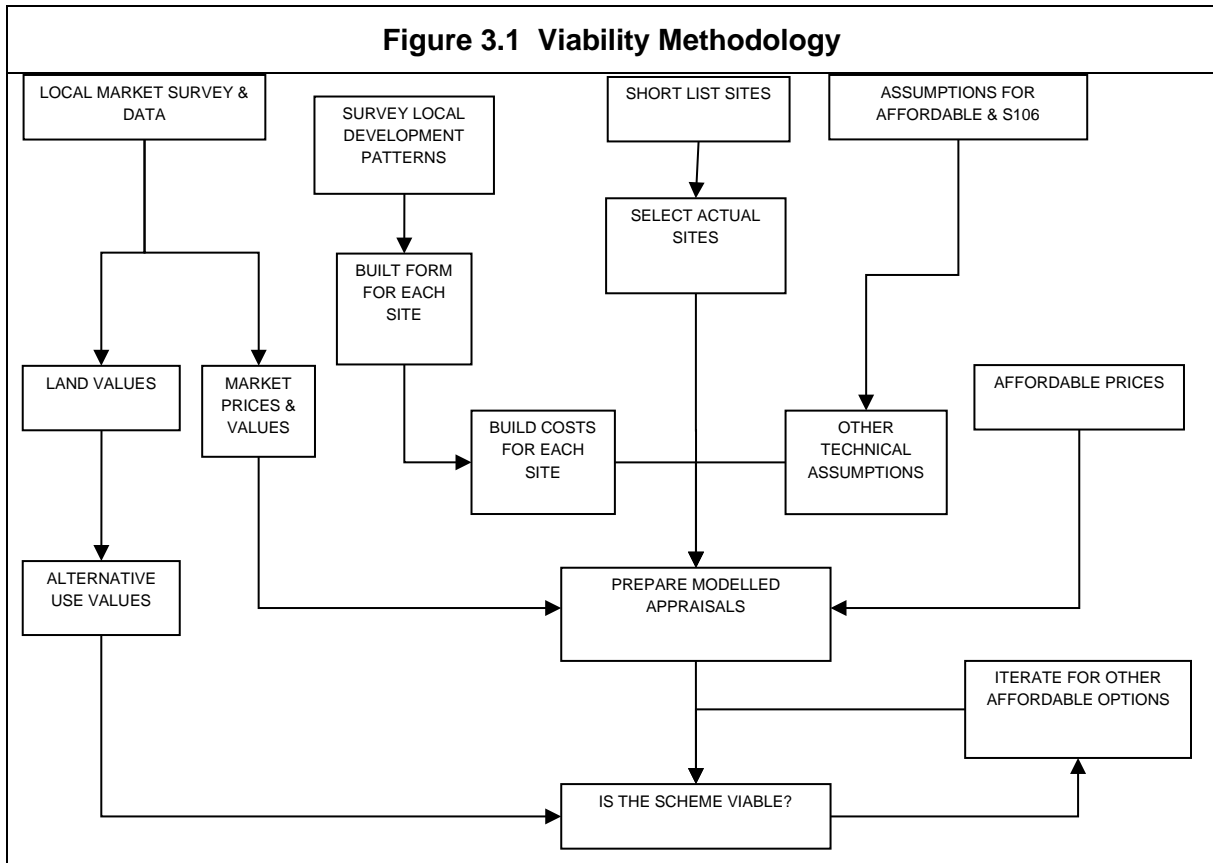
3.16 This opportunity is taken to thank those developers, landowners and agents who attended the event and provided written responses. The consultation process has been carried out fully in accordance with the requirements of the PPG and Harman Guidance.

Viability Process

3.17 The assessment of viability as required under the 2019 NPPF and the CIL Regulations is not done using a set formula or calculation. It is a quantitative and qualitative process. The updated PPG requires that (at PPG 10-001-20180724) '*...policy requirements should be informed by evidence of infrastructure and affordable housing need, and a proportionate assessment of viability that takes into account all relevant policies, and local and national standards, including the cost implications of the Community Infrastructure Levy (CIL) and section 106*'.

3.18 The basic viability methodology is summarised in the figure below. It involves preparing a set of typologies to represent the potential development sites that are under consideration.

3.19 The sites were modelled based on discussions with AECOM and Council officers, the existing available evidence supplied to us by the Council, and on our own experience of development. Details of the site modelling are set out in Chapter 9.



Source: HDH 2019

- 3.20 The local housing and commercial markets were surveyed in order to obtain a picture of sales values. Land values were assessed to calibrate the appraisals and to assess EUVs. Local development patterns were also considered, to inform built form assumptions. These in turn informed the appropriate build cost figures. A number of other technical assumptions were required before appraisals could be produced.
- 3.21 The appraisal results are in the form of £/ha ‘residual’ land values, showing the maximum value a developer could pay for the site and still return a target profit level. The Residual Value was compared to the EUV for each site. Only if the Residual Value exceeded the EUV, by a satisfactory margin (or premium), can the scheme be judged to be viable.
- 3.22 The appraisals are based on the emerging policies as summarised in Chapter 8 below, as they stood in December 2018. The policies in the Local Plan may be subject to further changes. It will be necessary to keep these under review and, if necessary, to reconsider viability.

- 3.23 A bespoke viability testing model designed and developed by HDH Planning & Development Ltd specifically for area wide viability testing as required by the NPPF and CIL Regulations¹⁶ is used. The purpose of the viability model and testing is not to exactly mirror any particular business model used by those companies, organisations or people involved in property development. The purpose is to capture the generality and to provide high level advice to assist the Council in assessing the deliverability of the Local Plan (and to set CIL).

¹⁶ This Viability Model is used as the basis for the Planning Advisory Service (PAS) Viability Workshops. It is made available to Local Authorities, free of charge, by PAS and has been widely used by Councils across England (and, to a lesser extent, Wales).

4. Residential Property Market

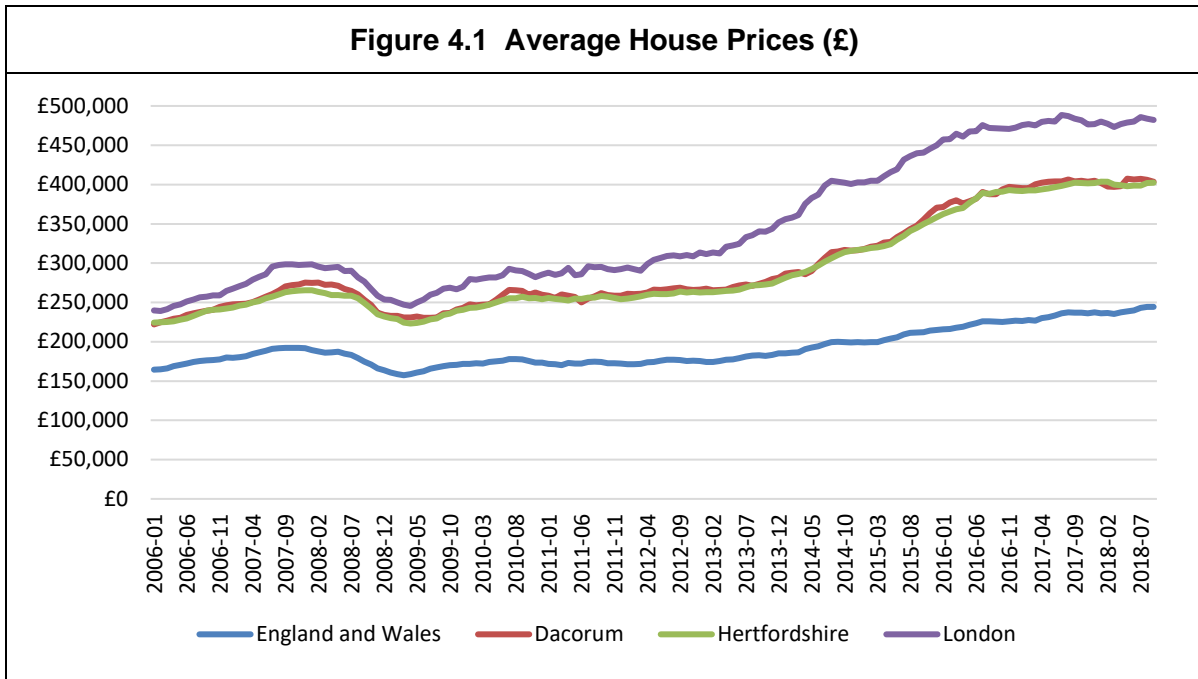
- 4.1 This chapter sets out an assessment of the housing market, providing the basis for the assumptions on house prices to be used in the financial appraisals for the sites tested in the study.
- 4.2 Although development schemes do have similarities, every scheme is unique to some degree, even schemes on neighbouring sites. Market conditions will broadly reflect a combination of national economic circumstances, and local supply and demand factors, however, even within a town there will be particular localities, and ultimately site-specific factors, that generate different values and costs.

The Residential Market

- 4.3 The Dacorum housing market reflects national trends, but there are local factors that underpin the market including:
- i. Proximity to London.
 - ii. Train connectivity with regular services to London making the area attractive to commuters.
 - iii. Access to the motorway network (M1 and M25).
 - iv. Situated in the attractive Chiltern Hills making much of the area highly attractive and desirable.
 - v. A mix of housing types ranging from the high value villages, through the market towns to the post-war new town of Hemel Hempstead.
- 4.4 Through conversations with local agents, the area is perceived to be an attractive place to develop, particularly with higher quality modern homes that are different to the existing stock.

National Trends and Dacorum BC's relationship with the wider area

- 4.5 The housing market peaked late in 2007 (see the following graph) and then fell considerably in the 2007/2008 recession during what became known as the 'Credit Crunch'.
- 4.6 Average house prices across England and Wales have recovered to their pre-recession peak; however, this is strongly influenced by London. Prices in London are now well in excess (about 60%) of the 2007/2008 peak and, as can be seen in the figure below, prices in the Council area are about 47% above the previous peak. This increase is somewhat more than across England and Wales (27%).



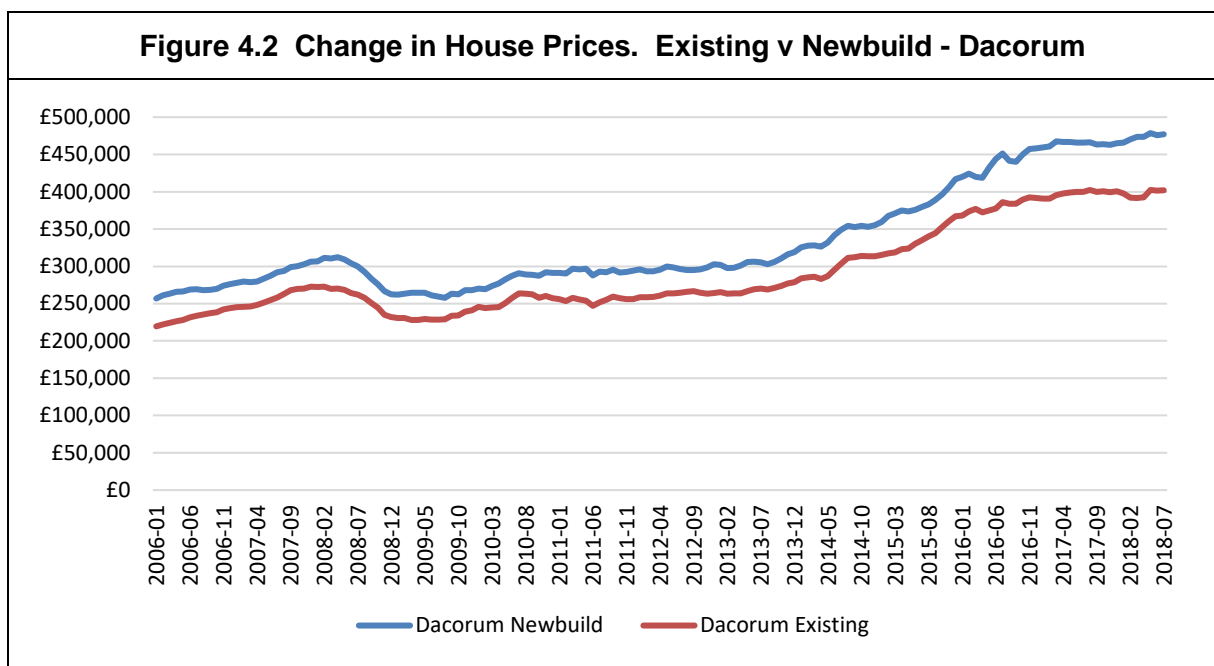
Source: Land Registry (December 2018)

- 4.7 Up to the peak of the market, the long term rise in house prices had, as least in part, been enabled by the ready availability of credit to home buyers. Prior to the increase in prices, mortgages were largely funded by the banks and building societies through deposits taken from savers. During a process that became common in the 1990s, but took off in the early part of the 21st Century, many financial institutions changed their business model whereby, rather than lending money to mortgagees that they had collected through deposits, they entered into complex financial instruments and engineering through which, amongst other things, they borrowed money in the international markets, to then lend on at a margin or profit. They also ‘sold’ portfolios of mortgages that they had granted. These portfolios also became the basis of complex financial instruments (mortgage backed securities and derivatives etc).
- 4.8 During 2007 and 2008, it became clear that some financial institutions were unsustainable, as the flow of money for them to borrow was not certain. As a result, several failed and had to be rescued. This was an international problem that affected countries across the world – but most particularly in North America and Europe. In the UK the high profile institutions that were rescued included Royal Bank of Scotland, HBOS, Northern Rock and Bradford and Bingley. The ramifications of the recession were an immediate and significant fall in house prices, and a complete reassessment of mortgage lending with financial organisations becoming averse to taking risks, lending only to borrowers who had the least risk of default and those with large deposits.
- 4.9 It is important to note that the housing market is actively supported by the current Government through products such as Help to Buy.
- 4.10 There is a degree of uncertainty in the housing market as reported by the RICS. This is, at least in part, due to the uncertainties around the referendum to leave the European Union. The November RICS UK Residential Market Survey said:

The November 2018 RICS UK Residential Market Survey results are consistent with a weaker trend in sales market activity with headline indicators on both demand and supply edging further into negative territory. Furthermore, forward looking metrics suggest that momentum is likely to continue slipping in the coming three months, although a somewhat stable trend is expected to emerge further out.

4.11 When ranked across England and Wales, the average house price for Dacorum is 53rd (out of 348) at just over £460,000¹⁷. To set this in context, the Council at the middle of the rank (174 - Eastbourne), has an average price of £262,732. The median price is a little lower than the mean at £385,000¹⁸.

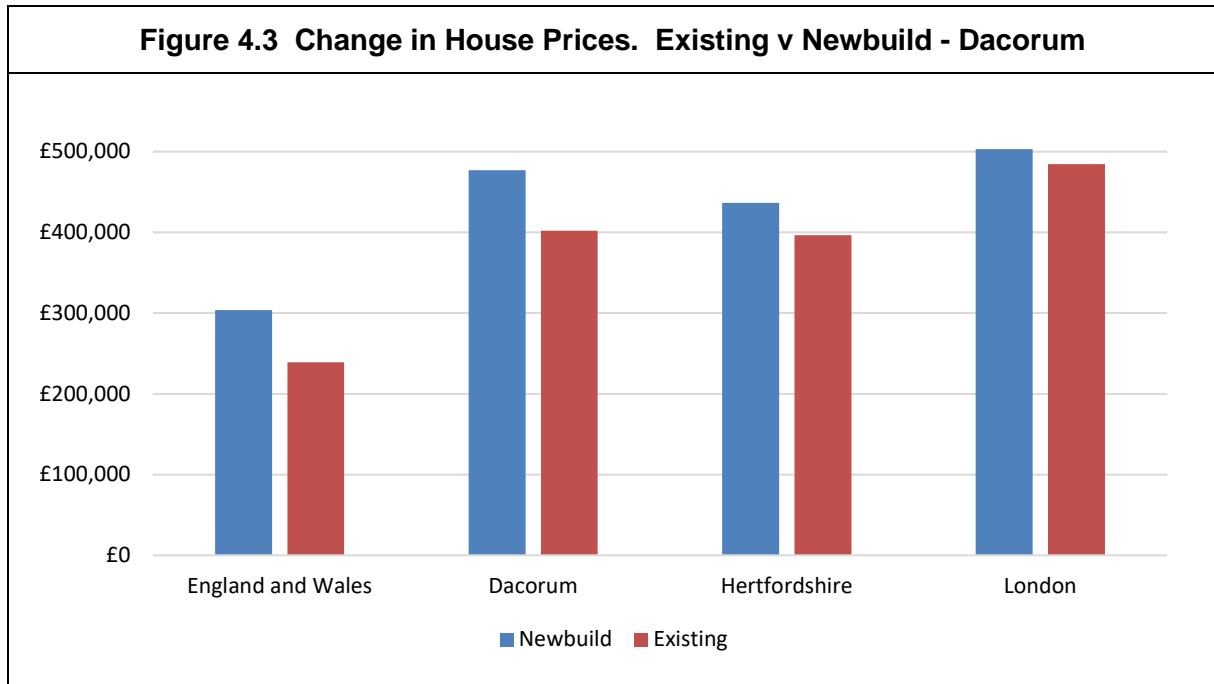
4.12 The figure above shows that prices in the Council area have seen a significant recovery since the bottom of the market in mid-2009. A notable characteristic of the data is that the values of newbuild homes are about 20% more than existing homes.



Source: Land Registry (December 2018)

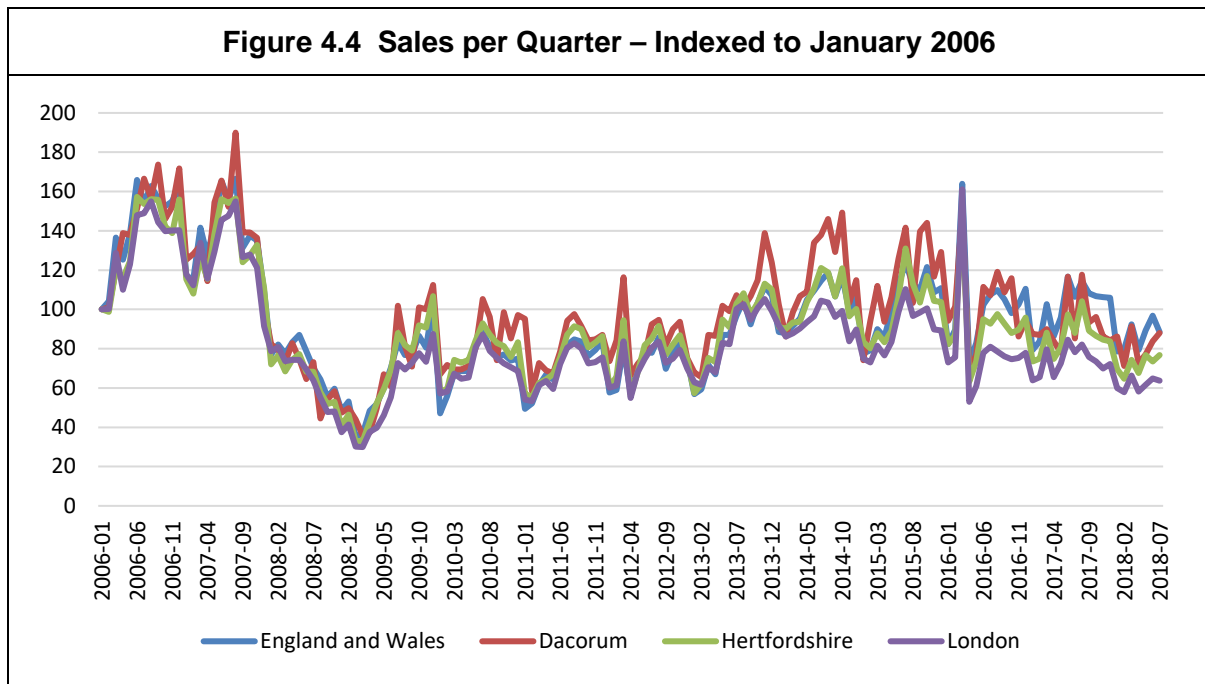
¹⁷ HPSSA Dataset 12. Mean price paid for national and subnational geographies, quarterly rolling year.

¹⁸ HPSSA Dataset 9. Median price paid for national and subnational geographies, quarterly rolling year.



Source: Land Registry (December 2018)

4.13 The rate of sales (i.e. sales per month) in the Council area is a little greater than the wider country, underlining the fact that the local market is an active market.



Source: Land Registry (December 2018)

4.14 This report is being completed after the United Kingdom voted to leave the European Union. It is not yet possible to predict the impact of leaving the EU, beyond the fact that the UK and the UK economy is in a period of uncertainty. Negotiations around the details of the exit are underway but not concluded, so the future of trade with the European Union and wider world are not yet known.



- 4.15 A range of views as to the impact on house prices have been expressed that cover nearly the whole spectrum of possibilities. The economy is in a period of uncertainty and, whilst it is not the purpose of this assessment, it is timely to provide a forecast of how house prices and values may change in the future. HM Treasury brings together some of the forecasts in its monthly *Forecasts for the UK economy: a comparison of independent forecasts* report¹⁹.

¹⁹ No 383, May 2019.

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/801759/PU797_Forecast_for_the_UK_Economy_May_2019_covers.pdf

Table 4.1 Consolidated House Price Forecasts

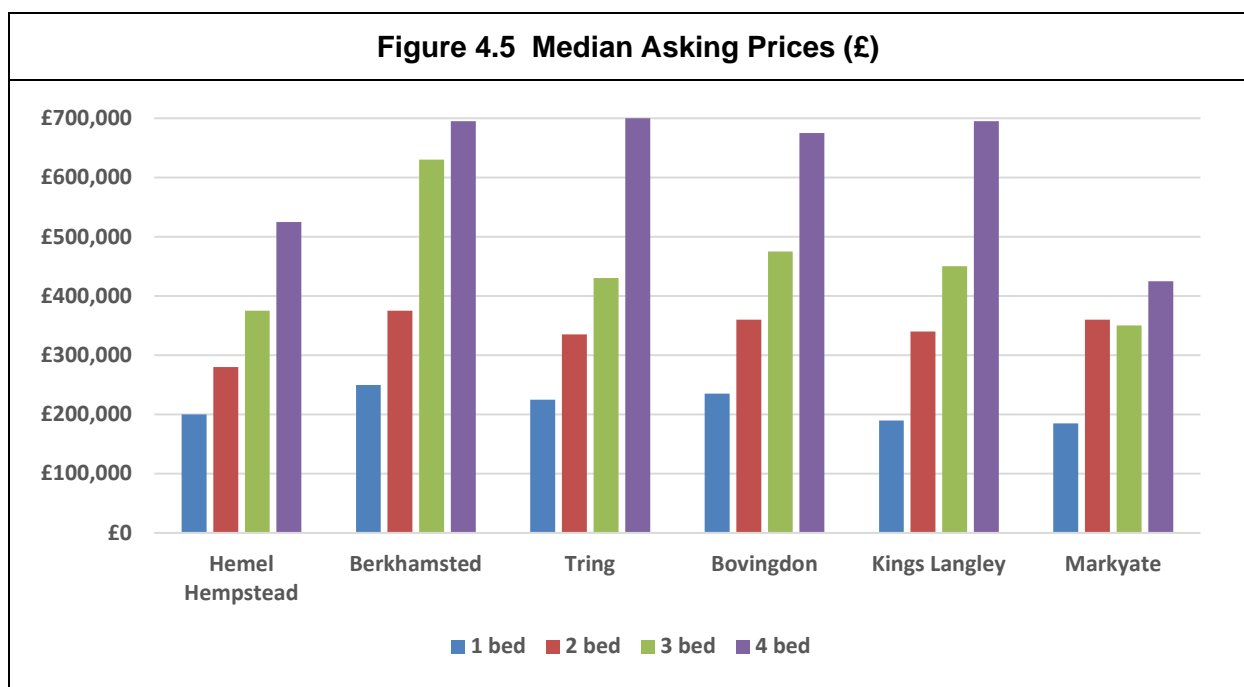
House price inflation (annual average, %)						Output gap (% of GDP)					
2019	2020	2021	2022	2023		2019	2020	2021	2022	2023	
City forecasters											
-	1.0	1.5	-	-	May *	0.1	-0.1	0.0	0.0	0.0	Bloomberg Economics
1.0	1.5	2.0	-	May *	-	-	-	-	-	-	Capital Economics
-	-	-	-	May *	-	-	-	-	-	-	CEBR
-	-	-	-	May *	-	-	-	-	-	-	Crigroup
0.9	1.2	3.2	1.0	0.7	May *	-0.5	-0.4	-0.3	-0.2	0.0	Commerzbank
1.0	2.2	3.6	3.5	3.0	May *	-0.2	-0.2	-0.3	-0.3	-0.3	Daiwa CM
-	-	-	-	Feb	-	-	-	-	-	-	Deutsche Bank
1.4	2.0	3.0	3.5	3.5	May *	-	-	-	-	-	EY ITEM Club
-	-	-	-	Nov	-	-	-	-	-	-	HSBC
-	-	-	-	Aug	-	-	-	-	-	-	ING
-	-	-	-	May *	0.4	0.7	0.7	-	-	-	Morgan Stanley
-	-	-	-	May *	-0.5	-0.9	-0.9	-1.2	-	-	Natwest Markets
-	-	-	-	Nov	-	-	-	-	-	-	Nomura
-1.1	3.8	4.9	4.5	4.0	May *	-0.4	-0.3	0.1	0.5	0.7	Schroders Investment Management
-	-	-	-	May *	0.1	0.0	-0.1	0.0	0.0	0.0	Societe Generale
-	-	-	-	Nov	-	-	-	-	-	-	UBS
Non-City forecasters											
1.0	2.2	5.3	8.0	7.9	May *	-	-	-	-	-	Beacon Economic Forecasting
-	-	-	-	Aug	0.7	0.8	0.8	1.0	0.9	-	EIU
3.4	3.5	3.4	4.0	4.3	May *	-	-	-	-	-	Experian
1.8	2.0	-	-	May *	0.9	1.1	1.1	-	-	-	Heteronomics
-	-	-	-	May *	-0.3	-0.2	-0.2	-0.1	0.0	0.0	IMF
-	-	-	-	May *	-	-	-	-	-	-	Kern Consulting
2.4	2.8	1.8	0.9	0.5	May *	-	-	-	-	-	Liverpool Macro Research
0.1	1.5	3.3	3.5	3.6	May *	-0.6	-0.5	-0.4	-0.2	0.0	NIESR
-	-	-	-	May *	-	-	-	-	-	-	Oxford Economics
1.2	2.3	3.4	3.6	3.4	-	-0.1	-0.1	-0.3	0.0	0.0	Independent average
1.2	2.3	3.4	3.6	3.4	-	-0.1	-0.1	-0.3	0.0	0.0	New forecasts
3.4	3.8	5.3	8.0	7.9	0.9	1.1	1.1	0.1	0.5	0.7	Highest
-1.1	1.2	1.8	0.9	0.5	-0.6	-0.9	-0.9	-1.2	-0.3	-0.3	Lowest

Source: *Forecasts for the UK economy: a comparison of independent forecasts* No 383 (HM Treasury, May 2019).
 Table M9: Medium-term forecasts for house price inflation and the output gap

- 4.16 There is clearly uncertainty in the market, and it is not for this study to try to predict how the market may change in the coming years, and whether or not there will be a further increase in house prices. Generally, the expectation is that house prices will return to growth relatively quickly.
- 4.17 A range of views as to the impact on house prices have been expressed that cover nearly the whole spectrum of possibilities. There is clearly uncertainty in the market, and it is not for this study to try to predict how the market may change in the coming years, and whether or not there will be a further increase in house prices. Property agents Savills are predicting a 1% increase in the current year, 0.5% increase next year and a 11.8% increase over the next 5 years in the mainstream South East markets, with a 0% increase this year, and 12.5% over the next 5 years in the prime Suburban residential markets²⁰. These predictions are somewhat less than were being predicted before the Brexit referendum.

The Local Market

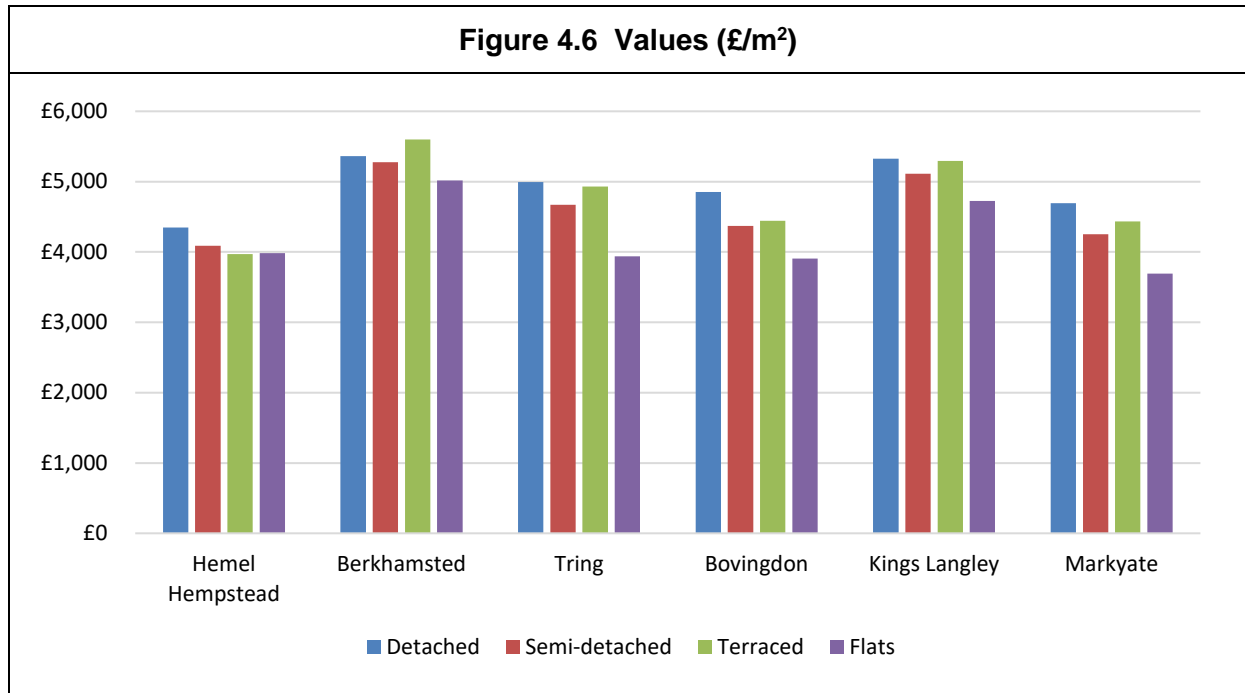
- 4.18 A survey of asking prices across the Council area was carried out in December 2018. Through using online tools such as rightmove.co.uk and zoopla.co.uk median asking prices were estimated.



Source: Rightmove.com (December 2018)

²⁰ UK Housing Market Update <https://pdf.euro.savills.co.uk/uk/residential---other/uk-housing-market-update-july-2018.pdf> / www.savills.co.uk/research_articles/141285/224152-0

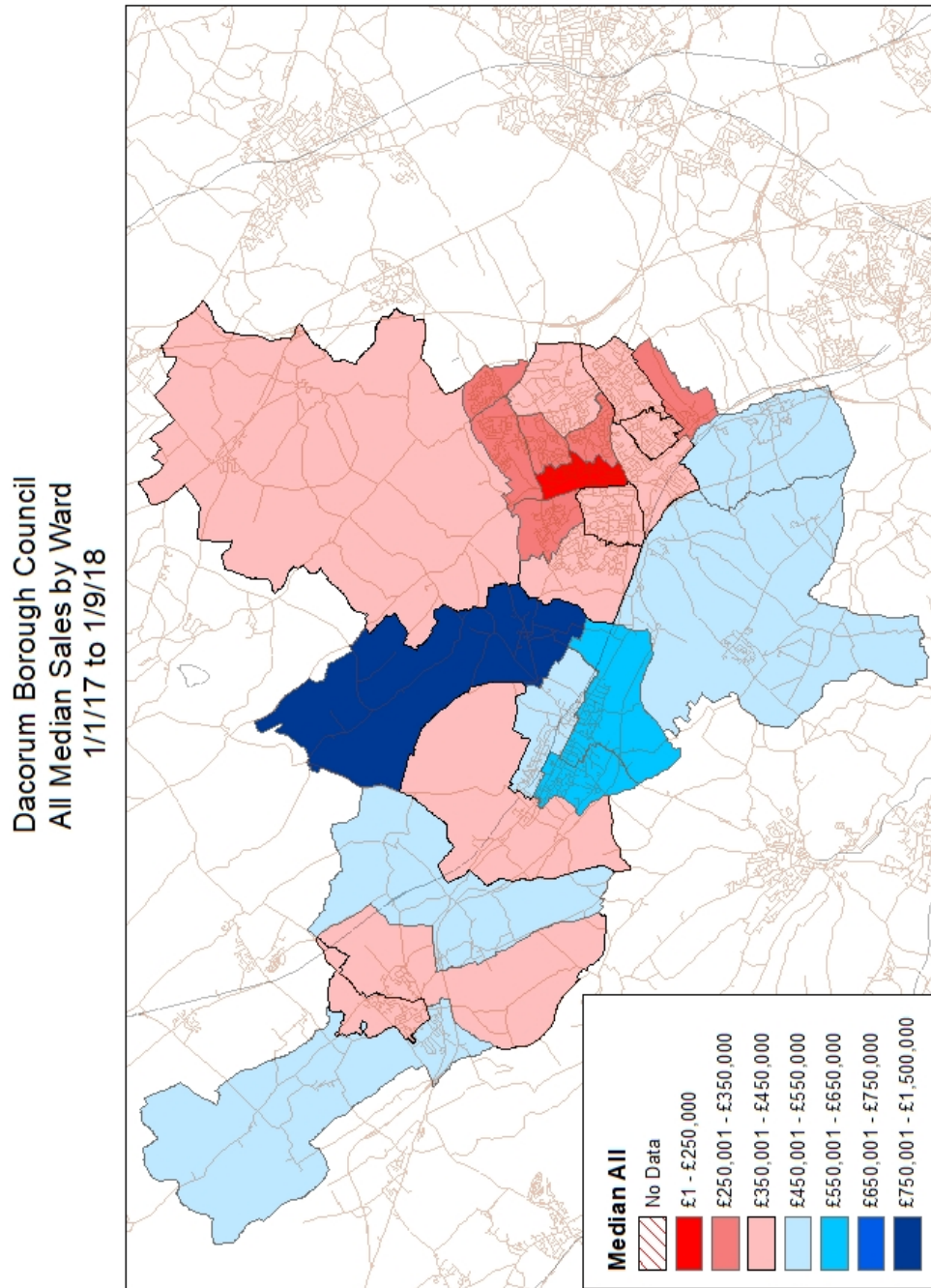
<http://www.savills.co.uk/insight-and-opinion/research-consultancy/residential-market-forecasts.aspx>



Source: Zoopla.com (December 2018)

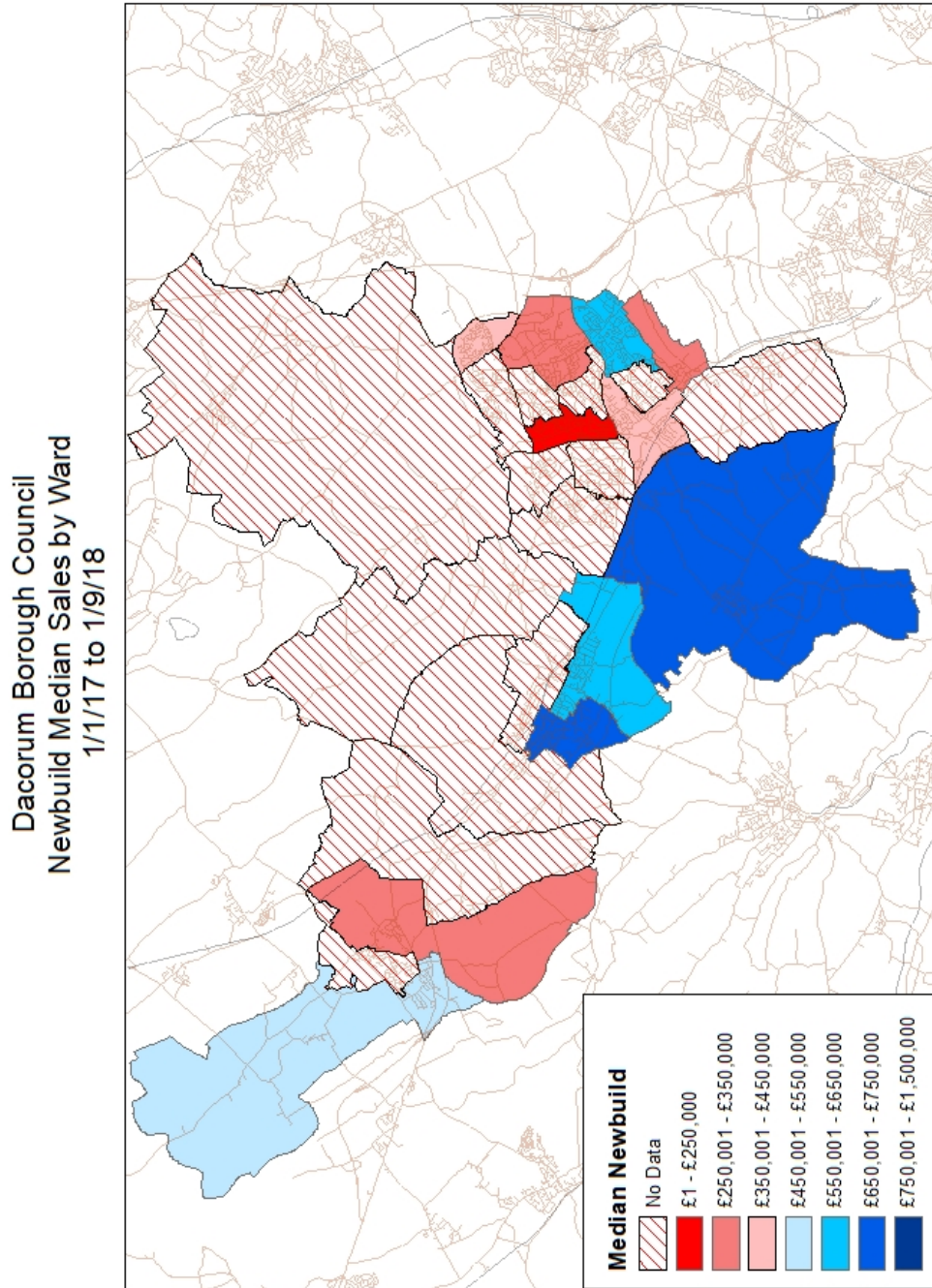
4.19 The geographical differences in prices are illustrated in the following maps showing the median price by ward, the first being for all properties and the second just for newbuild.

Figure 4.7 Median Prices – All Properties



Source: HDH based on Land Registry Price Paid Data

Figure 4.8 Median Prices – Newbuild Properties



Source: HDH based on Land Registry Price Paid Data

- 4.20 The pattern of prices is influenced by the size of the units, with larger detached units prevailing in the more rural areas, and smaller terraces and flats in the urban areas.

Newbuild Sales Prices

- 4.21 This study is concerned with the viability of newbuild residential property so the key input for the appraisals are the prices of units on new developments. Recent newbuild sales prices from the Land Registry have been reviewed and a survey of new homes for sale during July 2018 carried out. The Land Registry publishes data of all homes sold. Across the Council area 353 newbuild home sales were recorded since the start of 2017²¹. These transactions (as recorded by the Land Registry) are summarised by the main settlements as follows, and detailed in **Appendix 3**.
- 4.22 Each house sold requires an Energy Performance Certificate (EPC). This is a public document that can be viewed on the EPC Register²². The EPC contains the floor area (the Gross Internal Area – GIA) as well as a wide range of other information about the construction and energy performance of the building. Of the 353 newbuild sales since the start of 2017, 351 have EPC certificates. This information is also included in **Appendix 3**.
- 4.23 The price paid data from the Land Registry has been married with the homes' floor area from the EPC Register.
- 4.24 The Land Registry data can be broken down by house type and settlement (it is important to note that the Land Registry sorts data by postcode and post town, rather than wards, parishes or other administrative boundaries).

²¹ The Land Registry makes all transactions available as and when they are registered via the 'beta' format tool at <https://www.gov.uk/government/statistical-data-sets/price-paid-data-downloads>. It does take some time for transactions to be registered – we estimate this to be about 4 to 6 months.

²² <https://www.epcregister.com/>

Table 4.2 Land Registry Price Paid Data with EPC Data					
	Detached	Flats	Semi-detached	Terraced	All
Berkhamsted					
Count	45	20	2	0	67
Average £	£724,632	£515,063	£672,500	£0	£660,518
Average £/m ²	£5,652	£6,873	£6,011	£0	£6,027
Hemel Hempstead					
Count	49	103	58	46	256
Average £	£508,677	£293,254	£388,377	£404,302	£375,993
Average £/m ²	£4,169	£5,345	£4,122	£4,146	£4,631
Tring					
Count	2	16	2	10	30
Average £	£1,100,000	£280,406	£917,359	£534,450	£462,191
Average £/m ²	£4,247	£4,404	£3,597	£5,400	£4,672
Dacorum					
Count	96	139	62	56	353
Average £	£622,225	£323,690	£414,606	£427,543	£437,322
Average £/m ²	£4,873	£5,457	£4,167	£4,370	£4,901

Source: Land Registry and EPC Register (December 2018)

- 4.25 The average price paid is about £4,900/m². This is notably higher than shown by the comparable data set out in the 2016 SHLAA Viability Study²³.
- 4.26 The average prices vary by geography with Berkhamsted being the most expensive area based on this data. Having said this, the principle driver of the differences is the situation rather than the location of a site. That is to say, the value will be more strongly influenced by the specific site characteristics, the immediate neighbours and environment, rather than in which particular ward or postcode sector the scheme is located.
- 4.27 In December 2018 there were about 40 new houses and flats being advertised for sale in the Council area (although on some of these, construction had yet to start). The analysis of these shows that asking prices for newbuild homes vary, very considerably, starting at £100,000 and going up to £1,200,000. The average is just over £500,000. These are summarised in the following table and set out in detail in **Appendix 4**.

²³ Table 4.3 of the Dacorum Borough Council – SHLAA Viability Study, (HDH, February 2016).

Table 4.3 Newbuild Asking Prices by Settlement					
	Scheme		Minimum	Average	Maximum
Hemel Hempstead					
Sure Sales		Alexandra Rd		£4,538	
Flaggs		Old Town	£3,805		£4,605
Bovis	Aspen Park	Apsley	£3,881	£4,674	£5,555
Sears	St Marys Road	Old Town	£5,944	£6,166	
Savoy Estates	Park Rise View			£4,375	
Croudace Homes					
Berkhamsted					
Beechcroft Retirement	Birch Place	Kings Rd	£6,974	£7,263	£7,711
Hunters		Chestnut Drive		£5,325	
Tring					
Cesare & Co		Longfield Rd			
Bovingdon					
Macarthy & Stone	Mountbatten House	Hempstead Rd		£5,917	
Wilsons	Chiltern Mews	High St		£4,737	
		High St		£4,095	
Kings Langley					
Signature Estates	Grand Union Apartments	Hunton Bridge	£5,169	£5,405	£5,721
Sterling Estates	Village House Development	High St			
Your Move		Coniston Rd			
Hamptons		Vicarage Lane		£4,862	
Boxmoor					
Flaggs	Leinster	Beechfield Rd	£5,345	£5,595	£5,902

Source: Market Survey (August 2018)

- 4.28 During the course of the research, sales offices and agents were contacted to enquire about the price achieved relative to the asking prices, and the incentives available to buyers. In most cases the feedback was that the units were ‘realistically priced’ or that as the market is improving, demand strong and that significant discounts are no longer offered. When pressed, it appeared that the discounts and incentives offered equate to about 2.5% of the asking prices. It would be prudent to assume that prices achieved, net of incentives offered to buyers, are 2.5% less than the above asking prices.

Price Assumptions for Financial Appraisals

- 4.29 In the *Dacorum Borough Council – SHLAA Viability Study*, (HDH, February 2016) the following values were used:

Table 4.4 Price Assumptions – January 2016 (£/m²)				
CIL ZONE	Description	Houses	Flats	Houses and Flats
1	Berkhamsted and surrounding area	£4,700	£4,800	£4,750
2	Elsewhere	£3,800	£3,800	£3,800
3	Hemel Hempstead and Markyate	£3,300	£4,000	£3,600

Source: Table 4.4 SHLAA Viability Study (HDH January 2016)

4.30 It is necessary to form a view about the appropriate prices for the schemes to be appraised in the study. The preceding analysis does not reveal simple clear patterns with sharp boundaries. It is necessary to relate this to the pattern of development expected to come forward in the future.

4.31 Bringing together the evidence above (which we acknowledge is varied), the following approach to value was put to the February 2019 consultation.

a) Larger Brownfield Sites. In terms of value the prices of the new homes developed are likely to be driven by the specific situation of the scheme rather than the general location. That is to say the value will be more strongly influenced by the specific site characteristics, the immediate neighbours and environment, rather than in which particular ward or postcode sector the scheme is located. Development is likely to be of a higher density than the greenfield sites and be based around schemes of flats, semi-detached housing and terraces with a low proportion of detached units.

A slightly higher value has been attributed to the larger brownfield sites than the smaller brownfield sites due to the ability of the developer to create a sense of place.

These are only likely to come forward in Hemel Hempstead town.

b) Smaller Brownfield Sites. As with the larger sites, the prices of the new homes developed are likely to be driven by the specific situation of the scheme rather than the general location.

Development is likely to be of a higher density and be based around schemes of flats, semi-detached housing and terraces with a lower proportion of detached units.

A slightly lower value has been attributed to the smaller brownfield sites than the larger brownfield sites.

c) Large Greenfield Sites. These are the potential strategic sites, and largest greenfield sites (over 200 units or so).

d) Medium Greenfield Sites. These are the greenfield sites in the range of 20 to 200 units that are likely to be brought forward by a single developer.

e) Small Greenfield Sites. These areas are in the smaller settlements and villages in the countryside. A premium value is applied to these areas.

4.32 Based on the asking prices from active developments, and informed by the general pattern of all house prices across the study area, the prices put to the consultation were as follows. It is

important to note that this is a broad brush, high level study to test the Council’s policy as required by the NPPF and to inform the setting of CIL as required by CIL Regulation 14. The values between new developments and within new developments may vary considerably.

- 4.33 It is accepted that there are nuances and variables within these areas, but in a high-level study of the type being undertaken, it is necessary to take a relatively simplistic approach.

Table 4.5 Price Assumptions – December 2018 (£/m²)			
Description	CIL ZONE 1	CIL ZONE 2	CIL ZONE3
	Berkhamsted and surrounding area	Elsewhere	Hemel Hempstead and Markyate
Larger Brownfield	£5,700	£4,400	£4,600
Smaller Brownfield Sites	£5,700	£4,400	£4,600
Urban Flats	£6,870	-	£5,340
Large Greenfield	£5,700	£4,450	£4,600
Medium Greenfield	£5,700	£4,450	£4,600
Small Greenfield	£6,000		

Source: HDH (December 2018)

- 4.34 Following the February 2019 consultation, there was a consensus that the above assumptions were propably representative of the current market. Having said this, incentives and Help to Buy²⁴ were mentioned.
- 4.35 The price paid reported in the Land Registry data set out above is the price paid to the developer, so this is the correct figure use. It is accepted that Help to Buy may be having a market wide impact of bolstering the prices paid for newbuild homes, particularly lower down the value range. Further it is accepted that should Help to Buy be withdrawn then some buyers that are able to access the housing market with Help to Buy would no longer be able to do so, and the resulting fall in demand could result in a drop in sales rates and/or a drop in values of newbuild houses. As set out earlier in this chapter, newbuild values are, on average, about 20% higher than for existing homes (although this is largely due to newbuild homes being distinctly different from the existing housing stock).

²⁴ With a Help to Buy: Equity Loan the Government lends the buyer up to 20% of the cost of a newly built home, so the buyer only needs a 5% cash deposit and a 75% mortgage to make up the rest. Interest is not charged on the 20% loan for the first five years. In the sixth year, the buyer is charged a fee of 1.75% of the loan’s value. The fee then increases every year, according to the Retail Prices Index plus 1%.

- 4.36 Based on the MHCLG data tables²⁵ there were only 116 properties purchased under Help to Buy in the Borough in the year to Q3 2018 (being the most recent data that is available). To set this in context, across England there were over 50,000 Help to Buy sales.
- 4.37 The promoters of the very large site to the North and Northeast of Hemel Hempstead suggested that because the site is very large, a lower value (of £4,200/m²) should be used for the multi outlet sites. Whilst no supporting evidence was provided, it was argued that because it was so large and would have multiple outlets, the values would be lower. We do not accept this line of thought as different outlets offering a range of different products (aimed at different parts of the housing market) would complement each other rather than compete with each other. Bearing in mind the general support for the value assumptions, no further adjustment has been made. Having said this, we have carried out some sensitivity testing in this regard.
- 4.38 Having considered this no specific adjustment can be made to reflect what may or may not happen if Help to Buy is withdrawn. Within Chapter 10, a range of price change variables have been tested.
- 4.39 In this iteration of this assessment, the following assumptions have been used:

Table 4.6 Price Assumptions – March 2019 (£/m²)			
Description	CIL ZONE 1	CIL ZONE 2	CIL ZONE 3
	Berkhamsted and surrounding area	Elsewhere	Hemel Hempstead and Markyate
Larger Brownfield	£5,700	£4,400	£4,600
Smaller Brownfield Sites	£5,700	£4,400	£4,600
Large Greenfield	£5,700	£4,450	£4,600
Medium Greenfield	£5,700	£4,450	£4,600

Source: HDH (March 2019)

Ground Rents

- 4.40 Over the last 20 or so years many new homes have been sold subject to a ground rent. Such ground rents have recently become a controversial and political topic. In this study, no allowance is made for residential ground rents.

Affordable Housing

- 4.41 The Council has a policy for the provision of affordable housing Policy CS19: Affordable Housing is supplemented by the Council's *Affordable Housing Supplementary Planning*

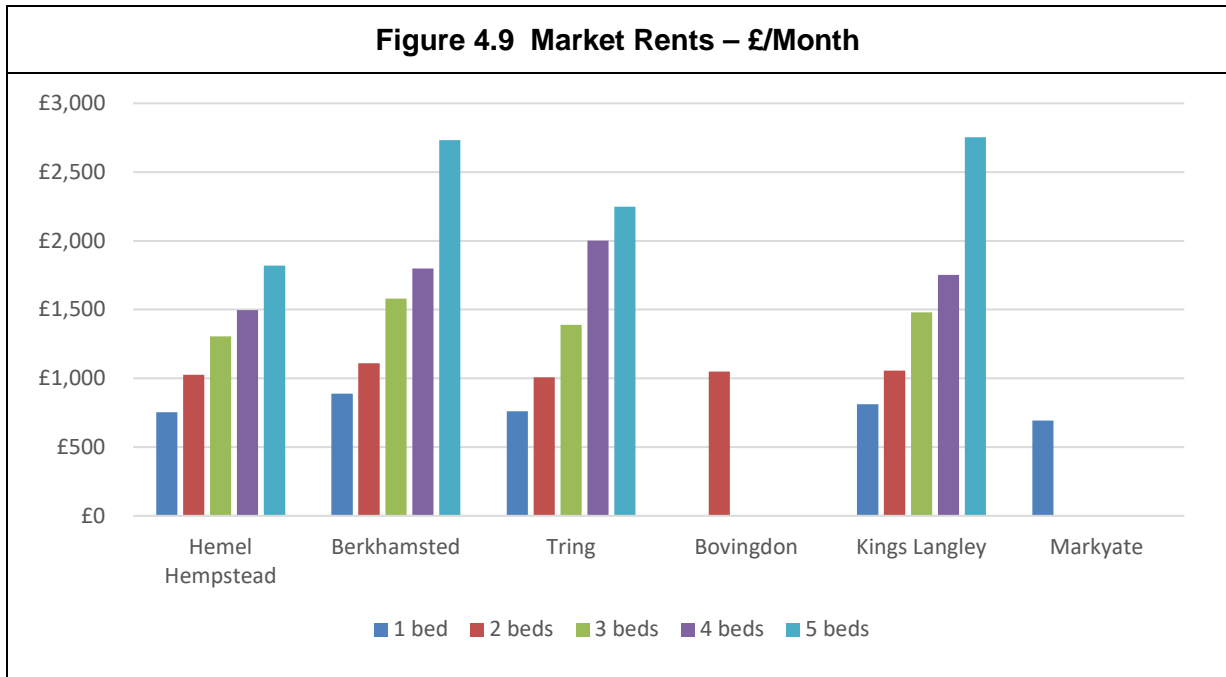
²⁵ <https://www.gov.uk/government/statistics/help-to-buy-equity-loan-scheme-statistics-april-2013-to-30-september-2018>

Document (September 2013). This provides further advice as to the implementation and interpretation of the Affordable Housing policy. In this study it has been assumed that affordable housing is provided at 35% on sites of 10 or more units in Hemel Hempstead and 5 or more units in other areas. The affordable housing is provided as 75% Affordable Rented (rather than Social Rented) and 25% intermediate housing.

- 4.42 Through the February 2019 consultation, the preference for Affordable Rent over Social Rent was challenged. Whilst it is accepted that Social Rent is a less expensive housing product, the purpose of this study is to consider the deliverability of the potential sites in the context of the Council's planning policies. The current preference is for Affordable Rent.

Affordable Housing Values

- 4.43 In the *SHLAA Viability Study* (HDH January 2016) a value of £1,100/m² was applied to Affordable Rent and 65% of market value to intermediate homes for sale. In October 2017 the Government announced that rents will rise by CPI +1% for five years from 2020. This change has a positive impact on values.
- 4.44 It is important to note that the base modelling in this study is based on Affordable Rent capped at the Local Housing Allowance rather than Social Rent. Under Affordable Rent a maximum rent of no more than 80% of the open market rent for that unit can be charged.
- 4.45 In the development of affordable housing for rent, the value of the units is, in large part, the worth of the income that the completed let unit will produce. This is the amount an investor (or another RP) would pay for the completed unit. This will depend on the amount of the rent and the cost of managing the property (letting, voids, rent collection, repairs etc.).
- 4.46 Following discussion with the Council, we have assumed the rent is in line with the Local Housing Allowance cap. These are set relative to market rents. It is assumed that, because a typical Affordable Rent unit will be new, it will command a premium rent that is a little higher than equivalent older private sector accommodation. In estimating the likely level of Affordable Rent, a survey of market rents across the Council area has been undertaken. There is relatively little variation in rents, except for the largest units.



Source: Market Survey (December 2018)

4.47 As part of the reforms to the social security system, housing benefit /local housing allowance is capped at the 3rd decile of open market rents for that property type, so in practice Affordable Rents are unlikely to be set above these levels. The cap is set by the Valuation Office Agency by Broad Rental Market Area (BRMA), however these BRMAs do not follow local authority boundaries. The relevant BRMA LHA caps are shown below. Where this is below the level of Affordable Rent at 80% of the median rent, it is assumed that the Affordable Rent is set at the LHA Cap.

Table 4.7 BRMA Caps			
	£/week	£/month	£/year
Aylesbury BRMA			
Shared	£73	£315	£3,784
1 Bedroom	£131	£568	£6,818
2 Bedroom	£162	£703	£8,442
3 Bedroom	£204	£886	£10,628
4 Bedroom	£291	£1,262	£15,150
Chilterns BRMA			
Shared	£74	£319	£3,829
1 Bedroom	£150	£649	£7,789
2 Bedroom	£194	£839	£10,065
3 Bedroom	£236	£1,024	£12,290
4 Bedroom	£344	£1,491	£17,891
South West Herts BRMA			
Shared	£81	£350	£4,205
1 Bedroom	£161	£696	£8,355
2 Bedroom	£203	£879	£10,549
3 Bedroom	£255	£1,103	£13,240
4 Bedroom	£359	£1,555	£18,658

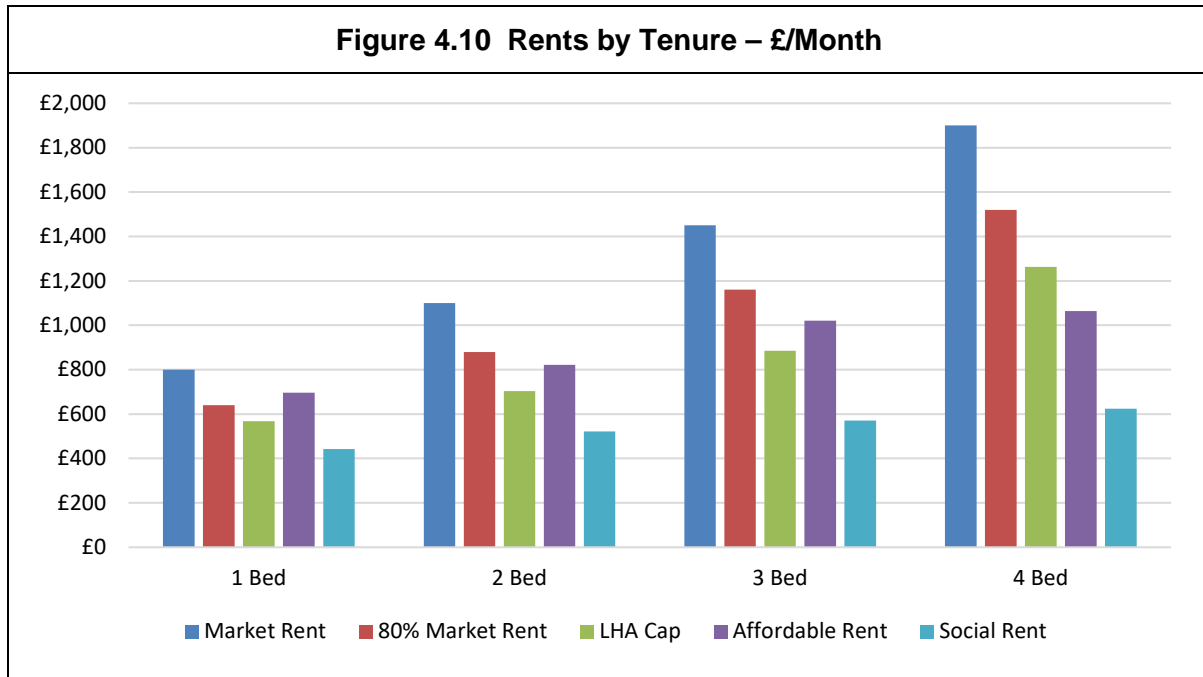
Source: VOA (December 2018)

- 4.48 These caps are broadly similar to the Affordable Rents being charged as reported in the most recent HCA data release.

Table 4.8 Affordable Rent (Dacorum)			
	1 Bedroom	2 Bedrooms	3 Bedrooms
Per Week	£102	£121	£132
Per Month	£443	£522	£571
Per Year	£5,317	£6,269	£6,851

Source: HCA Statistical Return (2018)

- 4.49 The above data can be summarised as follows.



4.50 In calculating the value of Affordable Rents we initially allowed for 10% management costs, 4% voids and bad debts and 6% repairs, and capitalised the income at 5.5%. It is assumed that the Affordable Rent is set at the LHA Cap. On this basis affordable rented property has the following worth.

	1 Bedroom	2 Bedrooms	3 Bedrooms	4 Bedrooms
Gross Rent	£6,818	£8,442	£10,628	£15,150
Net Rent	£5,454	£6,753	£8,502	£12,120
Value	£109,084	£135,067	£170,044	£242,395
m ²	50	70	84	97
£/m ²	£2,182	£1,930	£2,024	£2,499

Source: HDH (December 2018)

4.51 Using this method to assess the value of affordable housing, under the Affordable Rent tenure, a value of £2,159/m² across all areas is derived. This is about 50% of the market value.

4.52 Through the consultation a housing association suggested that this assumption was ‘way too low’ and that a figure that is about 9% above this was appropriate. This was based on a number of specific observations:

- a. The above value assumes Affordable Rent will be capped at the LHA cap – this is not normal practice in Dacorum.
- b. The floor areas are overstated – whilst this is accepted, the move to NDSS means that this is a soundly based assumption.

c. The yield assumption of 5.5% was too high and on occasion a 3% assumption may be appropriate. 4% was suggested.

4.53 Having considered the above, this assumption has been amended to £2,700/m². This assumes that the use of the LHA cap continues and that the move to NDSS is correct, but, rather, is based on a 4% yield.

Intermediate Products for Sale

4.54 Intermediate products for sale include shared ownership and shared equity products. The market for these is very difficult at present and we have found little evidence of the availability of such products in the study area. We have assumed a value of 65% of open market value for these units.

4.55 These values were based on purchasers buying an initial 50% share of a property and a 2.75%²⁶ per annum rent payable on the equity retained. The rental income is capitalised at 5.5% having made a 10% management allowance.

4.56 Through the consultation a housing association suggested that this assumption was too low and that a figure that is about 9% above this was appropriate. This was based on the 10% management charge which was considered appropriate and the yield being too high. This assumption has been amended to give this tenure a value of 70% of open market value.

4.57 As set out in Chapter 2 above, the 2019 NPPF sets out a requirement for low costs home ownership as part of the affordable housing mix. This is assumed to apply.

Grant Funding

4.58 In this study, it is assumed that grant is not available.

²⁶ A rent of up to 3% may be charged – although we understand that in this area 2.75% is more normal.



5. Non-Residential Values

- 5.1 This chapter sets out an assessment of the markets for non-residential property, providing a basis for the assumptions of prices to be used in financial appraisals for the sites tested in the study.
- 5.2 The starting point for this part of this study is the Council’s existing available evidence. The following assumptions were used:

Table 5.1 Commercial Sales Values £/m² - 2013					
		Rent £/m ²	Yield	Rent free period	Value
Offices	Hemel - Maylands	£199	8.00%	2	£2,134
All other retail (A1-A5)	Berkhamsted	£301	7.00%	2	£3,761
	Hemel Hempstead	£248	7.00%	2	£3,089
	Elsewhere	£118	8.00%	2	£1,269
Convenience based supermarkets & superstores & retail warehousing		£248	5.75%	2	£3,850
Industrial / warehouse	Small	£86	7.00%	2	£1,074
	Large	£81	6.50%	2	£1,095
Hotel		£215	6.25%		£3,444

Source: Table 4.53.1 CIL, Updated Viability Study (BNP Paribas, July 2013)

- 5.3 Since 2013 there is some anecdotal evidence that the market has moved on.
- 5.4 There is no need to consider all types of development in all situations – and certainly no point in testing the types of scheme that are unlikely to come forward as planned development. In this study we have considered the larger format office and industrial use and retail uses.
- 5.5 In Dacorum, market conditions will broadly reflect a combination of national economic circumstances and local supply and demand factors. However, even within a town there will be particular localities, and ultimately site-specific factors, that generate different values and costs.

National Overview

- 5.6 The various non-residential markets in the Council area reflects national trends. An improved sentiment has been reported in the press:

The Q3 2018 RICS UK Commercial Property Market Survey results point to a fairly subdued trend across the occupier market, with respondents citing Brexit uncertainty as weighing on occupier decisions to a certain extent. That said, structural changes continue to pose the most significant near term challenge for retailers, while on the flipside, conditions within the industrial segment continue to benefit from the shift towards online shopping.

- 5.7 This chapter sets out an update of assessment of the markets for non-residential property, providing a basis for the assumptions of prices to be used in financial appraisals for the sites tested in the study.

Dacorum Non-Residential Market

- 5.8 The market is described in full in the *Employment Land Availability Assessment* (Peter Brett Associates, October 2017) so not repeated here. The local markets are driven by local factors – however the influence of the wider southeast and London underpins the market. Hemel Hempstead is not a large regional centre but is the principal town and is a significant local centre. The Borough has a number of key industrial occupiers (e.g. Amazon and Next) and office occupiers (e.g. Britvic). In recent years the majority of new development is user led.
- 5.9 This study is concerned with new property that is likely to be purpose built. There is little evidence of a significant variance in price for newer premises more suited to modern business, although very local factors (such as the access to transport network) are reported to be important.
- 5.10 Various sources of market information have been analysed, the principal sources being the local agents, research published by national agents, and through the Estates Gazette's Property Link website (a commercial equivalent to Rightmove.com). In addition, information from CoStar (a property industry intelligence subscription service) has been used. Clearly much of this commercial space is 'second-hand' and not of the configuration, type and condition of new space that may come forward in the future, so is likely to command a lower rent than new property in a convenient well accessed location with car parking and that is well suited to the modern business environment. **Appendix 5** includes market data from CoStar.

Offices

- 5.11 The *Employment Land Availability Assessment* (Peter Brett Associates, October 2017) summarises the office market as follows:

During the recession in the latter years of the 2000s, speculative office development in the UK came to a standstill. As the national economy has begun to improve (since around 2010), speculative office building has restarted. This occurred firstly in London and now more recently in a number of core regional cities such as Manchester and around the Thames Valley. Office development is only currently viable and financeable in major towns and cities – typically with a pre-let in place to a blue-chip covenant on a long lease. This structure gives sufficient security to their investment to enable funding to be obtained. Demand in these centres is coming from professional services such as lawyers and accountancy firms.

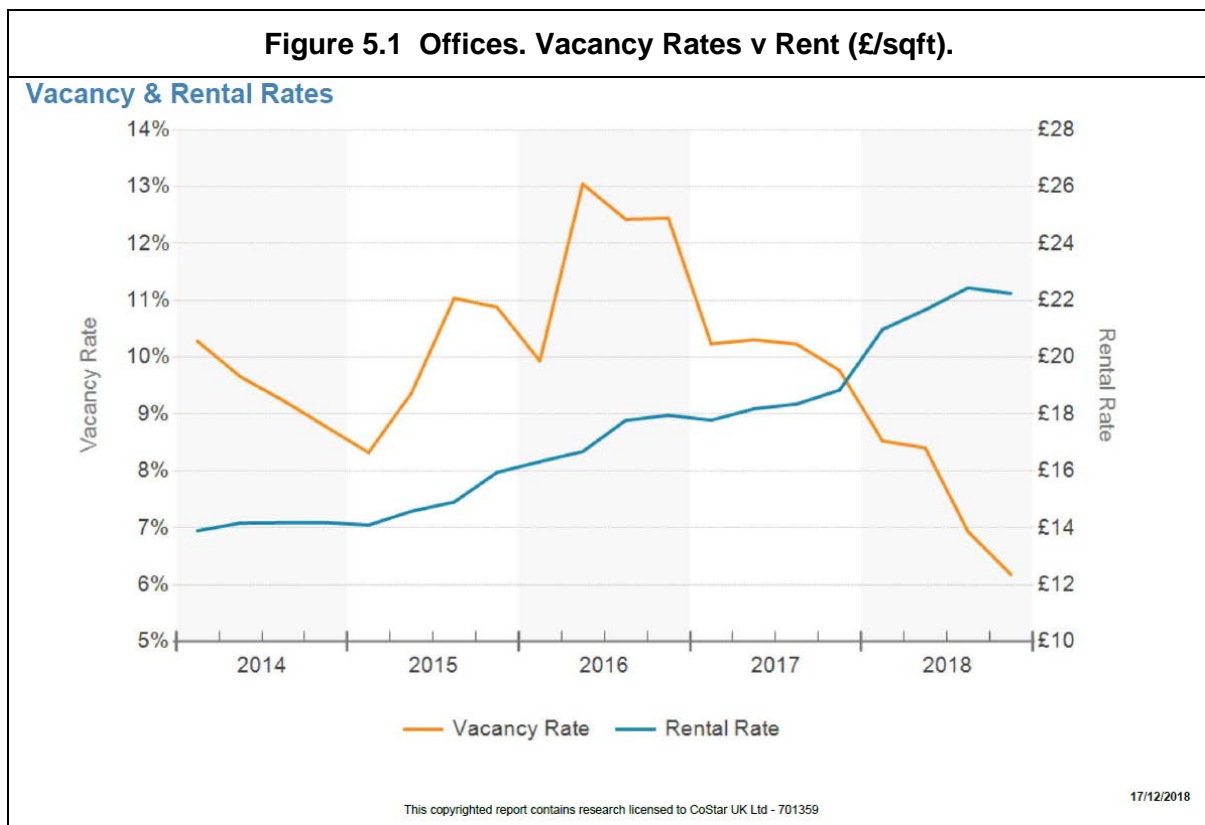
The borough faces existing competition from the nearby centres of St Albans and Watford, and emerging competition from Luton.

St Albans and Watford office markets have good quality offices available, with good amenities, and some of which is in close proximity to the station – these factors make them an attractive location. Savills report that 'Watford has remained largely undervalued compared to other surrounding M25 towns. Rents for refurbished Grade

A space currently stand at circa £290 psm, whereas St Albans' stand at £323 psm sm². Watford's office rents mean that it is relatively affordable in comparison to other M25 towns, and St Albans' rents means that new development is likely to be viable.

In Luton, the Council is promoting a new mixed use development at Junction 10 M1 called Newlands Park. As part of the development a current planning application proposes 46,450 sq m of offices. The purpose of the development is to help cross subsidise a new town centre football stadium for Luton Town Football Club. The Council has had some previous success with new office development at the airport. The proposed quantity of space, although untested in the market, is likely to be attractive to some occupiers due to the quality of environment and the complementary uses of retail and leisure.

- 5.12 CoStar data shows an increase in rents in the office sector over the last five years, in particular over the last 2 years.



- 5.13 There is a relatively limited amount of office space in the Borough and much of this is very different to the type that is likely to come forward in the future. Of the new space, the highest sales values are around £4,300/m² (£400/sqft), although good quality new offices would generally be in the region of £2,580/m² (£240/sqft).

- 5.14 CoStar reports Net Effective Rents of a similar amount. On average yields are around 7%, but for newer better property a figure of 5.5% is more representative (the lowest is 3.8%).

- 5.15 On this basis new office development would have a value of £3,250/m². CoStar reports a high value of over £4,325/m² (£402/sqft) and averages for all offices of £1,860/m² (£173/sqft). Bearing in mind the nature of the new development that this study is concerned with, office development is assumed to have a value of £3,000/m².

Industrial and Distribution

5.16 The *Employment Land Availability Assessment* (Peter Brett Associates, October 2017) summarises the office market as follows:

Table 4.8 shows that the five-year average annual take-up for industrial premises in Dacorum is 50,000 sq m.

Table 4.8 Annual industrial take-up (2011-15)

Year	No. of transactions	Total take-up sq m
2011	21	69,545
2012	18	11,987
2013	38	62,918
2014	40	83,381
2015	26	25,871
Average (2011 - 2015)	29	50,741

Source: EGi, AVL

For the purpose of analysis, we split the industrial / distribution sector into three size ranges:

- Small-size - up to 1,858 sq m
- Mid-size – 1,859-9,290 sq m
- Large-scale 9,291 sq m plus.

As shown in Table 4.9 the first of these categories accounts for nearly one in 10 of the units taken up in the last five years, but only 20% of the floorspace taken up in that period. The five-year average for smaller units is around 10,000 sq m.

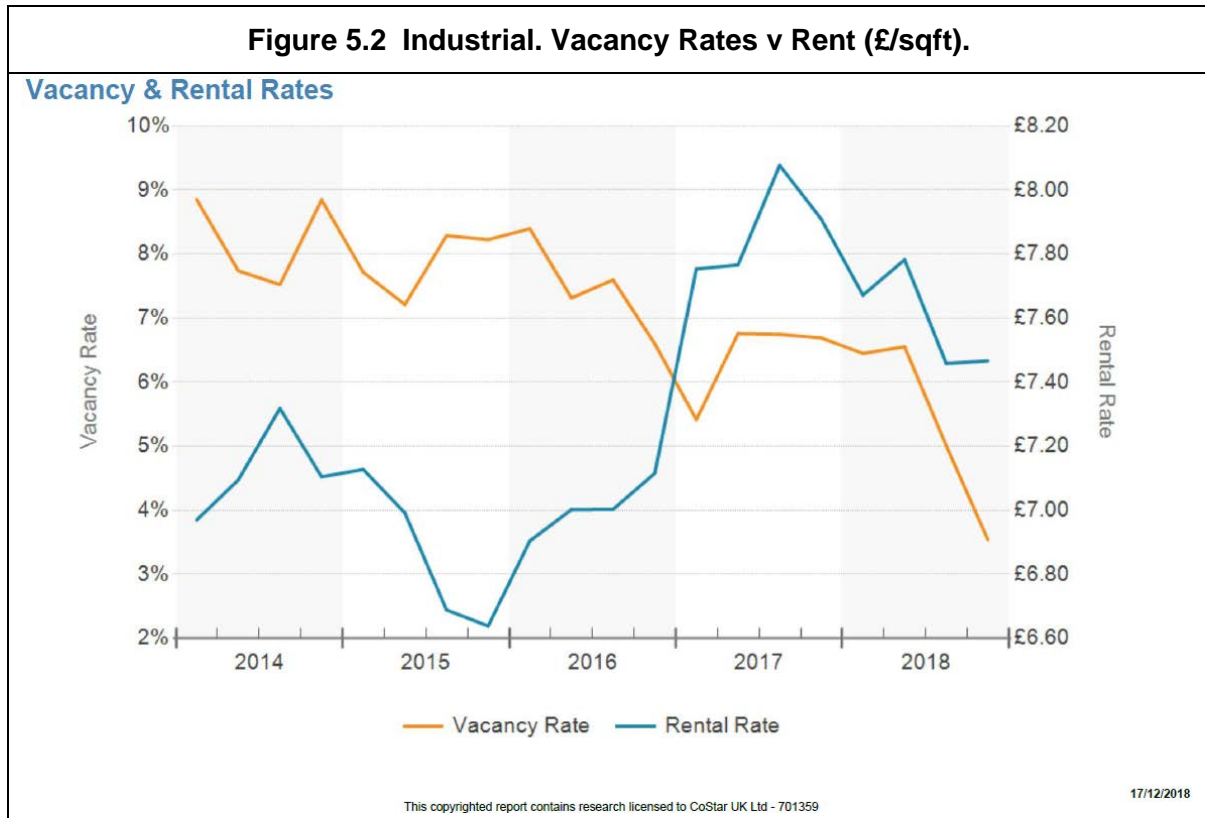
Table 4.9 Industrial take-up 2011-2015, by size range

Size range	No. of transactions	% of transactions	Floorspace transacted	% of floorspace transacted
Total 2011-15				
up to 1,858 sq m	126	88%	50,777	20%
1,859-9,290 sq m	9	6%	35,229	14%
9,291 sq m plus	8	6%	167,697	66%
Five-year average per annum				
up to 1,858 sq m	25	88%	10,155	23%
1,859-9,290 sq m	2	6%	7,046	16%
9,291 sq m plus	2	5%	27,229	61%

Source: EGi, AVL

Our analysis of the Dacorum market has focused on the main industrial area of Maylands along with Apsley, Kings Langley (mainly within Three Rivers District) and Breakspear Park. Industrial properties are also dotted around the borough on smaller estates which are well occupied by SMEs.

5.17 CoStar data also shows a decline in vacancy rates and an increase in rents over the last five years in the industrial sector:



Source: CoStar (December 2018)

- 5.18 There is a relatively limited amount of industrial space in the Borough and much of this is very different to the type that is likely to come forward in the future. Of the new space, the highest sales values are around £2,475/m² (£230/sqft), although good quality new industrial units would generally be in the region of £1,560/m² (£145/sqft).
- 5.19 CoStar reports Net Effective Rents of around £95/m²/year (£8.78/sqft/year). On average yields are around 7%, but for newer better property a figure of 5% is more representative (the lowest is 4.3%).
- 5.20 Bearing in mind the nature of the new development that this study is concerned with, industrial development is assumed to have a value of £1,450/m² (£135/sqft).

6. Land Prices

- 6.1 Chapters 2 and 3 set out the methodology used in this study to assess viability. An important element of the assessment is the value of the land. Under the method recommended in the Harman Guidance, the worth of the land before consideration of any increase in value, from a use that may be permitted through a planning consent, is the Existing Use Value (EUV). This is used as the starting point for the assessment.
- 6.2 In this chapter, the values of different types of land are considered. The value of land relates closely to the use to which it can be put and will range considerably from site to site. As this is a high-level study, the three main uses, being agricultural, residential and industrial have been researched. The amount of uplift that may be required to ensure that land will come forward and be released for development has then been considered.
- 6.3 In this context it important to note that the PPG says (at PPG 10-014) that the *Benchmark Land Value* should ‘*be based upon existing use value, allow for a premium to landowners ... be informed by market evidence including current uses, costs and values wherever possible....*’. It is therefore necessary to consider the Existing Use Value (EUV).
- 6.4 In the *SHLAA Viability Study* (HDH January 2016) the following approach was taken.

In this study we have specifically considered the landowner’s competitive return. As a starting point we have taken the view that a 20% uplift over and above the Existing Use Value would be sufficient. This is supported by work we have done elsewhere and by appeal decisions. Based on our knowledge of rural development and from working with farmers, landowners and their agents we have made a further adjustment for those sites coming forward on greenfield sites. We have added a further £600,000/ha to reflect this premium on greenfield sites. We have added this amount to sites that were modelled on sites that were previously paddocks as well – the result being that owners of greenfield land would receive an uplift of over 20 times through developing land for both residential and non-residential uses. In this report this ‘EUV plus’ is termed the Viability Threshold.

- 6.5 This approach is in line with the new PPG, although full regard to the values of policy compliant land was not made.

Existing (and Alternative) Use Values

- 6.6 EUV refers to the value of the land in its current use before planning consent is granted, for example, as agricultural land. AUV refers to any other potential use for the site, for example, a brownfield site may have an alternative use as industrial land.
- 6.7 The updated PPG includes a definition of land value as follows:

How should land value be defined for the purpose of viability assessment?

To define land value for any viability assessment, a benchmark land value should be established on the basis of the existing use value (EUV) of the land, plus a premium for the landowner. The premium for the landowner should reflect the minimum return at which it is considered a reasonable landowner would be willing to sell their land. The premium should provide a reasonable incentive, in comparison with other options available, for the landowner

to sell land for development while allowing a sufficient contribution to comply with policy requirements. This approach is often called 'existing use value plus' (EUV+).

In order to establish benchmark land value, plan makers, landowners, developers, infrastructure and affordable housing providers should engage and provide evidence to inform this iterative and collaborative process.

PPG: 10-013-20190509

What is meant by existing use value in viability assessment?

Existing use value (EUV) is the first component of calculating benchmark land value. EUV is the value of the land in its existing use. Existing use value is not the price paid and should disregard hope value. Existing use values will vary depending on the type of site and development types. EUV can be established in collaboration between plan makers, developers and landowners by assessing the value of the specific site or type of site using published sources of information such as agricultural or industrial land values, or if appropriate capitalised rental levels at an appropriate yield (excluding any hope value for development).

Sources of data can include (but are not limited to): land registry records of transactions; real estate licensed software packages; real estate market reports; real estate research; estate agent websites; property auction results; valuation office agency data; public sector estate/property teams' locally held evidence.

PPG: 10-015-20190509

- 6.8 It is important to fully appreciate that land value should reflect emerging policy requirements and planning obligations. When considering comparable sites, the value will need to be adjusted to reflect this requirement.
- 6.9 The value of the land for a particular scheme needs to be compared with the EUV, to determine if there is another use which would derive more revenue for the landowner. If the Residual Value does not exceed the EUV, then the development is not viable; if there is a surplus (i.e. profit) over and above the 'normal' developer's profit having paid for the land, then there is scope to make developer contributions.
- 6.10 For the purpose of the present study, it is necessary to take a comparatively simplistic approach to determining the EUV. In practice, a wide range of considerations could influence the precise value that should apply in each case, and at the end of extensive analysis the outcome might still be contentious.
- 6.11 The 'model' approach is outlined below:
- a. For sites previously in agricultural use, then agricultural land represents the EUV. We have assumed that the sites of 0.5ha or more fall into this category.
 - b. For paddock and garden land on the edge of or in a smaller settlement we have adopted a 'paddock' value. We have assumed that the sites of less than 0.5ha fall into this category.
 - c. Where the development is on brownfield land we have assumed an industrial value.

Residential Land

- 6.12 In May 2018, DCLG published *Land value estimates for policy appraisal*. This sets out land values as at May 2017 and was prepared by the Valuation Office Agency (VOA). The

Dacorum figure is £6,205,000/ha. It is important to note this figure assumes nil affordable housing. As stressed in the paper this is a hypothetical situation and *'the figures on this basis, therefore, may be significantly higher than could be reasonably obtained in the actual market'*²⁷.

- 6.13 The VOA assumed that each site is 1ha in area, of regular shape, with services provided up to the boundary, without contamination or abnormal development costs, not in an underground mining area, with road frontage, without risk of flooding, with planning permission granted and that no grant funding is available; the site will have a net developable area equal to 80% of the gross area. For those local authorities outside London, the hypothetical scheme is for a development of 35 two storeys, 2/3/4 bed dwellings with a total floor area of 3,150 square metres.
- 6.14 Recent transactions based on planning consents over the last few years and price paid information from the Land Registry have been researched and are set out in **Appendix 6** and summarised in the following table.

²⁷ Point 2, Page 15, Land value estimates for policy appraisal. DCLG, December 2015

Table 6.1 Recent Sales of Development Land						
PP Ref	Site	Units		Size	Price Paid	
		All	Aff	ha	Site	£/ha
4/00434/14/MFA	FORMER EGG PACKING FACILITY, LUKES LANE, GUBBLECOTE, TRING, HP23 4FA	21	7	1.30	£4,756,982	£3,659,217
4/00545/17/MFA	GARAGE COURT ADJ 83, TURNERS HILL, HEMEL HEMPSTEAD	14	0	0.11	£620,000	£5,511,111
4/00644/17/MFA	BRYANSTON COURT, SELDEN HILL, HEMEL HEMPSTEAD, HP2 4TN	109	6	0.34	£5,750,000	£16,911,765
4/01173/11/MFA	LAND AT HICKS ROAD, MARKYATE, AL3 8LH	75	19	1.90	£5,742,000	£3,022,105
4/01198/18/MFA	LAND AT APSLEY MILLS, ADJ. THE COTTAGE, LONDON ROAD, APSLEY	29	29	0.33	£1,100,000	£3,333,333
4/01519/17/MFA	WESTWICK FARM, WESTWICK ROW, LEVERSTOCK GREEN, HP2 4UD	25	9	1.02	£4,100,000	£4,019,608
4/01630/17/MFA	MARTINDALE JMI SCHOOL, BOXTED ROAD, HEMEL HEMPSTEAD, HP1 2QS	65	32	1.43	£4,090,000	£2,860,140
4/01655/17/MFA	188-190 MARLOWES, HEMEL HEMPSTEAD, HP1 1BH	10	0	0.04	£960,000	£22,222,222
4/02672/14/MFA	1st floor, 162 MARLOWES, HEMEL HEMPSTEAD, HP1 1BA	10	0	0.06	£620,000	£10,333,333
4/02062/17/MFA	NEW GROUND FARM, NEW GROUND ROAD, ALDBURY, TRING,, HP23 5RD	10	0	0.30	£1,800,000	£6,000,000
4/02269/17/MFA	LAND NORTH EAST OF 25, GOLDCROFT,, HEMEL HEMPSTEAD, HP3 8ET	11	11	0.12	£850,000	£6,995,885
4/02351/13/RES	LAND AT NE HEMEL HEMPSTEAD, (ADJ. NICKEY LINE), THREE CHERRY TREES LANE, HEMEL HEMPSTEAD	357	142		Incomplete	
4/02419/04/FUL	LAND ADJ. THE MANOR ESTATE, APSLEY, HEMEL HEMPSTEAD	325	115	48.24	£30,250,000	£627,073
4/02607/17/ROC	LIDL - LAND FORMERLY ROY CHAPMAN LTD AND DAVIS AND SAMSON, GOSSOMS END, BERKHAMSTED, HP4 3LP	32	11		£4,125,000	
4/02647/17/FUL	GARAGES, ADJ STORNOWAY, NORTHEND, HEMEL HEMPSTEAD	6	6	0.08	No PPD	
4/02649/17/FUL	GARAGE SITE ON CORNER OF, TEESDALE AND, WESTERDALE, HEMEL HEMPSTEAD	6	6	0.08	No PPD	
4/02772/15/MFA	VIKING HOUSE,, SWALLOWDALE LANE, HEMEL HEMPSTEAD, HP2 7EA	87	87	0.81	£2,280,000	£2,814,815
4/03167/17/MFA	CONVENT OF ST FRANCIS DE SALES PREPARATORY SCHOOL, AYLESBURY ROAD, TRING, HP23 4DL	31	10	1.34	£5,800,000	£4,328,358
4/03241/14/MFA	LAND AT JUNCTION OF, DURRANTS LANE &, SHOOTERSWAY, BERKHAMSTED	92	24	11.14	Incomplete	
4/03252/15/MFA	WOOD HOUSE, MAYLANDS AVENUE, HEMEL HEMPSTEAD, HP2 7DE	79	79	0.49	£1,550,000	£3,163,265

Source: Land Registry and DBC (December 2018)

6.15 These values are on a whole site (gross area) basis and range considerably.

Table 6.2 Recent Sales of Development Land - All		
	£/ha	£/unit
Minimum	£627,073	£19,620
Average	£6,386,815	£95,947
Median	£4,019,608	£76,916
Maximum	£22,222,222	£226,523

Source: Land Registry and DBC (December 2018)

6.16 It is important to note that several of the above parcels of land did not achieve the policy compliant levels of affordable housing (or were for 100% affordable housing). Those should be given limited weight.

Table 6.3 Recent Sales of Development Land – Policy Compliant		
	£/ha	£/unit
Minimum	£627,073	£62,923
Average	£3,098,879	£143,754
Median	£3,659,217	£146,453
Maximum	£4,328,358	£226,523

Source: Land Registry and DBC (December 2018)

6.17 In this regard, we have a caveat and that is in relation to very large sites. Large sites have their own characteristics and are often subject to very significant infrastructure costs and amounts of open space which result in lower values. It is notable that the only transaction for a site of over 200 units that was policy compliant was sold for about £630,000/ha.

6.18 In the case of non-residential uses we have taken a similar approach to that taken with residential land except in cases where there is no change of use. Where industrial land is being developed for industrial purposes we have assumed a Benchmark Land Value of the value of industrial land.

6.19 It is necessary to make an assumption about the value of residential land. A value of £3,000,000/ha is taken as an average value for small sites of residential land, and a value of £630,000/ha is taken as an average value for large sites of residential land.

Industrial Land

6.20 *Land value estimates for policy appraisal* provides a value figure for industrial land in the Hemel Hempstead of £1,800,000/ha. We have sought further evidence as to industrial values in the Council area and there is very little available.

6.21 In this study, a value of £1,800,000/ha is assumed. This somewhat more than that used in the *SHLAA Viability Study* (HDH January 2016).

Agricultural and Paddocks

6.22 *Land value estimates for policy appraisal* provides a value figure for agricultural land in the Hertfordshire of £23,500/ha. The *RICS/RAU Rural Land Market Survey* reports agricultural land values on a regular basis. The most recent report²⁸ suggests England and Wales values of £20,837/ha (£8,433/acre) for arable land and £15,903/ha (£6,436/acre) for pasture. South East values are a little less than these.

6.23 Initially, for agricultural land, a benchmark of £25,000/ha is assumed to apply here.

6.24 Sites on the edge of a town or village may be used for an agricultural or grazing use but have a value over and above that of agricultural land due to their amenity use. They are attractive to neighbouring households for pony paddocks or simply to own to provide some protection and privacy. Initially a higher value of £50,000/ha for village and town edge paddocks was assumed, although following comments that this may be rather low, this was revised to £75,000/ha.

Existing Use Values

6.25 In this assessment the following Existing Use Value (EUV) assumptions are used.

Table 6.4 EUV Assumptions £/ha	
September 2018	
Residential Large Sites	£650,000
Industrial	£1,800,000
Agricultural	£25,000
Paddock	£75,000

Source: HDH 2018

Benchmark Land Values

6.26 The Updated PPG makes reference to Benchmark Land Values (BLV). It is therefore necessary to specifically address this. In the *SHLAA Viability Study* (HDH January 2016) it

²⁸ <https://www.rics.org/Global/RICS%20RAU%20Rural%20Land%20Market%20Survey%20H2%202017%20-%20FULL.pdf>



was assumed that a 20% uplift over and above the Existing Use Value would be sufficient. An uplift of £600,000/ha is added to reflect this premium on greenfield sites.

- 6.27 As set out at the start of this report ‘*Benchmark land value should, be based upon existing use value, allow for a premium to landowners reflect the implications of abnormal costs; site-specific infrastructure costs; and professional site fees and be informed by market evidence*’. The PPG says that ‘*where recent market evidence is used to inform assessment of benchmark land value this evidence should be based on developments which are compliant with policies, including for affordable housing*’. The local evidence is limited but is set out above. The updated PPG says ‘*where this evidence is not available plan makers and applicants should identify and evidence any adjustments to reflect the cost of policy compliance. This is so that historic benchmark land values of non-policy compliant developments are not used to inflate values over time*’.
- 6.28 The updated PPG then sets out how the premium to the landowner be arrived at ‘*... The premium should provide a reasonable incentive for a land owner to bring forward land for development while allowing a sufficient contribution to comply with policy requirements*’.
- 6.29 A process is then laid out ‘*Plan makers should establish a reasonable premium to the landowner for the purpose of assessing the viability of their plan. This will be an iterative process informed by professional judgement and must be based upon the best available evidence informed by cross sector collaboration. For any viability assessment data sources to inform the establishment the landowner premium should include market evidence and can include benchmark land values from other viability assessments. Any data used should reasonably identify any adjustments necessary to reflect the cost of policy compliance (including for affordable housing), or differences in the quality of land, site scale, market performance of different building use types and reasonable expectations of local landowners*’.
- 6.30 It is clear that this is an iterative process. Initially Benchmark Land Values are taken to be the EUV plus 20%, with an uplift of £600,000/ha on greenfield sites (being those in agricultural and paddock uses).
- 6.31 We have considered how these amounts relate to prices for land in the market (see above), with a view to providing competitive returns to the landowner. Whilst there are certainly land transactions at higher values than these, we believe that these are appropriate for a study of this type.
- 6.32 Having considered the EUV, the Land Registry’s Price Paid Data and what may or may not be a landowner’s premium, the following approach to setting Benchmark Land Values has been adopted:
- a. Based on EUV + where the EUV is:
 - i. Industrial £1,800,000/ha
 - ii. Agricultural £25,000/ha
 - iii. Paddock £75,000/ha

- b. On brownfield sites an uplift of 20% is used to give a Benchmark Land Value close to the median price paid for recently consented, policy compliant land – most of which is brownfield land.
- c. On greenfield sites an uplift of £600,000 is used to give a Benchmark Land Value that is a little less than £650,000/ha.

6.33 Through the February 2019 consultation it was suggested that a BLV of 20 or so times agricultural values would be appropriate, thus confirming the above approach.

7. Appraisal Assumptions – Development Costs

- 7.1 This chapter considers the costs and other assumptions required to produce financial appraisals in this study.

Development Costs

Construction costs: baseline costs

- 7.2 We have based the cost assumptions on the Building Cost Information Service (BCIS) data. The costs are specific to different built forms (flats, houses, offices, etc.) re-based for Hertfordshire (1st September 2018). At this time the costs for 'estate housing – Generally is £1,323/m².
- 7.3 Initially it was proposed that median BCIS costs were used on sites of less than 100 units and lower quartile costs were used on the larger sites. Through the February 2019 consultation, the use of lower quartile costs on larger sites was questioned, with a number of points being cited as to why such an approach was not appropriate. There was a broad consensus that median costs should be used. In this iteration of the study median costs are used²⁹.
- 7.4 In August 2015, a report was published that considered the construction costs on smaller sites. *Housing development: the economics of small sites – the effect of project size on the cost of housing construction* (August 2015) was carried out by BCIS, having been commissioned by the Federation of Small Businesses. This study concluded that the construction price for schemes of 1 to 5 units was about 13% higher than the for schemes of over 10 units and that the construction price for schemes of 1 to 10 units was about 6% higher than the for schemes of over 10 units. These adjustments have been made to the smallest schemes modelled in this report.
- 7.5 The base assumption in this report is that homes are built to the basic Building Regulation Part L 2010 Standards but not to higher environmental standards. This is in line with the Government announcement, made at the time of the Summer 2015 Budget in the *Fixing the foundations productivity report*³⁰, of its intention not to proceed with the zero carbon buildings policy.

²⁹ In response to a consultee's comments, this opportunity is taken to confirm that the different build costs are applied to different build types (detached, semi-detached, flats etc) rather than simply using the Estate Housing – Generally cost.

³⁰ <https://www.gov.uk/government/publications/fixing-the-foundations-creating-a-more-prosperous-nation>

- 7.6 As a result, there was no uplift to Part L of the Building Regulations during 2016, and both the 2016 zero carbon homes target and the 2019 target for non-domestic zero carbon buildings will be dropped, including the Allowable Solutions programme.
- 7.7 The Department for Communities and Local Government (DCLG) used to publish occasional reviews of the costs of building to the Code for Sustainable Homes (CfSH). Whilst the CfSH is not being pursued, these provide useful guidance as to the costs of the implementation of the various environmental standards. Bearing in mind the move towards higher standards with the amendments to Building Regulations, we have referred to *Cost of building to the Code for Sustainable Homes, Updated cost review. (DCLG, Aug 2011)*. Whilst the national policies in relation to climate change and overall national minimum building standards have been clarified and not all the requirements of CfSH Level 4 will become mandatory (and are not a requirement of the emerging Local Plan), environmental standards are increasing.
- 7.8 In 2014 DCLG published *Housing Standards Review – Cost Impacts (EC Harris, September 2014)* that considered the more recent changes in building regulations and the optional additional standards. Based on the best currently available information, the costs of building to the now clarified, enhanced building standards is in line with the BCIS costs. In this viability assessment, the median BCIS costs are used on all sites.
- 7.9 It is assumed that all new non-residential development is built to the BREEAM Very Good standard. The additional cost of this is negligible as outlined in research³¹ by BRE. It is notable that the costs of delivering BREEAM Excellent are not substantially greater. The costs vary in the range of about 1% to about 5% depending on the shape and use of the building.

Construction costs: affordable dwellings

- 7.10 The procurement route for affordable housing is assumed to be through construction by the developer and then disposal to a housing association on completion. In the past, when considering the build cost of affordable housing provided through this route, we took the view that it should be possible to make a small saving on the market housing cost figure, on the basis that one might expect the affordable housing to be built to a slightly different specification than market housing. However, the pressures of increasingly demanding standards for housing association properties have meant that for conventional schemes of houses at least, it is no longer appropriate to use a reduced build cost; the assumption is of parity.
- 7.11 Through the February 2019 consultation, a housing association challenged this, suggesting that affordable housing is sometimes to a lesser specification than market housing. Whilst this is accepted, no change is made in this regard.

³¹ Delivering sustainable buildings: Savings and payback. Yetunde Abdul, BRE and Richard Quartermaine, Sweett Group. Published by IHS BRE Press, 7 August 2014

Other normal development costs

- 7.12 In addition to the BCIS £/m² build cost figures described above, allowance needs to be made for a range of site costs (roads, drainage and services within the site, parking, footpaths, landscaping and other external costs). Many of these items will depend on individual site circumstances and can only properly be estimated following a detailed assessment of each site. This is not practical within this broad-brush study and the approach taken is in line with the PPG and the Harman Guidance.
- 7.13 Nevertheless, it is possible to generalise. Drawing on experience and the comments of stakeholders it is possible to determine an allowance related to total build costs. This is normally lower for higher density than for lower density schemes since there is a smaller area of external works, and services can be used more efficiently. Large greenfield sites would also be more likely to require substantial expenditure on bringing mains services to the site.
- 7.14 A scale of allowances has been developed for the residential sites, ranging from 10% of build costs for the smaller sites, to 20% for the larger greenfield multi-outlet / multi-phase schemes. A range of inconsistent comments were received in relation to this assumption, but it is important to note that this assumption is separate to the assumptions for s106 costs and the assumptions for abnormal costs that are treated separately.
- 7.15 This opportunity is taken (following a comment through the February 2019 consultation) to note that this allowance is separate to an allowance for strategic infrastructure and mitigation. This is considered below.

Abnormal development costs

- 7.16 With regard to abnormal costs, paragraph 10-012-20180724 of the PPG says:

abnormal costs, including those associated with treatment for contaminated sites or listed buildings, or costs associated with brownfield, phased or complex sites. These costs should be taken into account when defining benchmark land value

- 7.17 This needs to be read with paragraph 10-014-20180724 of the PPG that says that:

Benchmark land value should: ... reflect the implications of abnormal costs; site-specific infrastructure costs; and professional site fees and ...

- 7.18 The consequence of this, when considering viability in the planning system, is that abnormal costs should be added to the cost side of the viability assessment, but also reflected in (i.e. deducted from) the BLV. This has the result of balancing the abnormal costs on both elements of the appraisal.

- 7.19 This approach is consistent with the treatment of abnormals that was considered at Gedling Council’s Examination in Public. There is an argument, as set out in Gedling³², that it may not be appropriate for abnormals to be built into appraisals in a high-level study of this type. Councils should not plan for the worst-case option – rather for the norm. For example, if two similar sites were offered to the market and one was previously in industrial use with significant contamination, and one was ‘clean’ then the landowner of the contaminated site would have to take a lower land receipt for the same form of development due to the condition of the land. The Inspector said:

... demolition, abnormal costs and off site works are excluded from the VA, as the threshold land values assume sites are ready to develop, with no significant off site secondary infrastructure required. While there may be some sites where there are significant abnormal construction costs, these are unlikely to be typical and this would, in any case, be reflected in a lower threshold land value for a specific site. In addition such costs could, at least to some degree, be covered by the sum allowed for contingencies.

- 7.20 In some cases, where the site involves redevelopment of land which was previously developed, there is the potential for abnormal costs to be incurred. Abnormal development costs might include demolition of substantial existing structures; flood prevention measures at waterside locations; remediation of any land contamination; remodelling of land levels; and so on. An additional allowance is made for abnormal costs associated with brownfield sites of 5% of the BCIS costs.
- 7.21 Through the February 2019 consultation the issue of constraints was raised, particularly in the context of ground conditions, pollution and the like (although this study is mainly looking at greenfield sites so these are unlikely to be a major issue). These are of course important matters, but in this high-level study these have not been included in the appraisals. Whilst there may be a costs, that cost would be offset by an equal reduction in the BLV.
- 7.22 In summary, abnormal costs will be reflected in land value. Those sites that are less expensive to develop will command a premium price over and above those that have exceptional or abnormal costs. It is not the purpose of a study of this type to standardise land prices across an area.

Fees

- 7.23 Professional fees are assumed to amount to 8% of build costs. Additional allowance is made for the planning application fee, acquisition costs, sales (disposal) fees and fees in relation to finance.
- 7.24 Through the February 2019 consultation it was suggested that this assumption was as the bottom of the range recommended in the Harman Guidance. It is important to note that the

³² REPORT TO GEDLING BOROUGH COUNCIL, THE PLANNING INSPECTORATE REF PINS/N3020/429/4, MAY 2015

Harman Guidance is about 7 years old and since then there has been substantial inflation of construction costs. Professional fees have not increased at the same rate and our experience suggests that fees are normally in the range of 6% to 8%.

Contingencies

7.25 For previously undeveloped and otherwise straightforward sites we have allowed a contingency of 2.5% with a higher figure of 5% on more risky types of development, previously developed land and on central locations. This is applied to the construction costs.

CIL and S106 Contributions

7.26 The adopted rates of CIL are incorporated into the appraisals.

Table 7.1 Adopted Rates of CIL				
Development Type	CIL rate (per square metre)			
	Zone 1: Berkhamsted and surrounding area	Zone 2: Elsewhere	Zone 3: Hemel Hempstead and Markyate	Zone 4: Identified Sites
Residential	£250	£150	£100	£0
Retirement Housing	£125	£0		
Convenience based supermarkets and superstores and retail warehousing (net retailing space of over 280 square metres)	£150			
Other	£0			
Retirement housing is housing which is purpose built or converted for sale to elderly people with a package of estate management services and which consists of grouped, self-contained accommodation with communal facilities amounting to less than 10% of the gross floor area. These premises often have emergency alarm systems and/or wardens. These properties would not however be subject to significant levels of residential care (C2) as would be expected in care homes or extra-care premises.				

Source: DBC CIL Charging Schedule

7.27 Through the February 2019 consultation the promoter of one of the potential strategic sites suggested CIL should not be applied to the site as it is a strategic site. The site is currently within the 'Elsewhere - £150' zone so CIL at this rate this is assumed to apply. It is however accepted that should the Council formally review CIL they could introduce a site specific rate (possibly £0/m²).

7.28 These costs apply to the full gross internal area, rather than just the saleable floor area (this is particularly important to note in the case of flatted development).

7.29 An important element of this study is to consider sites' ability to bear infrastructure costs as this is key to their delivery. The base appraisals include an assumption that development will be subject to a s106 contribution of £1,500 per residential unit over and above CIL. The larger



sites may well have very significant strategic infrastructure and mitigation costs over and above these. A range of requirements (up to £40,000/unit) have been tested.

Financial and Other Appraisal Assumptions

VAT

- 7.30 It has been assumed throughout, that either VAT does not arise, or that it can be recovered in full³³.
- 7.31 Through the consultation it was noted that VAT on the SDLT element of land purchases is not recoverable. This is the case where VAT is charged, however (based on information from the Land Registry) VAT only related to a minority of the sales set out in **Appendix 6** of this document. No change has been made in this regard.

Interest rate

- 7.32 The appraisals assume 6% pa for debit balances. This may seem high given the very low base rate figure (MLR 0.75% December 2018) but reflects banks' view of risk for housing developers in the present situation. In the residential appraisals we have prepared a simple cashflow to calculate interest.
- 7.33 For the non-residential appraisals, and in line with the 'high level' nature of this study, we have used the developer's rule of thumb to calculate the interest – being the amount due over one year on half the total cost. We accept that is a simplification however, due to the high level and broad-brush nature of this analysis, we believe that it is appropriate.
- 7.34 Through the February 2019 consultation range of comments were made. Some consultees agreed with the approach taken, but a housing association suggested that this assumption was at the top end of the expected range. To some extent this is accepted, however it is necessary to take a cautious assumption across economic cycles.

Developers' return

- 7.35 An allowance needs to be made for developers' profit / return and to reflect the risk of development. Neither the NPPF, nor the CIL Regulations, nor the CIL Guidance provide useful guidance in this regard so, in reaching this decision, the RICS's *'Financial Viability in Planning'* (August 2012), the Harman Guidance *Viability Testing Local Plans, Advice for planning practitioners* (June 2012), and the HCA's Economic Appraisal Tool have been

³³ VAT is a complex area. Sales of new residential buildings are usually zero-rated supplies for VAT purposes (subject to various conditions). VAT incurred as part of the development can normally be recovered. Where an appropriate 'election' is made, VAT can also be recovered in relation to commercial development – although VAT must then be charged on the income from the development.

referred to. None of these documents are prescriptive, but they do set out some different approaches.

7.36 Paragraph 10-018-20180724 of the updated PPG says:

How should a return to developers be defined for the purpose of viability assessment?

Potential risk is accounted for in the assumed return for developers at the plan making stage. It is the role of developers, not plan makers or decision makers, to mitigate these risks. The cost of complying with policy requirements should be accounted for in benchmark land value. Under no circumstances will the price paid for land be relevant justification for failing to accord with relevant policies in the plan.

For the purpose of plan making an assumption of 15-20% of gross development value (GDV) may be considered a suitable return to developers in order to establish the viability of plan policies. Plan makers may choose to apply alternative figures where there is evidence to support this according to the type, scale and risk profile of planned development. A lower figure may be more appropriate in consideration of delivery of affordable housing in circumstances where this guarantees an end sale at a known value and reduces risk. Alternative figures may also be appropriate for different development types.

7.37 It is clear that the purpose of including a developers' profit figure is not to mirror a particular business model, but to reflect the risk a developer is taking in buying a piece of land, and then expending the costs of construction before selling the property. The use of developers' profit in the context of area wide viability testing of the type required by the NPPF and CIL Regulation 14, is to reflect that level of risk.

7.38 Broadly there are four different approaches that could be taken:

- a. To set a different rate of return on each site to reflect the risk associated with the development of that site. This would result in a lower rate on the smaller and simpler sites – such as the greenfield sites, and a higher rate on the brownfield sites.
- b. To set a rate for the different types of unit produced – say 20% for market housing and 6% for affordable housing, as suggested by the HCA.
- c. To set the rate relative to costs – and thus reflect the risks of development.
- d. To set the rate relative to the gross development value.

7.39 In deciding which option to adopt, it is important to note that the intention is not to re-create any particular developer's business model. Different developers will always adopt different models and have different approaches to risk.

7.40 The argument is sometimes made that financial institutions require a 20% return on development value and if that is not shown they will not provide development funding. In the pre-Credit Crunch era there were some lenders who did take a relatively simplistic view to risk analysis but that is no longer the case. Most financial institutions now base their decisions behind providing development finance on sophisticated financial modelling that it is not possible to replicate in a study of this type. They require the developer to demonstrate a sufficient margin, to protect them in the case of changes in prices or development costs, but they will also consider a wide range of other factors, including the amount of equity the developer is contributing – both on a loan to value and loan to cost basis, the nature of

development and the development risks that may arise due to demolition works or similar, the warranties offered by the professional team, whether or not the directors will provide personal guarantees, and the number of pre-sold units.

- 7.41 This is a high-level study where it is necessary and proportionate to take a relatively simplistic approach, so, rather than apply a differential return (either site by site or split between market and affordable housing), it is appropriate to make some broad assumptions.
- 7.42 To be fully in line with the updated PPG, the developers' return is assessed as 17.5% of GDV being in the middle of the suggested range. In a stronger market a lower percentage may be appropriate, and in a weaker market a higher assumption may be appropriate so as to reflect the relative levels of risk.
- 7.43 Through the February 2019 consultation a range of comments were made, including that a 20% / 6%, market housing / affordable housing be used. This would be broadly equivalent to the 17.5% used. Several Local Plan hearing decisions were cited to support this, although it is important to note that all of these pre-date the updated (July 2018) PPG.
- 7.44 Counter to this it was suggested that as Dacorum is a strong development market (one of the strongest in England) that an assumption at the bottom of the range suggested in the PPG would be more appropriate. Whilst we largely agree with this, this does not fit with the wider consensus.
- 7.45 Alternatively, it was also suggested that a Return on Capital Employed (ROCE) approach should be used. It is accepted that this measure is often used by developers and investors when assessing sites. Having said this, the PPG clearly sets out an approach based on the value of a scheme. As set out in Chapter 3 above, this study is not trying to mirror any particular developer's business model – rather it is making a broad assessment of viability in the context of plan-making and the requirements of the 2019 NPPF (and updated PPG) and CIL Regulations. No change is made in this regard.

Voids

- 7.46 On a scheme comprising mainly of individual houses, one would normally assume only a nominal void period as the housing would not be progressed if there was no demand. In the case of apartments in blocks, this flexibility is reduced. Whilst these may provide scope for early marketing, the ability to tailor construction pace to market demand is more limited.
- 7.47 For the purpose of the present study a three-month void period is assumed for all residential developments. There is very little speculative commercial development taking place, so we believe that this is the appropriate assumption to make. This was challenged as being far too long. It is accepted that this overstates the void period in the current market, it is however necessary to take a cautious approach across the economic cycle.

Phasing and timetable

- 7.48 A pre-construction period of six months is assumed for all of the sites. Each dwelling is assumed to be built over a nine-month period. The phasing programme for an individual site

will reflect market take-up and would, in practice, be carefully estimated taking into account the site characteristics and, in particular, the size and the expected level of market demand. The rate of delivery will be an important factor when the Council is considering the allocation of sites so as to manage the delivery of housing and infrastructure. Two aspects are relevant, firstly the number of outlets that a development site may have, and secondly the number of units that an outlet may deliver.

- 7.49 On the whole, it is assumed a maximum, per outlet, delivery rate of 50 units per year. On a site with 35% affordable housing this equates to about 33 market units per year. On the smaller sites, we have assumed much slower rates to reflect the nature of the developer that is likely to be bringing smaller sites forward. These assumptions are conservative and do, properly, reflect current practice. This is the appropriate assumption to make to be in line with the PPG and Harman Guidance.

Site Acquisition and Disposal Costs

Site holding costs and receipts

- 7.50 Each site is assumed to proceed immediately and so, other than interest on the site cost during construction, there is no allowance for holding costs, or indeed income, arising from ownership of the site.

Acquisition costs

- 7.51 An allowance 1.5% for acquisition agents' and legal fees is made. Stamp duty is calculated at the prevailing rates.

Disposal costs

- 7.52 For the market and the affordable housing, sales and promotion and legal fees are assumed to amount to some 3.5% of receipts. For disposals of affordable housing these figures can be reduced significantly depending on the category so in fact the marketing and disposal of the affordable element is probably less expensive than this.

8. Appraisal Assumptions – Planning Policy Requirements

8.1 It is important that the assessment of viability is made in the context of the Council's planning requirements.

8.2 In this assessment we have applied the policies set out in the **Dacorum Borough Core Strategy 2006-2031** (adopted 25th September 2013) and the various supporting Supplementary Planning Documents. These may well change as the plan-making process continues – in which case it may be necessary to revisit the findings. The main requirements are summarised as follows (only those policies that impact directly on viability are considered):

CS 1: Distribution of Development, CS23: Social Infrastructure, CS35: Infrastructure and Development Contributions

8.3 These are broad policies, however in terms of viability the relevant part relates to the requirement for development to provide its own infrastructure and to support relevant town-wide needs.

8.4 This is reflected in the modelling through a £1,500 per unit s106 cost and CIL at the appropriate rate as set out in the adopted Charging Schedule.

CS 10: Quality of Settlement Design, POLICY CS11: Quality of Neighbourhood Design, POLICY CS12: Quality of Site Design, CS26: Greenspace.

8.5 These policies concern general layout and design. However they do not go beyond normal design requirements.

8.6 The assumptions around densities are set out on Chapter 8 below.

CS18: Mix of Housing, CS19: Affordable Housing

8.7 Policy CS19: Affordable Housing is supplemented by the Council's *Affordable Housing Supplementary Planning Document* (September 2013). This provides further advice as to the implementation and interpretation of the Affordable Housing policy. In this study it has been assumed that affordable housing is provided at 35% on sites of 10 or more units in Hemel Hempstead and 5 or more units in other areas. The affordable housing is provided as 75% Affordable Rented (rather than Social Rented) and 25% intermediate housing.

8.8 The mix of housing is as identified in the 2016 SHMA:

Table 8.1 Mix of Housing				
	1-bed	2-bed	3-bed	4+ bed
Market	5-10%	25-30%	40-45%	20-25%
Affordable	30-35%	30-35%	25-30%	5-10%
All dwellings	15%	30%	40%	15%

Source: Draft SHMA

8.9 In line with the brief, a 40% affordable housing target has also been tested.

CS28: Carbon Emission Reductions, CS29: Sustainable Design and Construction

8.10 This policy does not impose specific requirements on new development – rather seeks to encourage the mitigation of ‘the effects of climate change by encouraging sustainable design and construction and the provision of renewable energy’. This interpretation of this policy was questioned through the February 2019 consultation – the Council have confirmed it to be correct.

8.11 In this context, it is important to note that the impact of such measures does have a positive impact on house prices³⁴. It is difficult to capture the level of such an uplift in a report of this type.

Space Standards

8.12 The Council is not seeking to introduce minimum space standards at the time of this study³⁵ but has asked that the modelling be based on this standard. In March 2015 the Government published *Nationally Described Space Standard – technical requirements*. This says:

This standard deals with internal space within new dwellings and is suitable for application across all tenures. It sets out requirements for the Gross Internal (floor) Area of new dwellings at a defined level of occupancy as well as floor areas and dimensions for key parts of the home, notably bedrooms, storage and floor to ceiling height.

8.13 The following unit sizes are set out³⁶:

³⁴ As reported in *Final Project Report – An Investigation of the effect of EPC ratings on house prices*, Department of Energy & Climate Change (17th June 2013) and *EPCs & Mortgages, Demonstrating the link between fuel affordability and mortgage lending*, by BRE and funded by the Welsh Government.

³⁵ *Housing Supplementary Planning Guidance* (May 2017) does set out some minimum sizes in terms of occupants relative to bedrooms.

³⁶

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/524531/160519_Nationally_Described_Space_Standard____Final_Web_version.pdf

Table 8.2 National Space Standards. Minimum gross internal floor areas and storage (m²)					
number of bedrooms	number of bed spaces	1 storey dwellings	2 storey dwellings	3 storey dwellings	built-in storage
1b	1p	39 (37)*			1
	2p	50	58		1.5
2b	3p	61	70		2
	4p	70	79		
3b	4p	74	84	90	2.5
	5p	86	93	99	
	6p	95	102	108	
4b	5p	90	97	103	3
	6p	99	106	112	
	7p	108	115	121	
	8p	117	124	130	
5b	6p	103	110	116	3.5
	7p	112	119	125	
	8p	121	128	134	
6b	7p	116	123	129	4
	8p	125	132	138	

Source: Table 1, Technical housing standards – nationally described space standard (March 2015)

8.14 In this study the units are assumed to be in excess of these National Space Standards.

Accessible and Adaptable

8.15 At present the Council is not seeking to introduce a policy requiring a proportion of new homes to be built to higher standards (in terms of accessibility).

8.16 The additional costs of the space standards (as set out in the draft Approved Document M amendments included at Appendix B4) are set out in the table below. The key features of the 3 level standard (as summarised in the DCLG publication *Housing Standards Review – Cost Impacts* (EC Harris, September 2014)), reflect accessibility as follows:

- Category 1 – Dwellings which provide reasonable accessibility
- Category 2 – Dwellings which provide enhanced accessibility and adaptability
- Category 3 – Dwellings which are accessible and adaptable for occupants who use a wheelchair.

Table 8.3 Additional Costs of Building to the draft Approved Document M amendments included at Appendix B4.

Table 45 – Access costs summary

	1B Apartment	2B Apartment	2B Terrace	3B Semi-detached	4B Detached
Cost all dwellings (extra over current industry practice)					
Category 1	-	-	-	-	-
Category 2	£940	£907	£523	£521	£520
Category 3 Adaptable	£7,607	£7,891	£9,754	£10,307	£10,568
Category 3 Accessible	£7,764	£8,048	£22,238	£22,791	£23,052

Table 45a – Access related space cost summary

	1B Apartment		2B Apartment		2B Terrace		3B Semi-detached		4B Detached	
Cost increase for additional m2										
Category 2	+ 1 sq.m	£722	+ 1 sq.m	£722	+ 2 sq.m	£1,444	+ 3 sq.m	£2,166	+ 3 sq.m	£2,166
Category 3	+ 8 sq.m	£5,776	+ 14 sq.m	£10,108	+ 21 sq.m	£15,162	+ 24 sq.m	£17,328	+ 24 sq.m	£17,328

Table 45b – Access related space cost after Space cost recovery

	1B Apartment		2B Apartment		2B Terrace		3B Semi-detached		4B Detached	
Category 2	+ 1 sq.m	£289	+ 1 sq.m	£289	+ 2 sq.m	£578	+ 3 sq.m	£866	+ 3 sq.m	£866
Category 3	+ 8 sq.m	£2,310	+ 14 sq.m	£4,043	+ 21 sq.m	£6,065	+ 24 sq.m	£6,931	+ 24 sq.m	£6,931

Source: Page 38, DCLG publication Housing Standards Review – Cost Impacts (EC Harris, September 2014)

- 8.17 The additional costs of building to these higher standards are considered. Having discussed this with the Council, a scenario has been tested where 20% of new housing is to Accessible and Adaptable Category 2 standards, with 5% to Category 3 (wheelchair standards).

Use of water

- 8.18 Sustainable Urban Drainage Systems (SUDS) are often a requirement. SUDS aim to limit the waste of water, reduce water pollution and flood risk relative to conventional drainage systems. In this study, it is anticipated that new major development (10 units or more) will be required to incorporate Sustainable Urban Drainage Schemes (SUDS). SUDS and the like can add to the costs of a scheme – although in larger projects these can be incorporated into public open space. It is assumed that the costs of SUDS are included within the additional costs on brownfield sites, however on the larger greenfield sites, it is assumed that SUDS will be incorporated into the green spaces (subject to local ground conditions), and be delivered through soft landscaping within the wider site costs.

- 8.19 It is assumed that measures to reduce the use of water, in line with the enhanced building regulations, will be introduced. The costs are modest, likely to be less than £100/dwelling³⁷.

³⁷ Table 26 – Water standards costs summary, '*DCLG publication Housing Standards Review – Cost Impacts*' (EC Harris, September 2014).



9. Modelled Sites

- 9.1 In the previous chapters we have set out the general assumptions used in the development appraisals. In this chapter we have set out the modelling. We stress that this is a high level and broad-brush study that is seeking to capture the generality rather than the specific. The purpose is to establish whether the sites identified are viable. It is not the purpose of this study to accurately assess the viability of the development of specific sites.
- 9.2 160 or so potential major sites were ‘sifted’ to assesses their suitability for development. Of the 82 sites that have passed the first rounds of sifting, 46 are being assessed further.

Table 9.1 Sifted Sites		
	Count	Capacity
400+ Units	7	11,149 units
Less than 400 units	39	3,987 units
Employment Sites	6	27,750m ²
Excluded Sites	32	n/a

Source: AECOM

- 9.3 To make an assessment of the deliverability we have modelled a set of sites that are representative of them.
- 9.4 For sites under 600 units, design-led case studies have been used (by AECOM) to generate an appropriate density for a number of site typologies (e.g. small greenfield urban extension, small urban infill etc.) then applied that across all sites of that type. The detail of AECOM work is set out in *Site Assessment Study for Dacorum Borough Council, Volume 2: Draft Final Design Case Studies*, (AECOM, November 2019). For larger sites, 17.5 dwellings/gross ha has been used.

Table 9.2 Case Study Modelling					
Design Case Study	Site settlement	Site size (hectares)	Site capacity (dwellings or sqm employment floorspace)	Site density (dwellings per hectare, gross)³⁸	Site density (dwellings per hectare, net)³⁹
A	Berkhamsted	5.24	100	21	25
B	Bourne End	1.12	6,000 m2	n/a	n/a
C	Bovingdon	3.29	72	22	28
D	H Hempstead	4.75	166	29	40.5
E	Markyate	1.04	16	26	34.5
F	Tring	14.7	363	25	33.5

Source: AECOM

9.5 The sifted sites can be categorised into the case studies as follows:

Table 9.3 Distribution of Case Studies					
Site Type	Count	Capacity (Units)		Area (ha)	
		Total	Average	Total	Average
17.5 dph	9	11,834	1,315	676.24	75.14
A	5	268	54	12.78	2.56
B	1			1.12	1.12
C	12	782	65	35.54	2.96
D	9	458	51	15.79	1.75
E	3	179	60	6.80	2.27
F	7	1,614	231	64.56	9.22
All	46	15,136	336	812.83	17.67

Source: AECOM

2.56 As set out in Chapter 2 above, under the scope of works agreed with the Council, in this study the larger potential sites, over 400 units, are considered individually. In this iteration of the report, two further sites that are over 350 units have also been tested. These sites are modelled based on the site information provided by AECOM.

³⁸ The gross density includes all areas of open space across the site.

³⁹ The net density includes only houses, private gardens and residential streets, and excludes areas of open space.

Table 9.4 Large Sites for Individual Testing					
Site Number	Site Name	Settlement	Area. Gross (ha)	Area. Net (ha)	Capacity
74	North and North-East of Hemel	Hemel Hempstead	291.14	145.57	5,095
124	Land East of Tring	Tring	119.11	59.55	2,084
80	Pouchen End Lane	Hemel Hempstead	70.87	35.44	1,240
17	Land East of Berkhamsted	Berkhamsted	47.10	23.55	824
99	Wayside Farm, Middle Farm and A4251	Kings Langley	39.10	19.55	684
2	South Berkhamsted Urban Extension	Berkhamsted	38.12	19.06	667
122	Dunsley Farm	Tring	70.87	35.44	1,240
82	Shendish Manor and Fairfields	Hemel Hempstead	31.67	15.83	554
18	East of Darrs Lane	Berkhamsted	22.73	11.37	398
132	New Mill	Tring	14.70	7.58	367

Source: AECOM

9.6 To inform the modelling we have considered the geographical distribution of the Case Study sites.

Table 9.5 Geographical Distribution of Case Study Types								
Settlement	Case Study Type							
	17.5 dph	A	B	C	D	E	F	ALL
Berkhamsted	3	4		1	1		1	10
Bourne End			1					1
Bovingdon				5			1	6
Great Gaddesden		1						1
Hemel Hempstead	3				5		3	11
Kings Langley	1			3	1		1	6
Long Marston				1				1
Markyate				1		1		2
Tring	2					2	1	5
Wilstone				1	2			3
Grand Total	9	5	1	12	9	3	7	46

Source: AECOM

Table 9.6 Case Studies by Land Use				
	Brownfield	Greenfield	Mixture	Total
17.5 dph		4	5	9
A	1	3		4
B		1		1
C		10	2	12
D	3	3	3	9
E		3		3
F		5	2	7
Total	4	29	12	45

Source: AECOM

- 9.7 Of the sites, 4 are on brownfield sites, 12 are mixed use and 29 greenfield. Case Studies A and D are modelled as both brownfield and greenfield.
- 9.8 Through the February 2019 consultation, the net /gross area assumptions were questioned. This opportunity is taken to confirm that these are taken from the Council's wider work. Several comments were also made about specific sites. The modelling in this assessment is based on that in the wider Site Assessment. It is likely that this will develop over time and may be somewhat different in the final Plan.
- 9.9 Specifically, we looked at the sites' ability to bear the Council's affordable housing requirements and to contribute towards the costs of infrastructure under the CIL/s106 regime. In this viability element of the Site Assessment Study we have applied the assumptions used by AECOM, in the wider study, to assess each site to inform the modelling.

Modelled Development Sites

- 9.10 The smaller sites have been assessed through modelling typologies. This approach is in line with the Guidance. Six representative sites have been modelled by AECOM to cover the range of potential sites.
- 9.11 We acknowledge that modelling cannot be totally representative, however the aim of this work is to inform the development of policy rather than assess the effects of viability on specific development sites. This will enable the Council to assess the viability of the sites that have passed the initial suitability tests, and thus inform the continued plan-making process.
- 9.12 We have set out the main characteristics of the modelled sites in the table below. The gross and net areas and the site densities are summarised.

Table 9.7 Site Modelling Assumptions

							Area (ha)		Units
							Gross	Net	
Site 1	South Berkhamsted	Berkhamsted	Green				38.12	19.06	667
Site 2	East of Darrs Lane	Berkhamsted	Green				22.73	11.37	398
Site 3	Shendish Manor & Fairfields	H Hempstead	Green				31.67	15.83	554
Site 4	East of Tring	Tring	Green				119.11	59.55	2084
Site 5	New Mill	Tring	Green				14.70	7.35	367
Site 6	East of Berkhamsted	Berkhamsted	Green				70.87	35.44	1240
Site 7	N & NE H Hempstead	H Hempstead	Green				291.14	145.57	5095
Site 8	Polehanger Lane	H Hempstead	Green				47.10	23.55	824
Site 9	Pouchen End Lane	H Hempstead	Green				14.40	7.20	360
Site 10	Wayside Fm, Middle Fm & A4251	Tring	Green				39.10	19.55	684
Site 1	A Berkhamsted	Zone 1	Green				4.76	4.00	100
Site 2	A Berkhamsted	Zone 1	Brown				4.76	4.00	100
Site 3	C Bovingdon	Zone 1	Green				3.27	2.57	72
Site 4	D Hemel Hempstead	Zone 1	Green				5.72	4.10	166
Site 5	D Hemel Hempstead	Zone 1	Brown				5.72	4.10	166
Site 6	E Markyate	Zone 1	Green				0.62	0.46	16
Site 7	F Tring	Zone 1	Green				14.52	10.84	363

Source: HDH 2019

Employment Uses

- 9.13 We have only assessed developments of over 100m². There are other types of development (such as retail development, petrol filling stations and garden centres etc). We have not included these in this high-level study due to the great diversity of project that may arise.
- 9.14 For this study, we have assessed a number of development types. We have based our modelling on the following development types:
- a. **Offices.** These are more than 250m², will be of steel frame construction, be over several floors and will be located on larger business parks. Typical larger units in the DBC area are around 2,000m² – we will use this as the basis of our modelling.

We have made assumptions about the site coverage and density of development on the sites. We have assumed 75% coverage on the office sites in the urban situation and 25% elsewhere. We have assumed two story construction in the business park situation, and four-story construction in the urban situation.
 - b. **Large Industrial.** Modern industrial units of over 4,000m². There is little new space being constructed. This is used as the basis of the modelling. We have assumed 40% coverage which is based on the single storey construction.
 - c. **Small Industrial.** Modern industrial units of 400m². We have assumed 40% coverage which is based on the single storey construction.
- 9.15 We have not looked at the plethora of other types of commercial and employment development beyond office and industrial/storage uses in this study.

10. Residential Appraisal Results

- 10.1 At the start of this chapter it is important to stress that the results of the appraisals do not, in themselves, determine what land the Council may or may not allocate for development. The results of this study are one of a number of factors that the Council will consider, including other available evidence, such as the Council's track record in delivering affordable housing and collecting payments under s106. The purpose of the appraisals is to provide an indication of the viability of different types of site in different areas. In due course, the Council will have to take a view as to whether or not to proceed with the various potential allocations.
- 10.2 The appraisals use the residual valuation approach – they assess the value of a site after taking into account the costs of development, the likely income from sales and/or rents and a developers' return. The Residual Value represents the maximum bid for a site where the payment is made in a single tranche on the acquisition of a site. In order for the proposed development to be viable, it is necessary for this Residual Value to exceed the EUV by a satisfactory margin, being the Benchmark Land Value (BLV).
- 10.3 Several sets of appraisals have been run based on the assumptions provided in the previous chapters of this report, including the affordable housing requirement and developer contributions. Development appraisals are sensitive to changes in price, so appraisals have been run with various changes in the cost of construction and an increase and decrease in prices.
- 10.4 As set out above, for each development type the Residual Value is calculated. The results are set out and presented for each site and per gross hectare to allow comparison between sites. In the tables in this chapter, the results are colour coded using a traffic light system:
- a. **Green Viable** – where the Residual Value per hectare exceeds the BLV per hectare (being the EUV plus the appropriate uplift to provide a landowners' premium).
 - b. **Amber Marginal** – where the Residual Value per hectare exceeds the EUV but not the BLV per hectare. These sites should not be considered as viable when measured against the test set out – however, depending on the nature of the site and the owner, they may come forward.
 - c. **Red Non-viable** – where the Residual Value does not exceed the EUV.
- 10.5 It is important to note that a report of this type applies relatively simple assumptions that are broadly reflective of an area to make an assessment of viability. The fact that a site is shown as viable does not necessarily mean that it will come forward and vice versa. An important part of any final consideration of viability will be relating the results of this study to what is actually happening on the ground in terms of development.

Base Appraisals – full policy requirements

- 10.6 The full base appraisals are set out in **Appendix 7**. Separate appraisals have been run for the specific sites and the case studies (i.e. the typologies). These appraisals are based on the full policy on assumptions. This includes:
- a. Affordable Housing 35% as 75% Affordable rent and 25% Intermediate housing.
 - b. Environmental Standards Enhanced standards as per the emerging policy requirements for NDSS and Part M of Building Regulations.
 - c. CIL and s106 £1,500 per unit (Market and Affordable)
 s106 plus CIL at prevailing rate.

Table 10.1 Residual Values – FULL POLICY REQUIREMENTS

Site	Description	Zone	Colour	Use	Area (ha)		Units	Residual Value (£)		
					Gross	Net		Gross ha	Net ha	Site
Site 1	South Berkhamsted	Berkhamsted	Green	Agricultural	38.12	19.06	667	2,264,175	4,528,350	86,310,360
Site 2	East of Darrs Lane	Berkhamsted	Green	Agricultural	22.73	11.37	398	2,222,927	4,443,899	50,527,129
Site 3	Shendish Manor & Fairfields	H Hempstead	Green	Agricultural	31.67	15.83	554	1,580,346	3,161,689	50,049,544
Site 4	East of Tring	Tring	Green	Agricultural	119.11	59.55	2084	1,190,565	2,381,329	141,808,139
Site 5	New Mill	Tring	Green	Agricultural	14.70	7.35	367	2,002,204	4,004,409	29,432,405
Site 6	East of Berkhamsted	Berkhamsted	Green	Agricultural	70.87	35.44	1240	2,128,634	4,256,668	150,856,316
Site 7	N & NE H Hempstead	H Hempstead	Green	Agricultural	291.14	145.57	5095	1,178,957	2,357,914	343,241,588
Site 8	Polehanger Lane	H Hempstead	Green	Agricultural	47.10	23.55	824	1,487,530	2,975,061	70,062,684
Site 9	Pouchen End Lane	H Hempstead	Green	Agricultural	14.40	7.20	360	2,240,831	4,481,662	32,267,965
Site 10	Wayside Fm, Middle Fm & A4251	Tring	Green	Agricultural	39.10	19.55	684	1,367,796	2,735,592	53,480,819
Site 1	A Berkhamsted	Zone 1	Green	Agricultural	4.76	4.00	100	2,860,060	3,404,834	13,619,335
Site 2	A Berkhamsted	Zone 1	Brown	Industrial	4.76	4.00	100	2,641,714	3,144,898	12,579,593
Site 3	C Bovingdon	Zone 1	Green	Agricultural	3.27	2.57	72	2,996,967	3,814,390	9,808,432
Site 4	D Hemel Hempstead	Zone 1	Green	Agricultural	5.72	4.10	166	3,787,159	5,289,329	21,679,718
Site 5	D Hemel Hempstead	Zone 1	Brown	Industrial	5.72	4.10	166	3,498,406	4,886,042	20,026,739
Site 6	E Markyate	Zone 1	Green	Agricultural	0.62	0.46	16	4,014,917	5,327,650	2,470,794
Site 7	F Tring	Zone 1	Green	Agricultural	14.52	10.84	363	3,403,124	4,559,995	49,411,291
Site 8	A Berkhamsted	Zone 2	Green	Agricultural	4.76	4.00	100	1,775,757	2,113,997	8,455,986
Site 9	A Berkhamsted	Zone 2	Brown	Industrial	4.76	4.00	100	1,508,477	1,795,807	7,183,226
Site 10	C Bovingdon	Zone 2	Green	Agricultural	3.27	2.57	72	1,859,403	2,366,556	6,085,429
Site 11	D Hemel Hempstead	Zone 2	Green	Agricultural	5.72	4.10	166	2,357,994	3,293,288	13,498,414
Site 12	D Hemel Hempstead	Zone 2	Brown	Industrial	5.72	4.10	166	2,004,475	2,799,546	11,474,683
Site 13	E Markyate	Zone 2	Green	Agricultural	0.62	0.46	16	2,559,172	3,395,929	1,574,924
Site 14	F Tring	Zone 2	Green	Agricultural	14.52	10.84	363	2,108,926	2,825,842	30,620,316
Site 15	A Berkhamsted	Zone 3	Green	Agricultural	4.76	4.00	100	1,992,079	2,371,523	9,486,092
Site 16	A Berkhamsted	Zone 3	Brown	Industrial	4.76	4.00	100	1,773,733	2,111,587	8,446,350
Site 17	C Bovingdon	Zone 3	Green	Agricultural	3.27	2.57	72	2,085,640	2,654,500	6,825,856
Site 18	D Hemel Hempstead	Zone 3	Green	Agricultural	5.72	4.10	166	2,647,276	3,697,313	15,154,419
Site 19	D Hemel Hempstead	Zone 3	Brown	Industrial	5.72	4.10	166	2,358,522	3,294,026	13,501,439
Site 20	E Markyate	Zone 3	Green	Agricultural	0.62	0.46	16	2,845,987	3,776,522	1,751,431
Site 21	F Tring	Zone 3	Green	Agricultural	14.52	10.84	363	2,355,143	3,155,759	34,195,241

Source: HDH (November 2019)

- 10.7 The residual values generated by the modelled sites vary across the Dacorum area, as we would expect. In all cases these are very substantial values, ranging from a minimum of £1,150,000/ha.
- 10.8 These results in themselves do not provide a good indication of site viability as they are simply an indication of the amount a developer may pay for the land. To test the viability of these sites, we have compared the residual value with the Viability Thresholds as shown in the following table.

Table 10.2 Residual Values compared to Viability Threshold					
FULL POLICY REQUIREMENTS (£/ha)					
			Alternative Use Value	Viability Threshold	Residual Value
Site 1	South Berkhamsted	Berkhamsted	25,000	625,000	2,264,175
Site 2	East of Darrs Lane	Berkhamsted	25,000	625,000	2,222,927
Site 3	Shendish Manor & Fairfields	H Hempstead	25,000	625,000	1,580,346
Site 4	East of Tring	Tring	25,000	625,000	1,190,565
Site 5	New Mill	Tring	25,000	625,000	2,002,204
Site 6	East of Berkhamsted	Berkhamsted	25,000	625,000	2,128,634
Site 7	N & NE H Hempstead	H Hempstead	25,000	625,000	1,178,957
Site 8	Polehanger Lane	H Hempstead	25,000	625,000	1,487,530
Site 9	Pouchen End Lane	H Hempstead	25,000	625,000	2,240,831
Site 10	Wayside Fm, Middle Fm & A4251	Tring	25,000	625,000	1,367,796
Site 1	A Berkhamsted	Zone 1	25,000	625,000	2,860,060
Site 2	A Berkhamsted - Brownfield	Zone 1	1,800,000	2,160,000	2,641,714
Site 3	C Bovington	Zone 1	25,000	625,000	2,996,967
Site 4	D Hemel Hempstead	Zone 1	25,000	625,000	3,787,159
Site 5	D Hemel Hempstead - Brownfield	Zone 1	1,800,000	2,160,000	3,498,406
Site 6	E Markyate	Zone 1	25,000	625,000	4,014,917
Site 7	F Tring	Zone 1	25,000	625,000	3,403,124
Site 8	A Berkhamsted	Zone 2	25,000	625,000	1,775,757
Site 9	A Berkhamsted - Brownfield	Zone 2	1,800,000	2,160,000	1,508,477
Site 10	C Bovington	Zone 2	25,000	625,000	1,859,403
Site 11	D Hemel Hempstead	Zone 2	25,000	625,000	2,357,994
Site 12	D Hemel Hempstead - Brownfield	Zone 2	1,800,000	2,160,000	2,004,475
Site 13	E Markyate	Zone 2	25,000	625,000	2,559,172
Site 14	F Tring	Zone 2	25,000	625,000	2,108,926
Site 15	A Berkhamsted	Zone 3	25,000	625,000	1,992,079
Site 16	A Berkhamsted - Brownfield	Zone 3	1,800,000	2,160,000	1,773,733
Site 17	C Bovington	Zone 3	25,000	625,000	2,085,640
Site 18	D Hemel Hempstead	Zone 3	25,000	625,000	2,647,276
Site 19	D Hemel Hempstead - Brownfield	Zone 3	1,800,000	2,160,000	2,358,522
Site 20	E Markyate	Zone 3	25,000	625,000	2,845,987
Site 21	F Tring	Zone 3	25,000	625,000	2,355,143

Source: HDH (November 2019)

10.9 Across the Borough, the Residual Value exceeds the BLV indicating that sites are likely to be viable. The exception is in relation to the Typology A – Brownfield case studies in the 2 lower value zones (CIL Zone 2 and CIL Zone 3) and Typology D in Zone 2. This is for two reasons. Firstly the costs associated with brownfield sites are greater, and, secondly, the BLV is based on an industrial use which is higher than on the greenfield sites.

- 10.10 We would suggest that the Council is cautious about including such sites in a Plan without further viability work to confirm deliverability. It would be prudent for the Council to engage with the developers and landowners before relying on these to deliver housing in the short to medium term. Such an approach would be fully in line with the Harman Guidance that says:

Landowners and site promoters should be prepared to provide sufficient and good quality information at an early stage, rather than waiting until the development management stage. This will allow an informed judgement by the planning authority regarding the inclusion or otherwise of sites based on their potential viability.

- 10.11 In this context we particularly highlight paragraph 10-006 of the PPG:

... It is the responsibility of site promoters to engage in plan making, take into account any costs including their own profit expectations and risks, and ensure that proposals for development are policy compliant. It is important for developers and other parties buying (or interested in buying) land to have regard to the total cumulative cost of all relevant policies when agreeing a price for the land. Under no circumstances will the price paid for land be a relevant justification for failing to accord with relevant policies in the plan....

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- 10.12 The above appraisals are based on the base policy requirements and the adopted rates of CIL. The delivery of large sites can put considerable stress on the local infrastructure however, at this stage, the Council has not completed an assessment of the strategic infrastructure and mitigation requirements for each site. This is considered further below. In addition, the Council has an aspiration to increase the affordable housing target from 35% to 40%, this is also considered.

Varied Developer Contributions

- 10.13 The above analysis assumes the full policy on scenario including the current rates of CIL and si106 contributions at £1,500/unit. The appraisals have been rerun with developer contributions (combined S106 and CIL) of up to £50,000/unit.
- 10.14 When considering this analysis, it is useful to bear in mind that a CIL rate of £250/m² (which is only applied to affordable housing) is broadly equivalent to a developer contribution (across a whole site) of £16,000/unit. A rate of £150/m² is broadly equivalent to £10,000/unit and a rate of £100/m² is broadly equivalent to £6,500/unit.

Table 10.3 Residual Values compared to Viability Threshold
FULL POLICY REQUIREMENTS (35% Affordable) / Varied Developer Contributions

	Developer Contributions	EUV	BLV	Residual Value	£5,000	£10,000	£15,000	£20,000	£25,000	£30,000	£35,000	£40,000	£45,000	£50,000
Site 1	South Berkhamsted	25,000	625,000	2,286,212	2,212,755	2,139,298	2,065,840	1,992,383	1,918,926	1,845,468	1,771,011	1,697,553	1,624,096	1,550,639
Site 2	East of Darns Lane	25,000	625,000	2,244,416	2,172,786	2,101,157	2,029,528	1,957,899	1,886,269	1,814,640	1,743,011	1,671,382	1,599,752	1,528,123
Site 3	Shendish Manor & Fairfields	25,000	625,000	1,602,443	1,528,784	1,455,124	1,381,465	1,307,805	1,234,146	1,160,487	1,086,828	1,013,169	939,510	865,851
Site 4	East of Tring	25,000	625,000	1,209,633	1,146,070	1,082,507	1,018,944	955,381	891,818	828,255	764,692	701,129	637,566	574,003
Site 5	New Mill	25,000	625,000	2,033,574	1,929,008	1,824,442	1,719,876	1,615,310	1,510,744	1,406,178	1,301,612	1,197,046	1,092,480	987,914
Site 6	East of Berkhamsted	25,000	625,000	2,149,633	2,079,638	2,009,643	1,939,648	1,869,653	1,799,658	1,729,663	1,659,668	1,589,673	1,519,678	1,449,683
Site 7	N & NE H Hempstead	25,000	625,000	1,196,298	1,138,494	1,080,690	1,022,886	965,082	907,278	849,474	791,670	733,867	676,063	618,259
Site 8	Polehanger Lane	25,000	625,000	1,508,278	1,438,476	1,368,672	1,298,868	1,229,064	1,159,260	1,089,456	1,019,652	949,848	879,044	809,240
Site 9	Pouchen Erd Lane	25,000	625,000	2,272,288	2,167,431	2,062,574	1,957,718	1,852,861	1,748,004	1,643,148	1,538,291	1,433,434	1,328,577	1,223,721
Site 10	Wayside Fm, Middle Fm & A4	25,000	625,000	1,389,184	1,317,891	1,245,598	1,173,305	1,101,012	1,028,719	956,426	884,133	811,840	739,547	667,254
Site 1	A Berkhamsted	25,000	625,000	3,236,602	3,140,144	3,043,685	2,947,227	2,850,768	2,754,310	2,657,852	2,561,393	2,464,935	2,368,477	2,272,018
Site 2	A Berkhamsted	1,800,000	2,160,000	3,018,256	2,921,798	2,825,339	2,728,881	2,632,423	2,535,964	2,439,506	2,343,048	2,246,589	2,150,131	2,053,672
Site 3	C Bowingdon	25,000	625,000	3,389,398	3,287,340	3,185,282	3,083,224	2,981,166	2,879,108	2,777,050	2,674,992	2,572,934	2,470,876	2,368,819
Site 4	D Hemel Hempstead	25,000	625,000	4,300,613	4,172,195	4,043,777	3,915,359	3,786,941	3,658,523	3,530,105	3,401,687	3,273,269	3,144,851	3,016,433
Site 5	D Hemel Hempstead	1,800,000	2,160,000	4,011,859	3,883,441	3,755,023	3,626,605	3,498,187	3,369,769	3,241,351	3,112,933	2,984,516	2,856,098	2,727,680
Site 6	E Markyate	25,000	625,000	4,504,174	4,380,376	4,256,578	4,132,781	4,008,983	3,885,185	3,761,387	3,637,589	3,513,791	3,389,993	3,266,195
Site 7	F Tring	25,000	625,000	3,798,946	3,689,434	3,579,923	3,470,412	3,360,900	3,250,389	3,139,878	3,029,367	2,918,856	2,808,345	2,697,834
Site 8	A Berkhamsted	25,000	625,000	2,013,257	1,916,799	1,820,340	1,723,882	1,627,424	1,530,965	1,434,507	1,338,049	1,241,591	1,145,132	1,048,674
Site 9	A Berkhamsted	1,800,000	2,160,000	1,745,977	1,649,519	1,553,061	1,456,602	1,360,144	1,263,686	1,167,227	1,070,769	974,311	877,852	781,394
Site 10	C Bowingdon	25,000	625,000	2,107,109	2,005,051	1,902,993	1,800,935	1,698,877	1,596,819	1,494,761	1,392,703	1,290,645	1,188,587	1,086,529
Site 11	D Hemel Hempstead	25,000	625,000	2,681,476	2,553,058	2,424,640	2,296,222	2,167,804	2,039,387	1,910,969	1,782,551	1,654,133	1,525,715	1,397,297
Site 12	D Hemel Hempstead	1,800,000	2,160,000	2,327,957	2,199,539	2,071,121	1,942,703	1,814,285	1,685,867	1,557,449	1,429,031	1,300,614	1,172,196	1,043,778
Site 13	E Markyate	25,000	625,000	2,867,582	2,743,785	2,619,987	2,496,189	2,372,391	2,248,593	2,124,795	2,000,997	1,877,199	1,753,402	1,629,604
Site 14	F Tring	25,000	625,000	2,360,081	2,248,833	2,137,585	2,026,337	1,915,090	1,803,842	1,692,594	1,581,346	1,470,098	1,358,850	1,247,603
Site 15	A Berkhamsted	25,000	625,000	2,160,058	2,063,600	1,967,142	1,870,683	1,774,225	1,677,767	1,581,308	1,484,850	1,388,392	1,291,933	1,195,475
Site 16	A Berkhamsted	1,800,000	2,160,000	1,941,713	1,845,254	1,748,796	1,652,338	1,555,879	1,459,421	1,362,962	1,266,504	1,170,046	1,073,587	977,129
Site 17	C Bowingdon	25,000	625,000	2,260,983	2,158,925	2,056,867	1,954,810	1,852,752	1,750,694	1,648,636	1,546,578	1,444,520	1,342,462	1,240,404
Site 18	D Hemel Hempstead	25,000	625,000	2,875,773	2,747,355	2,618,937	2,490,519	2,362,101	2,233,683	2,105,265	1,976,847	1,848,429	1,720,011	1,591,593
Site 19	D Hemel Hempstead	1,800,000	2,160,000	2,587,019	2,458,601	2,330,183	2,201,765	2,073,347	1,944,929	1,816,511	1,688,093	1,559,675	1,431,257	1,302,839
Site 20	E Markyate	25,000	625,000	3,063,973	2,940,176	2,816,378	2,692,580	2,568,782	2,444,984	2,321,186	2,197,388	2,073,590	1,949,793	1,825,995
Site 21	F Tring	25,000	625,000	2,533,705	2,422,457	2,311,209	2,199,961	2,088,713	1,977,465	1,866,218	1,754,970	1,643,722	1,532,474	1,421,226

Source: HDH (November 2019)



10.15 The analysis indicates that, on the whole, there is capacity for substantial developer contributions, the exception being the brownfield sites where the capacity is less.

40% Affordable Housing

10.16 The Council is considering increasing its affordable housing target from the current 35% to 40%. It will be commissioning further viability work to assess this in more detail in due course.

10.17 To assist the Council now, the analysis from the table above has been repeated, but with a 40% affordable housing assumption (all other matter are unchanged).

Table 10.4 Residual Values compared to Viability Threshold
FULL POLICY REQUIREMENTS (40% Affordable) / Varied Developer Contributions

	Developer Contributions	EUV	BLV	Residual Value	£5,000	£10,000	£15,000	£20,000	£25,000	£30,000	£35,000	£40,000	£45,000	£50,000
Site 1	South Berkhamsted	25,000	625,000	2,144,759	2,071,302	1,997,845	1,924,387	1,850,930	1,777,473	1,703,987	1,629,131	1,554,476	1,479,820	1,405,164
Site 2	East of Dairs Lane	25,000	625,000	2,106,044	2,034,415	1,962,786	1,891,156	1,819,527	1,747,898	1,676,268	1,604,639	1,533,010	1,461,381	1,389,751
Site 3	Shendish Manor & Fairfields	25,000	625,000	1,503,057	1,429,397	1,355,738	1,282,078	1,207,607	1,132,618	1,057,629	982,640	907,651	832,663	757,674
Site 4	East of Tring	25,000	625,000	1,135,574	1,072,011	1,008,002	943,411	878,821	814,230	749,640	685,049	620,458	555,868	489,979
Site 5	New Mill	25,000	625,000	1,908,744	1,804,178	1,699,612	1,595,046	1,490,479	1,385,913	1,281,347	1,176,780	1,072,214	967,648	861,917
Site 6	East of Berkhamsted	25,000	625,000	2,016,479	1,946,484	1,876,489	1,806,494	1,736,499	1,666,504	1,596,509	1,526,515	1,456,520	1,386,525	1,316,530
Site 7	N & NE H Hempstead	25,000	625,000	1,121,471	1,063,667	1,005,863	948,059	890,255	832,451	774,647	716,755	657,909	599,062	540,216
Site 8	Polehangar Lane	25,000	625,000	1,414,902	1,344,669	1,274,436	1,204,204	1,133,971	1,063,738	993,506	923,273	853,040	782,807	712,575
Site 9	Pouchen Erd Lane	25,000	625,000	2,131,417	2,026,561	1,921,704	1,816,847	1,711,990	1,607,134	1,502,277	1,397,420	1,292,563	1,187,707	1,082,783
Site 10	Wayside Fm, Middle Fm & A4 Tring	25,000	625,000	1,304,178	1,232,331	1,159,850	1,087,369	1,014,888	942,407	869,926	797,444	724,963	652,482	580,001
Site 1	A Berkhamsted	25,000	625,000	3,030,786	2,934,327	2,837,869	2,741,411	2,644,952	2,548,494	2,452,036	2,355,577	2,259,119	2,162,660	2,066,202
Site 2	A Berkhamsted	1,800,000	2,160,000	2,816,908	2,720,449	2,623,991	2,527,532	2,431,074	2,334,616	2,238,157	2,141,699	2,045,241	1,948,782	1,852,324
Site 3	C Bowngdon	25,000	625,000	3,173,005	3,070,947	2,968,890	2,866,832	2,764,774	2,662,716	2,560,658	2,458,600	2,356,542	2,254,484	2,152,426
Site 4	D Hemel Hempstead	25,000	625,000	4,028,759	3,900,341	3,771,923	3,643,505	3,515,087	3,386,669	3,258,251	3,129,833	3,001,415	2,872,997	2,744,579
Site 5	D Hemel Hempstead	1,800,000	2,160,000	3,745,715	3,617,297	3,488,879	3,360,461	3,232,043	3,103,625	2,975,207	2,846,789	2,718,371	2,589,953	2,461,535
Site 6	E Markyate	25,000	625,000	4,220,255	4,096,457	3,972,659	3,848,861	3,725,064	3,601,266	3,477,468	3,353,670	3,229,872	3,106,074	2,982,276
Site 7	F Tring	25,000	625,000	3,558,578	3,449,067	3,339,555	3,230,044	3,119,985	3,008,737	2,897,489	2,786,241	2,674,994	2,563,746	2,452,498
Site 8	A Berkhamsted	25,000	625,000	1,886,206	1,789,748	1,693,289	1,596,831	1,500,372	1,403,914	1,307,456	1,210,997	1,114,539	1,018,081	921,622
Site 9	A Berkhamsted	1,800,000	2,160,000	1,626,545	1,530,086	1,433,628	1,337,169	1,240,711	1,144,253	1,047,794	951,336	854,878	758,419	661,961
Site 10	C Bowngdon	25,000	625,000	1,973,534	1,871,476	1,769,418	1,667,360	1,565,302	1,463,244	1,361,186	1,259,128	1,157,070	1,055,012	952,955
Site 11	D Hemel Hempstead	25,000	625,000	2,513,556	2,385,138	2,256,720	2,128,302	1,999,884	1,871,466	1,743,048	1,614,630	1,486,212	1,357,794	1,229,376
Site 12	D Hemel Hempstead	1,800,000	2,160,000	2,169,904	2,041,486	1,913,068	1,784,650	1,656,232	1,527,814	1,399,396	1,270,978	1,142,560	1,014,142	885,724
Site 13	E Markyate	25,000	625,000	2,690,692	2,566,894	2,443,096	2,319,298	2,195,500	2,071,702	1,947,904	1,824,106	1,700,309	1,576,511	1,452,713
Site 14	F Tring	25,000	625,000	2,210,900	2,099,652	1,988,405	1,877,157	1,765,909	1,654,661	1,543,413	1,432,166	1,320,918	1,209,670	1,098,422
Site 15	A Berkhamsted	25,000	625,000	2,023,555	1,927,097	1,830,639	1,734,180	1,637,722	1,541,264	1,444,805	1,348,347	1,251,889	1,155,430	1,058,972
Site 16	A Berkhamsted	1,800,000	2,160,000	1,809,677	1,713,219	1,616,761	1,520,302	1,423,844	1,327,385	1,230,927	1,134,469	1,038,010	941,552	845,094
Site 17	C Bowngdon	25,000	625,000	2,117,470	2,015,412	1,913,355	1,811,297	1,709,239	1,607,181	1,505,123	1,403,065	1,301,007	1,198,949	1,096,891
Site 18	D Hemel Hempstead	25,000	625,000	2,695,380	2,566,962	2,438,544	2,310,126	2,181,708	2,053,290	1,924,872	1,796,454	1,668,036	1,539,618	1,411,200
Site 19	D Hemel Hempstead	1,800,000	2,160,000	2,412,336	2,283,918	2,155,500	2,027,082	1,898,664	1,770,246	1,641,828	1,513,410	1,384,992	1,256,574	1,128,156
Site 20	E Markyate	25,000	625,000	2,874,239	2,750,441	2,626,643	2,502,846	2,379,048	2,255,250	2,131,452	2,007,654	1,883,856	1,760,058	1,636,260
Site 21	F Tring	25,000	625,000	2,373,369	2,262,142	2,150,894	2,039,646	1,928,398	1,817,150	1,705,903	1,594,655	1,483,407	1,372,159	1,260,911

Source: HDH (November 2019)



- 10.18 Where the affordable housing requirement is 40% rather than 35% the Residual Value is about £150,000/ha less. This is a substantial difference that would be broadly equivalent to £5,000/unit in developer contributions. Prior to knowing the site-specific infrastructure requirements it would be premature to make firm recommendations in this regard.
- 10.19 As in the 35% scenario, the analysis indicates that, on the whole, there is capacity for substantial developer contributions, the exception being the brownfield sites where the capacity is less.

Impact of Change in Values and Costs

- 10.20 Whatever policies are adopted, the Plan should not be unduly sensitive to future changes in prices and costs. In this report, the analysis is based on the build costs produced by BCIS. As well as producing estimates of build costs, BCIS also produce various indices and forecasts to track and predict how build costs may change over time. The BCIS forecasts an increase in prices of 10.08% over the next 3 years⁴⁰. We have tested a scenario with this increase in build costs.
- 10.21 As set out in Chapter 4, we are in a current period of uncertainty in the property market. It is not the purpose of this report to predict the future of the market. We have tested five price change scenarios, minus 10% and 5%, and plus 15%, 10% and 5%. In this analysis, we have assumed all other matters in the base appraisals remain unchanged. It is important to note that, in the following table, only the costs of construction and the value of the market housing are altered.

⁴⁰ See Table 1.1 (Page 7) of in *Quarterly Review of Building Prices*

Table 10.5 Impact of Price and Cost Change
Full Policy Requirements (including 35% affordable Housing and current CIL)

			EUV	BLV	Residual Value	+15%	+10%	+5%	0%	-5%	-10%	-15%
				BCIS Value								
Site 1	South Berkhamsted	Berkhamsted	25,000	625,000	1,914,325	2,030,941	2,147,558	2,264,175	2,380,791	2,497,408	2,614,025	2,730,642
Site 2	East of Dairs Lane	Berkhamsted	25,000	625,000	1,881,074	1,995,025	2,108,976	2,222,927	2,336,878	2,450,829	2,564,780	2,678,731
Site 3	Shendish Manor & Fairfields	H Hempstead	25,000	625,000	1,228,404	1,346,547	1,463,446	1,580,346	1,697,245	1,814,145	1,931,045	2,047,945
Site 4	East of Tring	Tring	25,000	625,000	884,868	987,419	1,089,645	1,191,871	1,294,097	1,396,323	1,498,549	1,600,775
Site 5	New Mill	Tring	25,000	625,000	1,503,057	1,669,439	1,835,822	2,002,204	2,168,586	2,334,969	2,501,352	2,667,735
Site 6	East of Berkhamsted	Berkhamsted	25,000	625,000	1,795,227	1,906,363	2,017,499	2,128,634	2,239,770	2,350,905	2,462,041	2,573,177
Site 7	N & NE H Hempstead	H Hempstead	25,000	625,000	903,668	995,431	1,087,194	1,178,957	1,270,720	1,362,483	1,454,246	1,546,009
Site 8	Polehanger Lane	H Hempstead	25,000	625,000	1,153,045	1,284,576	1,376,108	1,467,640	1,559,172	1,650,704	1,742,236	1,833,768
Site 9	Pouchen End Lane	H Hempstead	25,000	625,000	1,741,325	1,907,827	2,074,329	2,240,831	2,407,333	2,573,835	2,740,337	2,906,839
Site 10	Wayside Fm, Middle Fm & A4	Tring	25,000	625,000	1,023,536	1,138,619	1,253,702	1,368,785	1,483,868	1,598,951	1,714,034	1,829,117
Site 11	A Berkhamsted	Zone 1	25,000	625,000	2,416,802	2,564,555	2,712,307	2,860,060	3,007,813	3,155,566	3,303,319	3,451,072
Site 12	A Berkhamsted	Zone 1	1,800,000	2,160,000	2,166,022	2,324,586	2,483,150	2,641,714	2,800,278	2,958,842	3,117,406	3,275,970
Site 13	C Bovingdon	Zone 1	25,000	625,000	2,533,566	2,688,033	2,842,500	2,996,967	3,151,434	3,305,901	3,460,368	3,614,835
Site 14	D Hemel Hempstead	Zone 1	25,000	625,000	3,200,970	3,396,366	3,591,763	3,787,159	3,982,555	4,177,951	4,373,347	4,568,743
Site 15	D Hemel Hempstead	Zone 1	1,800,000	2,160,000	2,869,324	3,079,018	3,288,712	3,498,406	3,708,100	3,917,794	4,127,488	4,337,182
Site 16	E Markyate	Zone 1	25,000	625,000	3,456,962	3,642,947	3,828,932	4,014,917	4,200,902	4,386,887	4,572,872	4,758,857
Site 17	F Tring	Zone 1	25,000	625,000	2,880,575	3,055,288	3,229,206	3,403,919	3,578,632	3,753,345	3,928,058	4,102,771
Site 18	A Berkhamsted	Zone 2	25,000	625,000	1,332,499	1,480,251	1,628,004	1,775,757	1,923,510	2,071,263	2,219,016	2,366,769
Site 19	A Berkhamsted	Zone 2	1,800,000	2,160,000	1,032,785	1,191,349	1,349,913	1,508,477	1,667,041	1,825,605	1,984,169	2,142,733
Site 20	C Bovingdon	Zone 2	25,000	625,000	1,396,002	1,550,469	1,704,936	1,859,403	2,013,870	2,168,337	2,322,804	2,477,271
Site 21	D Hemel Hempstead	Zone 2	25,000	625,000	1,771,804	1,957,201	2,142,597	2,328,094	2,513,491	2,698,888	2,884,285	3,069,682
Site 22	D Hemel Hempstead	Zone 2	1,800,000	2,160,000	1,375,593	1,585,087	1,794,781	2,004,475	2,214,169	2,423,863	2,633,557	2,843,251
Site 23	E Markyate	Zone 2	25,000	625,000	2,001,217	2,187,202	2,373,187	2,559,172	2,745,157	2,931,142	3,117,127	3,303,112
Site 24	F Tring	Zone 2	25,000	625,000	1,578,898	1,755,574	1,932,250	2,108,926	2,285,602	2,462,278	2,638,954	2,815,630
Site 25	A Berkhamsted	Zone 3	25,000	625,000	1,548,821	1,696,574	1,844,326	1,992,079	2,139,832	2,287,584	2,435,337	2,583,090
Site 26	A Berkhamsted	Zone 3	1,800,000	2,160,000	1,298,041	1,456,605	1,615,169	1,773,733	1,932,297	2,090,861	2,249,425	2,407,989
Site 27	C Bovingdon	Zone 3	25,000	625,000	1,622,239	1,776,706	1,931,173	2,085,640	2,240,107	2,394,574	2,549,041	2,703,508
Site 28	D Hemel Hempstead	Zone 3	25,000	625,000	2,061,086	2,256,483	2,451,879	2,647,276	2,842,673	3,038,070	3,233,467	3,428,864
Site 29	D Hemel Hempstead	Zone 3	1,800,000	2,160,000	1,729,441	1,939,135	2,148,829	2,358,523	2,568,217	2,777,911	2,987,605	3,197,299
Site 30	E Markyate	Zone 3	25,000	625,000	2,288,032	2,474,017	2,660,002	2,845,987	3,031,972	3,217,957	3,403,942	3,589,927
Site 31	F Tring	Zone 3	25,000	625,000	1,825,115	2,001,791	2,178,467	2,355,143	2,531,819	2,708,495	2,885,171	3,061,847

Source: HDH (November 2019)



- 10.22 The analysis demonstrates that a relatively small increase in build costs will adversely impact on viability, although this is unlikely to be sufficient to impact on the deliverability of the Plan.

11. Employment Sites Appraisal Results

- 11.1 Based on the assumptions set out previously, we have run a set of development financial appraisals for the non-residential development types. The detailed appraisal results are set out in the table below.
- 11.2 As with the residential appraisals, we have used the Residual Valuation approach. We have run appraisals to assess the value of the site after taking into account the costs of development, the likely income from sales and/or rents, and an appropriate amount of developers' profit. The payment would represent the sum paid in a single tranche on the acquisition of a site. In order for the proposed development to be described as viable, it is necessary for this value to exceed the value from an alternative use. To assess viability, we have used the same methodology with regard to the Benchmark Land Value (EUV 'plus').
- 11.3 It is important to note that a report of this type applies relatively simple assumptions that are broadly reflective of an area to make an assessment of viability. The fact that a site is shown as viable does not necessarily mean that it will come forward and vice versa. An important part of any final consideration of viability will be relating the results of this study to what is actually happening on the ground in terms of development and what planning applications are being determined – and on what basis.
- 11.4 When testing the non-residential development types, we have not run multiple sets of appraisals for different levels of policy requirement as DBC does not seek to impose layers of policy requirements on these types of development.
- 11.5 The six potential sites identified through the Site Assessment Study have simply been identified for employment uses. The analysis does not extend to the type of office or industrial development that may or may not be appropriate on each site and in what mix. In order to provide useful advice the analysis is based on several components that could be mixed if the sites were to come forward.

Table 11.1 Appraisal Results showing Approximate Residual Value						
			Offices - Central	Offices - Park	Larger Industrial	Smaller Industrial
	CIL	£/m2	0	0	0	0
Income	m2		2,000	2,000	4,000	400
	£/m2		3,000	3,000	1,450	1,450
	Capital Value		5,400,000	5,400,000	5,510,000	580,000
	Buyers Costs	4.50%	243,000	243,000	247,950	26,100
	Capital Value		5,157,000	5,157,000	5,262,050	553,900
				0		
Costs	Land Used	Coverage	300%	50%	40%	40%
		ha	0.067	0.400	1.000	0.100
		£/ha	25,000	25,000	25,000	25,000
		Uplift £/ha	600,000	600,000	600,000	600,000
		20.00%	0	0	0	0
		Site Cost	41,667	250,000	625,000	62,500
				0		
	Stamp Duty (on VT)	4.00%	1,667	10,000	25,000	2,500
	Acquisition	1.50%	625	3,750	9,375	938
				0		
	Strategic Promotion		0	0	0	0
	Pre Planning		10,000	10,000	10,000	10,000
				0		
	Construction	/m2	1,834	1,834	921	921
		£	3,668,000	3,668,000	3,684,000	368,400
	Infrastructure	15.00%	550,200	550,200	552,600	55,260
	Abnormals	5.00%	0	0	0	0
	Fees	8.00%	337,456	337,456	338,928	33,893
	S106		0	0	0	0
	CIL		0	0	0	0
	Contingency	2.5% & 5%	105,455	105,455	105,915	10,592
				0		
	Finance Costs		200,000	200,000	300,000	100,000
	Sales	2.50%	67,500	67,500	68,875	7,250
	Misc. Financial		10,000	10,000	10,000	10,000
				0		
	Subtotal		4,950,903	4,962,361	5,104,693	598,832
				0		
	Interest	6.00%	148,527	148,871	153,141	17,965
	Profit % GDV	15.00%	773,550	773,550	789,308	83,085
			0.00%	0.00%	0.00%	0.00%
	COSTS		5,872,980	5,884,782	6,047,141	699,882
				0		
Residual Land Worth	Site		-715,980	-727,782	-785,091	-145,982
				0		
	Existing Use Value	£/ha	25,000	25,000	25,000	25,000
	Viability Threshold	£/ha	625,000	625,000	625,000	625,000
	Residual Value	£/ha	-10,739,696	-1,819,455	-785,091	-1,459,818

Source: HDH (March 2019)

11.6 To a large extent, the above results are reflective of the current market in the Borough, and more widely. Whilst office development is not shown as viable, it is coming forward on the ground. Similarly, industrial development is shown as being unviable.



- 11.7 These results are not just an issue within this Borough area, this is reflective of the wider area as well and is a finding supported by the fact that such development is only being brought forward to a limited extent on a speculative basis by the development industry. Where development is coming forward (and it is coming forward), it tends to be from existing businesses for operational reasons – rather than to make a return through property development.
- 11.8 It is notable that agents operating in the local market have reported that over the last 24 or so months, that there has been a change in sentiment and an improvement in the market, and that this is expected to continue.
- 11.9 The analysis in this report is carried out in line with the Harman Guidance and in the context of the NPPF and PPG. It assumes that development takes place for its own sake and is a goal in its own right. It assumes that a developer buys land, develops it and then disposes of it, in a series of steps with the sole aim of making a profit from the development. As set out in Chapters 2 and 3 above, the Guidance does not reflect the broad range of business models under which developers and landowners operate. Some developers have owned land for many years and are building a broad income stream over multiple properties over the long term. Such developers are able to release land for development at less than the arms-length value at which it may be released to third parties and take a long-term view as to the direction of the market based on the prospects of an area and wider economic factors. Much of the development coming forward in the area is ‘user led’ being brought forward by businesses that will use the eventual space for operational uses, rather than for investment purposes.

Conclusions

- 11.10 This opportunity is taken to stress again that the results, in themselves, do not determine policy. The consequences of these results are discussed in Chapter 12.



12. Viability of the Site Assessment Study sites

- 12.1 This chapter provides a non-technical summary of the overall assessment that can be read on a standalone basis. Having said this, a viability assessment of this type is, by its very nature, a technical document that is prepared to address the very specific requirements of national planning policy. As this is a summary chapter, some of the content of earlier chapters is repeated.

Scope

- 12.2 Dacorum Borough Council (DBC) is undertaking a Site Assessment Study to evaluate the suitability of sites for potential allocation in the new Dacorum Local Plan. The Site Assessment Study will form part of the evidence base for the Local Plan, for the period to 2036. The Site Assessment Study is evaluating two main types of site:
- k. Greenfield sites in the Green Belt or Rural Area (beyond the Green Belt);
 - l. Previously developed sites in the Green Belt or Rural Area (beyond the Green Belt).
- 12.3 HDH Planning & Development Ltd have been appointed to make an assessment of the deliverability, in terms of viability. 160 or so potential major sites were 'sifted' to assess their suitability for development. Of the 82 sites that have passed the first rounds of sifting, in accordance with the requirements of the National Planning Policy Framework (NPPF) and the National Planning Practice Guidance (PPG), 46 are being assessed further.

Compliance

- 12.4 HDH Planning & Development Ltd is a firm regulated by the Royal Institution of Chartered Surveyors (RICS). As a firm regulated by the RICS it is necessary to have regard to RICS Professional Standards and Guidance. There are two principle pieces of relevant guidance, being the *Financial viability in planning: conduct and reporting RICS professional statement, England (1st Edition, May 2019)* and *Financial Viability in planning (1st edition), RICS guidance note 2012*.
- 12.5 *Financial Viability in planning (1st edition), RICS guidance note 2012* is currently subject to a full review to reflect the changes in the 2019 NPPF and the updated PPG (May 2019). As part of the review, *Financial viability in planning: conduct and reporting. 1st edition, May 2019* was published in May 2019. This includes mandatory requirements for RICS members and RICS-regulated firms. HDH confirms that the May 2019 Guidance has been followed in full.

Viability Testing under the 2019 NPPF and Updated PPG

- 12.6 The effectiveness of plans was important under the 2012 NPPF, but a greater emphasis is put on deliverability in the 2019 NPPF. The overall requirement (as set out at PPG 10-001-20190509) is that ‘...policy requirements should be informed by evidence of infrastructure and affordable housing need, and a proportionate assessment of viability that takes into account all relevant policies, and local and national standards, including the cost implications of the Community Infrastructure Levy (CIL) and section 106 ...’.
- 12.7 This Viability Assessment takes a proportionate approach, building on the Council’s existing available evidence, and considers the effect of the local and national policies that will apply to new development.
- 12.8 The PPG sets out that ‘drafting of plan policies should be iterative and informed by engagement with developers, landowners, and infrastructure and affordable housing providers’. This report informs that process and has included a consultation with the development industry, and refinement of policy with the Council.
- 12.9 This study is based on typologies are representative of the sites to be allocated in the new Local Plan. In addition, the potential Strategic Sites have been modelled separately at they are key to the delivery of the Plan.
- 12.10 The updated PPG sets out that viability should be tested using the Existing Use Value Plus (EUV+) approach.

To define land value for any viability assessment, a benchmark land value should be established on the basis of the existing use value (EUV) of the land, plus a premium for the landowner. The premium for the landowner should reflect the minimum return at which it is considered a reasonable landowner would be willing to sell their land. The premium should provide a reasonable incentive, in comparison with other options available, for the landowner to sell land for development while allowing a sufficient contribution to comply with policy requirements. Landowners and site purchasers should consider policy requirements when agreeing land transactions. This approach is often called ‘existing use value plus’ (EUV+).

- 12.11 Research has been undertaken into the price paid for land with a recent, policy compliant planning consent. Overall the average is £4,300,000/ha with a median of £5,900,000/ha, however these mainly relate to smaller sites. We have used a Benchmark Land Value (BLV), of EUV plus 20% on brownfield sites. On greenfield sites, a BLV based on an EUV plus £1,400,000/ha is used on sites over 3ha, and EUV plus £2,000,000/ha is used on sites less than 3ha. The BLV is the amount the Residual Value must exceed for the development to be considered viable.

Viability Guidance

- 12.12 There is no specific technical guidance on how to test the viability in the 2019 NPPF or the updated PPG, although the updated PPG includes guidance in a number of specific areas. There are several sources of guidance and appeal decisions that support the methodology HDH has developed. This study follows the *Viability Testing in Local Plans – Advice for*

planning practitioners (LGA/HBF – Sir John Harman) June 2012 (known as the **Harman Guidance**).

- 12.13 In line with the updated PPG, this study follows the EUV Plus (EUV+) methodology, that is to compare the Residual Value generated by the viability appraisals, with the EUV plus an appropriate uplift to incentivise a landowner to sell. The amount of the uplift over and above the EUV is central to the assessment of viability. It must be set at a level to provide a return to the landowner. To inform the judgement as to whether the uplift is set at the appropriate level, reference is made to the market value of the land both with and without the benefit of planning.
- 12.14 The availability and cost of land are matters at the core of viability for any property development. The format of the typical valuation is:

$$\begin{aligned} & \textbf{Gross Development Value} \\ & \text{(The combined value of the complete development)} \\ & \\ & \text{LESS} \\ & \\ & \textbf{Cost of creating the asset, including a profit margin} \\ & \text{(Construction + fees + finance charges)} \\ & \\ & = \\ & \\ & \textbf{RESIDUAL VALUE} \end{aligned}$$

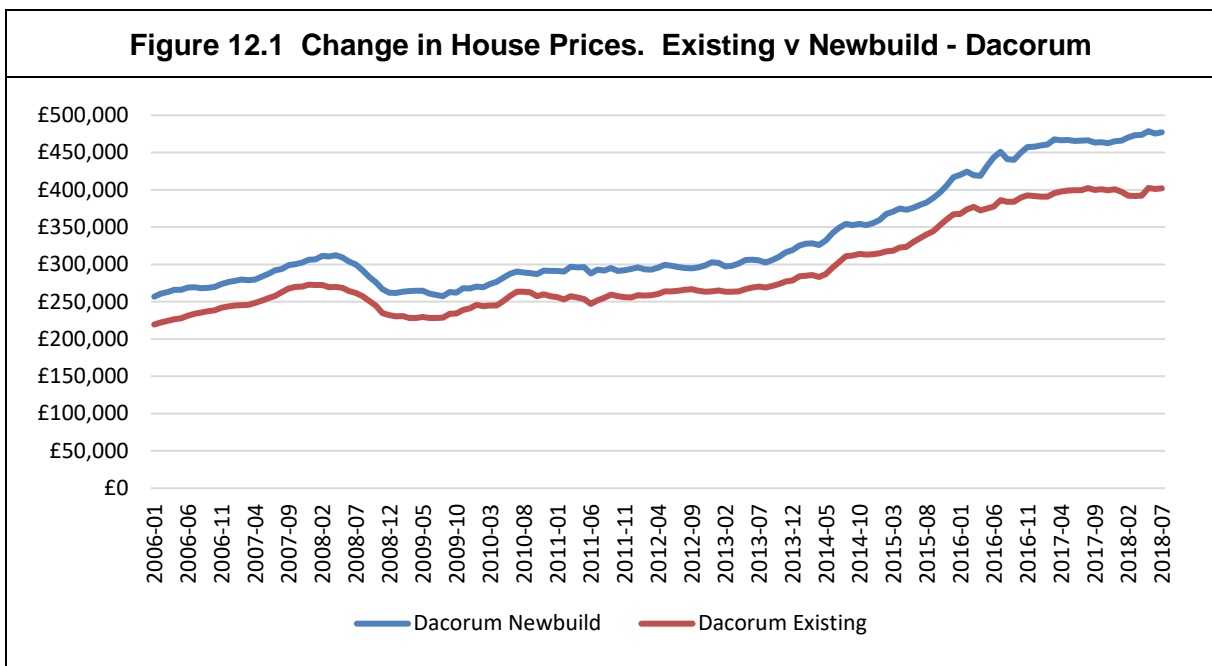
- 12.15 The result of the calculation indicates a land value, the Residual Value. The Residual Value is the top limit of what a developer could offer for a site and still make a satisfactory return.
- 12.16 The PPG and the CIL Guidance require stakeholder engagement. A consultation event was held during February 2019. The comments of the consultees are reflected through this report and the assumptions adjusted where appropriate. There was not agreement on all points although there was broad consensus on most matters.

Viability Process

- 12.17 The assessment of viability as required under the 2019 NPPF and the CIL Regulations is a quantitative and qualitative process. The basic viability methodology involves preparing financial development appraisals for a representative range of ‘typologies’, and using these to assess whether development, generally, is viable. The sites were modelled based on discussions with Council officers, the site information provided by AECOM, and on our own experience of development. This process ensures that the appraisals are representative of typical development under consideration.
- 12.18 In addition to modelling a range of representative sites (case studies), 10 specific Strategic Sites have been modelled.

Residential Property Market

- 12.19 An assessment of the housing market was undertaken. The study is concerned not just with the prices but the differences across different areas.
- 12.20 Average house prices across England and Wales have recovered to their pre-recession peak; however, this is strongly influenced by London. Prices in London are now well in excess (about 60%) of the 2007/2008 peak and, as can be seen in the figure below, prices in the Council area are about 47% above the previous peak. This is somewhat more than across England and Wales (27%).
- 12.21 A notable characteristic of the data is that the values of newbuild homes are about 20% more than existing homes.



- 12.22 This report is being completed after the United Kingdom voted to leave the European Union. It is not yet possible to predict the impact of leaving the EU, beyond the fact that the UK and the UK economy is in a period of uncertainty. Negotiations around the details of the exit are underway but not concluded, so the future of trade with the European Union and wider world are not yet known.
- 12.23 A range of views as to the impact on house prices have been expressed that cover nearly the whole spectrum of possibilities. There is clearly uncertainty in the market, and it is not for this study to try to predict how the market may change in the coming years, and whether or not there will be a further increase in house prices.

The Local Market

- 12.24 A survey of asking prices across the Council area was carried out in December 2018. In addition, recent newbuild sales prices from the Land Registry have been reviewed and a

survey of new homes for sale during July 2018 carried out. The Land Registry publishes data of all homes sold. Across the Council area 353 newbuild home sales were recorded since the start of 2017. Each house sold requires an Energy Performance Certificate (EPC). This is a public document that can be viewed on the EPC Register. The EPC contains the floor area (the Gross Internal Area – GIA) as well as a wide range of other information about the construction and energy performance of the building. The price paid data from the Land Registry has been married with the homes' floor area from the EPC Register.

Table 12.1 Land Registry Price Paid Data with EPC Data					
	Detached	Flats	Semi-detached	Terraced	All
Berkhamsted					
Count	45	20	2	0	67
Average £	£724,632	£515,063	£672,500	£0	£660,518
Average £/m ²	£5,652	£6,873	£6,011	£0	£6,027
Hemel Hempstead					
Count	49	103	58	46	256
Average £	£508,677	£293,254	£388,377	£404,302	£375,993
Average £/m ²	£4,169	£5,345	£4,122	£4,146	£4,631
Tring					
Count	2	16	2	10	30
Average £	£1,100,000	£280,406	£917,359	£534,450	£462,191
Average £/m ²	£4,247	£4,404	£3,597	£5,400	£4,672
Dacorum					
Count	96	139	62	56	353
Average £	£622,225	£323,690	£414,606	£427,543	£437,322
Average £/m ²	£4,873	£5,457	£4,167	£4,370	£4,901

Source: Land Registry and EPC Register (December 2018)

12.25 The average price paid is about £4,900/m². The average prices vary by geography with Berkhamsted being the most expensive area based on this data. Having said this, the principle driver of the differences is the situation rather than the location of a site. That is to say, the value will be more strongly influenced by the specific site characteristics, the immediate neighbours and environment, rather than in which particular ward or postcode sector the scheme is located.

Price Assumptions for Financial Appraisals

12.26 Bringing together the evidence above (which we acknowledge is varied), the following price assumptions are used:



Table 12.2 Price Assumptions – March 2019 (£/m²)			
Description	CIL ZONE 1	CIL ZONE 2	CIL ZONE3
	Berkhamsted and surrounding area	Elsewhere	Hemel Hempstead and Markyate
Larger Brownfield	£5,700	£4,400	£4,600
Smaller Brownfield Sites	£5,700	£4,400	£4,600
Large Greenfield	£5,700	£4,450	£4,600
Medium Greenfield	£5,700	£4,450	£4,600

Source: HDH (March 2019)

Affordable Housing

- 12.27 In this study, it is assumed that affordable housing is constructed by the site developer and then sold to a Registered Provider (RP). The following values are used across the Borough:
- a. Affordable Rent – a value of £2,700/m².
 - b. Intermediate Products for Sale – 70% of Open Market Value.

Non-Residential Values

- 12.28 In the DBC area, market conditions will broadly reflect a combination of national economic circumstances and local supply and demand factors. The following assumptions have been used:
- a. Office development is assumed to have a value of £3,000/m².
 - b. Industrial development is assumed to have a value of £1,450/m².

Land Prices

- 12.29 An important element of the assessment is the value of the land. Under the method set out in the updated PPG and recommended in the Harman Guidance, the worth of the land before consideration of any increase in value, from a use that may be permitted through a planning consent, is the Existing Use Value (EUV). This is used as the starting point for the assessment.

Existing Use Values

- 12.30 In this assessment the following Existing Use Value (EUV) assumptions are used.

Residential Large Sites	£650,000
Industrial	£1,800,000
Agricultural	£25,000
Paddock	£75,000

Source: HDH 2018

Benchmark Land Values

12.31 The updated PPG makes specific reference to BLV so it is necessary to address this. In this iteration of this Assessment the following BLV assumptions are made:

- a. Based on EUV + where the EUV is:
 - i. Industrial £1,800,000/ha
 - ii. Agricultural £25,000/ha
 - iii. Paddock £75,000/ha
- b. On brownfield sites an uplift of 20% is used to give a Benchmark Land Value close to the median price paid for recently consented, policy compliant land – most of which is brownfield land.
- c. On greenfield sites an uplift of £600,000 is used to give a Benchmark Land Value that is a little less than £650,000/ha.

Development Costs

12.32 These are the costs and other assumptions required to produce the financial appraisals.

Construction costs: baseline costs

12.33 The cost assumptions are derived from the Building Cost Information Service (BCIS) data, rebased for Hertfordshire (1st September 2018). At this time the costs for 'estate housing – Generally is £1,323/m².

Other normal development costs

12.34 In addition to the BCIS £/m² build cost figures described above, allowance needs to be made for a range of site costs (roads, drainage and services within the site, parking, footpaths, landscaping and other external costs). A scale of allowances has been developed for the residential sites, ranging from 10% of build costs for the smaller sites and flatted schemes, to 20% for the larger greenfield multi-outlet / multi-phase schemes.

Abnormal development costs

- 12.35 An additional allowance is made for abnormal costs associated with brownfield sites of 5% of the BCIS costs. Abnormal costs will be reflected in land value (and in due course at the development management stage, in the BLV). Those sites that are less expensive to develop will command a premium price over and above those that have exceptional or abnormal costs. It is not the purpose of a study of this type to standardise land prices across an area.

Fees

- 12.36 Professional fees are assumed to amount to 8% of build costs. Additional allowance is made for the planning application fee, acquisition costs, sales (disposal) fees and fees in relation to finance.

Contingencies

- 12.37 For previously undeveloped and otherwise straightforward sites we have allowed a contingency of 2.5% with a higher figure of 5% on more risky types of development, previously developed land and on central locations. This is applied to the construction costs.

CIL and S106 Contributions

- 12.38 DBC has adopted CIL. The current rates are used in this assessment. It is assumed all the sites will also contribute £1,500/unit towards infrastructure.

Financial and Other Appraisal Assumptions

- 7.53 It has been assumed throughout, that either VAT does not arise, or that it can be recovered in full.
- 12.39 The appraisals assume 6% pa for debit balances. No allowance is made for any equity provided by the developer.
- 12.40 In line with the updated PPG, the developers' return is assessed as 17.5% of GDV being in the middle of the suggested range.
- 12.41 On the whole, it is assumed a maximum, per outlet, delivery rate of 50 units per year. On a site with 35% affordable housing this equates to about 33 market units per year. On the smaller sites, we have assumed much slower rates to reflect the nature of the developer that is likely to be bringing smaller sites forward. These assumptions are conservative and do, properly, reflect current practice. This is the appropriate assumption to make to be in line with the PPG and Harman Guidance.

Acquisition costs

- 12.42 An allowance 1.5% for acquisition agents' and legal fees is made. Stamp duty is calculated at the prevailing rates.

Disposal costs

- 12.43 For the market and the affordable housing, sales and promotion and legal fees are assumed to amount to some 3.5% of receipts. For disposals of affordable housing these figures can be reduced significantly depending on the category so in fact the marketing and disposal of the affordable element is probably less expensive than this.

Planning Policy Requirements

- 12.44 In this assessment we have applied the policies set out in the **Dacorum Borough Core Strategy 2006-2031** (adopted 25th September 2013) and the various supporting Supplementary Planning Documents. These may well change as the plan-making process continues – in which case it may be necessary to revisit the findings.
- 12.45 In addition, we have assumed that the Nationally Described Space Standards and additional design standards (Accessible and Adaptable) apply.

Modelled Sites

- 12.46 160 or so potential major sites were ‘sifted’ to assesses their suitability for development. Of the 82 sites that have passed the first rounds of sifting, 46 are being assessed further. To make an assessment of the deliverability we have modelled a set of sites that are representative of them.

Residential Appraisal Results

- 12.47 The appraisals use the residual valuation approach – they assess the value of a site after taking into account the costs of development, the likely income from sales and/or rents and a developers’ return. The Residual Value represents the maximum bid for a site where the payment is made in a single tranche on the acquisition of a site. In order for the proposed development to be viable, it is necessary for this Residual Value to exceed the EUV by a satisfactory margin, being the Benchmark Land Value (BLV).

Base Appraisals – full policy requirements

- 12.48 Separate appraisals have been run for the specific sites and the case studies (i.e. the typologies). These appraisals are based on the full policy on assumptions. This includes:
- | | | |
|----|-------------------------|---|
| a. | Affordable Housing | 35% as 75% Affordable rent and 25% Intermediate housing. |
| b. | Environmental Standards | Enhanced standards as per the emerging policy requirements for NDSS and Part M of Building Regulations. |
| c. | CIL and s106 | £1,500 per unit (Market and Affordable)
s106 plus CIL at prevailing rate. |

- 12.49 The residual values generated by the modelled sites vary across the Dacorum area, as we would expect. In all cases these are very substantial values, ranging from a minimum of £1,125,000/ha.
- 12.50 These results in themselves do not provide a good indication of site viability as they are simply an indication of the amount a developer may pay for the land. To test the viability of these sites, we have compared the residual value with the Viability Thresholds as shown in the following table.

Table 12.4 Residual Values compared to Viability Threshold					
FULL POLICY REQUIREMENTS (£/ha)					
			Alternative Use Value	Viability Threshold	Residual Value
Site 1	South Berkhamsted	Berkhamsted	25,000	625,000	2,264,175
Site 2	East of Darrs Lane	Berkhamsted	25,000	625,000	2,222,927
Site 3	Shendish Manor & Fairfields	H Hempstead	25,000	625,000	1,580,346
Site 4	East of Tring	Tring	25,000	625,000	1,190,565
Site 5	New Mill	Tring	25,000	625,000	2,002,204
Site 6	East of Berkhamsted	Berkhamsted	25,000	625,000	2,128,634
Site 7	N & NE H Hempstead	H Hempstead	25,000	625,000	1,178,957
Site 8	Polehanger Lane	H Hempstead	25,000	625,000	1,487,530
Site 9	Pouchen End Lane	H Hempstead	25,000	625,000	2,240,831
Site 10	Wayside Fm, Middle Fm & A4251	Tring	25,000	625,000	1,367,796
Site 1	A Berkhamsted	Zone 1	25,000	625,000	2,860,060
Site 2	A Berkhamsted - Brownfield	Zone 1	1,800,000	2,160,000	2,641,714
Site 3	C Bovington	Zone 1	25,000	625,000	2,996,967
Site 4	D Hemel Hempstead	Zone 1	25,000	625,000	3,787,159
Site 5	D Hemel Hempstead - Brownfield	Zone 1	1,800,000	2,160,000	3,498,406
Site 6	E Markyate	Zone 1	25,000	625,000	4,014,917
Site 7	F Tring	Zone 1	25,000	625,000	3,403,124
Site 8	A Berkhamsted	Zone 2	25,000	625,000	1,775,757
Site 9	A Berkhamsted - Brownfield	Zone 2	1,800,000	2,160,000	1,508,477
Site 10	C Bovington	Zone 2	25,000	625,000	1,859,403
Site 11	D Hemel Hempstead	Zone 2	25,000	625,000	2,357,994
Site 12	D Hemel Hempstead - Brownfield	Zone 2	1,800,000	2,160,000	2,004,475
Site 13	E Markyate	Zone 2	25,000	625,000	2,559,172
Site 14	F Tring	Zone 2	25,000	625,000	2,108,926
Site 15	A Berkhamsted	Zone 3	25,000	625,000	1,992,079
Site 16	A Berkhamsted - Brownfield	Zone 3	1,800,000	2,160,000	1,773,733
Site 17	C Bovington	Zone 3	25,000	625,000	2,085,640
Site 18	D Hemel Hempstead	Zone 3	25,000	625,000	2,647,276
Site 19	D Hemel Hempstead - Brownfield	Zone 3	1,800,000	2,160,000	2,358,522
Site 20	E Markyate	Zone 3	25,000	625,000	2,845,987
Site 21	F Tring	Zone 3	25,000	625,000	2,355,143

Source: HDH (November 2019)

12.51 Across the Borough, the Residual Value exceeds the BLV indicating that sites are likely to be viable. The exception is in relation to the Typology A – Brownfield case studies in the 2 lower value zones (CIL Zone 2 and CIL Zone 3) and Typology D in Zone 2. This is for two reasons. Firstly the costs associated with brownfield sites are greater, and, secondly, the BLV is based on an industrial use which is higher than on the greenfield sites.

12.52 We would suggest that the Council is cautious about including such sites in a Plan without further viability work to confirm deliverability. It would be prudent for the Council to engage with the developers and landowners before relying on these to deliver housing in the short to medium term. Such an approach would be fully in line with the Harman Guidance that says:

Landowners and site promoters should be prepared to provide sufficient and good quality information at an early stage, rather than waiting until the development management stage. This will allow an informed judgement by the planning authority regarding the inclusion or otherwise of sites based on their potential viability.

12.53 In this context we particularly highlight paragraph 10-006 of the PPG:

... It is the responsibility of site promoters to engage in plan making, take into account any costs including their own profit expectations and risks, and ensure that proposals for development are policy compliant. Policy compliant means development which fully complies with up to date plan policies. A decision maker can give appropriate weight to emerging policies. It is important for developers and other parties buying (or interested in buying) land to have regard to the total cumulative cost of all relevant policies when agreeing a price for the land. Under no circumstances will the price paid for land be a relevant justification for failing to accord with relevant policies in the plan....

PPG 10-006-20190509

10.23 The above appraisals are based on the base policy requirements and the adopted rates of CIL. The delivery of large sites can put considerable stress on the local infrastructure however, at this stage, the Council has not completed an assessment of the strategic infrastructure and mitigation requirements for each site. This is considered further below. In addition, the Council has an aspiration to increase the affordable housing target from 35% to 40%, this is also considered.

Varied Developer Contributions

12.54 The above analysis assumes the full policy on scenario including the current rates of CIL and si106 contributions at £1,500/unit. The appraisals have been rerun with developer contributions (combined S106 and CIL) of up to £50,000/unit.

12.55 The analysis indicates that, on the whole, there is capacity for substantial developer contributions, the exception being the brownfield sites where the capacity is less.

12.56 The Council is considering increasing its affordable housing target from the current 35% to 40%. It will be commissioning further viability work to assess this in more detail in due course.

12.57 Where the affordable housing requirement is 40% rather than 35% the Residual Value is about £150,000/ha less. This is a substantial difference that would be broadly equivalent to £5,000/unit in developer contributions. Prior to knowing the site-specific infrastructure requirements it would be premature to make firm recommendations in this regard.

12.58 As in the 35% scenario, the analysis indicates that, on the whole, there is capacity for substantial developer contributions, the exception being the brownfield sites where the capacity is less.

Employment Sites Appraisal Results

- 12.59 We have run a set of development financial appraisals for the non-residential development types.
- 12.60 The six potential sites identified through the Site Assessment Study have simply been identified for employment uses. The analysis does not extend to the type of office or industrial development that may or may not be appropriate on each site and in what mix. In order to provide useful advice, the analysis is based on several components that could be mixed if the sites were to come forward.
- 12.61 To a large extent, the above results are reflective of the current market in the Borough, and more widely. Whilst office development is not shown as viable, it is coming forward on the ground. Similarly, industrial development is shown as being unviable.
- 12.62 It is notable that agents operating in the local market have reported that over the last 24 or so months, that there has been a change in sentiment and an improvement in the market, and that this is expected to continue.
- 12.63 The analysis in this report is carried out in line with the Harman Guidance and in the context of the NPPF and PPG. It assumes that development takes place for its own sake and is a goal in its own right. It assumes that a developer buys land, develops it and then disposes of it, in a series of steps with the sole aim of making a profit from the development. As set out in Chapters 2 and 3 above, the Guidance does not reflect the broad range of business models under which developers and landowners operate. Some developers have owned land for many years and are building a broad income stream over multiple properties over the long term. Such developers are able to release land for development at less than the arms-length value at which it may be released to third parties and take a long-term view as to the direction of the market based on the prospects of an area and wider economic factors. Much of the development coming forward in the area is 'user led' being brought forward by businesses that will use the eventual space for operational uses, rather than for investment purposes.

Deliverable Sites

- 12.64 Based on the analysis in this high-level viability study that has been prepared to support the Site Assessment Study, the Council can be confident that greenfield sites are most likely to be deliverable and have capacity to bear developer contributions over and above CIL. The viability of brownfield sites is less good, particularly in the lower value areas. The Council should be cautious before allocating these.
- 12.65 The larger sites have capacity to bear developer contributions (s106 and CIL) of over £40,000/unit. In due course, when further work has been done to establish the strategic infrastructure and mitigation requirements of the larger sites, it is recommended that further consideration be given as to how these are best collected – through the s106 regime or under CIL.



Appendix 1 – Consultation Presentation

The pages in this appendix are not numbered.





**Site Assessment Study - Viability
Consultation**
Methodology, Assumptions


14th February 2019



1

Agenda

- 2018 NPPF, PPG (updated July 2018) and Guidance
- Methodology
 - Harman Guidance / RICS Guidance / PPG
- Main Assumptions
 - Prices
 - Costs
 - Commercial prices
 - Modelling
- The Viability Test
- Moving Forward




2

Key issue

- Delivery of the emerging greenfield sites
- Affordable Housing



V


Developer Contributions



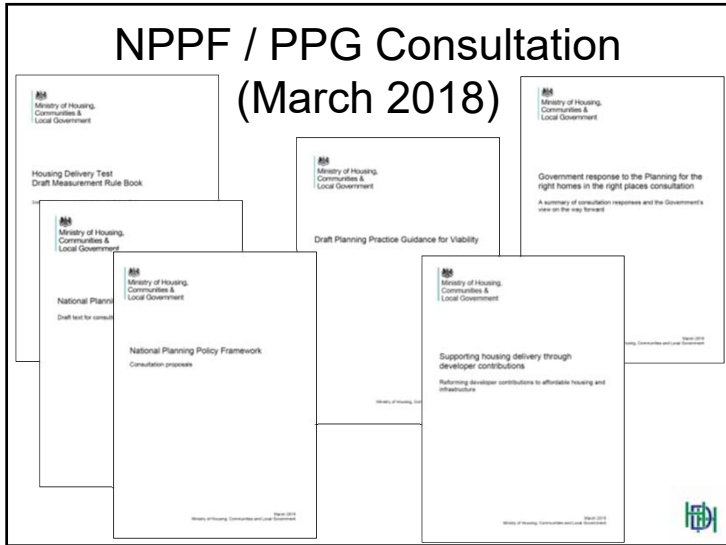
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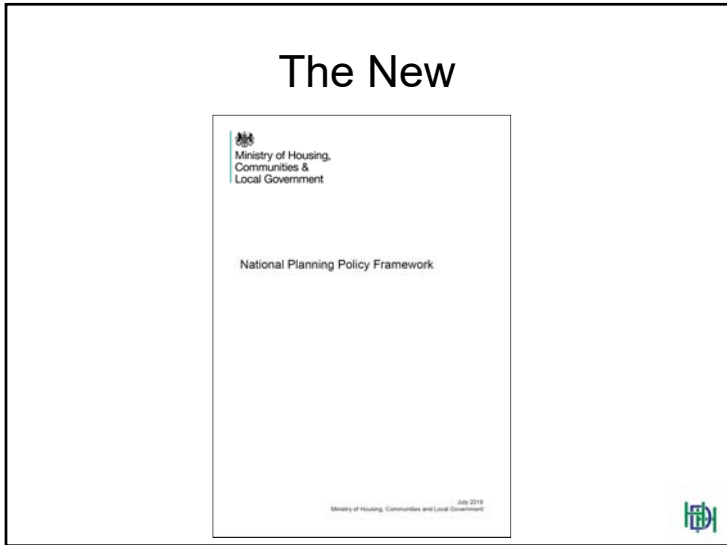





4



5



6

<p>2012 NPPF - 173</p> <p>the scale of development identified in the plan should not be subject to such a scale of obligations and policy burdens that their ability to be developed viably is threatened provide competitive returns to a willing land owner and willing developer</p> <p>2012 NPPF – 174</p> <p>the scale of development identified in the plan should not be subject to such a scale of obligations and policy burdens that their ability to be developed viably is threatened</p>	<p>2018 NPPF - 67</p> <p><i>Strategic policy-making authorities should have a clear understanding of the land available in their area through the preparation of a strategic housing land availability assessment. From this, planning policies should identify a sufficient supply and mix of sites, taking into account their availability, suitability and likely economic viability. Planning policies should identify a supply of:</i></p> <ul style="list-style-type: none"> a) <i>specific, deliverable sites for years one to five of the plan period; and</i> b) <i>specific, developable sites or broad locations for growth, for years 6-10 and, where possible, for years 11-15 of the plan.</i>
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7

<p>2012 NPPF – Footnote 11</p> <p>11 To be considered deliverable, sites should be available now, offer a suitable location for development now, and be achievable with a realistic prospect that housing will be delivered on the site within five years and in particular that development of the site is viable. Sites with planning permission should be considered deliverable until permission expires, unless there is clear evidence that schemes will not be implemented within five years, for example they will not be viable, there is no longer a demand for the type of units or sites have long term phasing plans.</p>	<p>2018 NPPF – 26, glossary</p> <p>Deliverable: To be considered deliverable, sites for housing should be available now, offer a suitable location for development now, and be achievable with a realistic prospect that housing will be delivered on the site within five years. Sites that are not major development, and sites with detailed planning permission, should be considered deliverable until permission expires, unless there is clear evidence that homes will not be delivered within five years (e.g. they are no longer viable, there is no longer a demand for the type of units or sites have long term phasing plans). Sites with outline planning permission, permission in principle, allocated in the development plan or identified on a brownfield register should only be considered deliverable where there is clear evidence that housing completions will begin on site within five years.</p>
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8

2014 PPG 10-001

... plans should be deliverable and that the sites and scale of development identified in the plan should not be subject to such a scale of obligations and policy burdens that their ability to be developed viably is threatened....

2018 PPG 10-001

...policy requirements should be informed by evidence of infrastructure and affordable housing need, and a proportionate assessment of viability that takes into account all relevant policies, and local and national standards, including the cost implications of the Community Infrastructure Levy (CIL) and section 106...

2018 PPG 10-002

It is the responsibility of plan makers in collaboration with the local community, developers and other stakeholders, to create realistic, deliverable policies. Drafting of plan policies should be iterative and informed by engagement with developers, landowners, and infrastructure and affordable housing providers.

9

PPG Viability in plan making

- 10-003 – based on Typologies
- 10-004 – use average costs and values
- 10-005 – strategic sites individually
- 10-006 – consultation

10

PPG Standardised inputs

- 10-010
 - *viability helps to strike a balance between the aspirations of developers and landowners, in terms of returns against risk, and the aims of the planning system to secure maximum benefits in the public interest through the granting of planning permission*
- 10-011 – GDV
 - *average figures can be used, with adjustment to take into account land use, form, scale, location, rents and yields, disregarding outliers in the data*

11

PPG costs

- 10-012 – ‘should be based on evidence which is reflective of local market conditions’
 - Build costs – from BCIS
 - Abnormals – in benchmark land value
 - Infrastructure – in benchmark land value
 - Total policy costs – all including CIL
 - Finance
 - Fees
 - Contingency – relative to risk and developer’s return

12

PPG Land Value 10-013

Benchmark Land Value (BLV)

=

Existing Use Value (EUV) 'plus a premium
for the landowner'

- *The premium should provide a reasonable incentive, in comparison with other options available, for the landowner to sell land for development while allowing a sufficient contribution to comply with policy requirements.*



13

PPG BLV – 10-014

- Based on EUV
- Allow for a premium to the landowner
- Reflect abnormal costs, site specific infrastructure and fees
- Be informed by market evidence from policy compliant schemes
 - *In plan making, the landowner premium should be tested and balanced against emerging policies.*



14

PPG Landowners' Premium

- 10-016
- The premium should provide a reasonable incentive for a land owner to bring forward land for development while allowing a sufficient contribution to comply with policy requirements.



15

PPG Landowners' Premium

- a reasonable premium to the landowner
- an iterative process informed by professional judgement
- best available evidence informed by cross sector collaboration
- data sources ... should include market evidence and can include benchmark land values from other viability assessments.



16

PPG Developer's Return

- 10-018
 - *For the purpose of plan making an assumption of 15-20% of gross development value (GDV) may be considered a suitable return to developers in order to establish the viability of plan policies. ... A lower figure may be more appropriate in consideration of delivery of affordable housing ...*



17

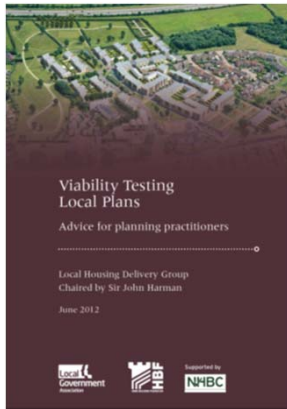
'New' / Current issues – for this project

- Cumulative impact of policy
- Greater emphasis on plan making stage – only include deliverable sites
- Reduced scope for viability at application stage
- Greater transparency
- CIL by land use (as well as zone, use, scale)



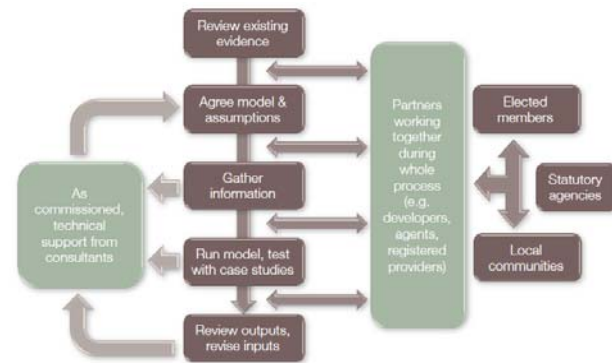
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Harman / RICS



19


Engagement Phases



20

Methodology

21



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Standard Viability Test

STEP 1

Gross Development Value
(The combined value of the complete development)

LESS

Cost of creating the asset, including PROFIT
(Construction + fees + finance charges)


=

RESIDUAL VALUE

STEP 2

Residual Value v Existing / Alternative Use Value

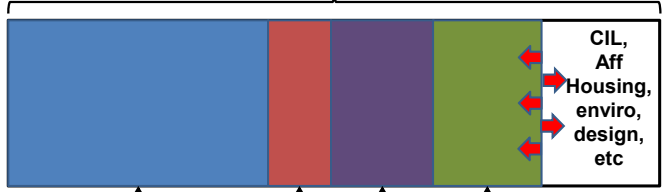
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22

Gross Development Value


All income from a Scheme



Category	Sub-components
Construction	Site Remediation, Abnormals, S106, Etc.
Fees	Design, Engineer, Sales, Etc.
Profit	Developers, Builders
Land	Existing / Alternative Land Value + uplift

CIL, Aff, Housing, enviro, design, etc


23



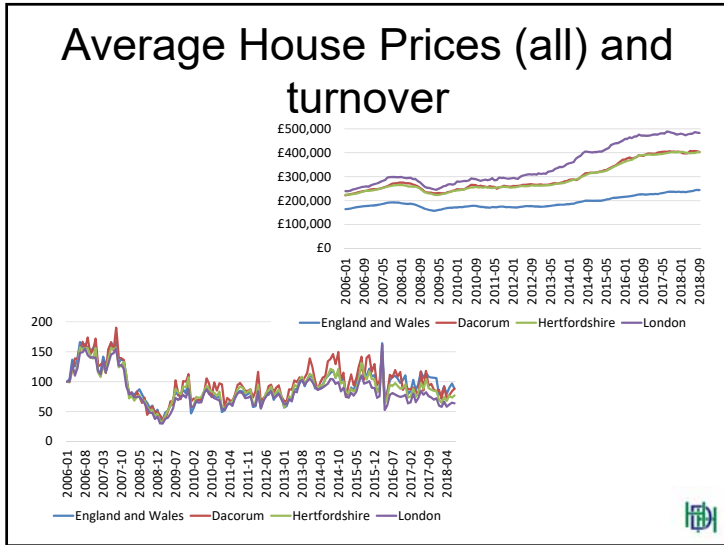
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Key Assumptions

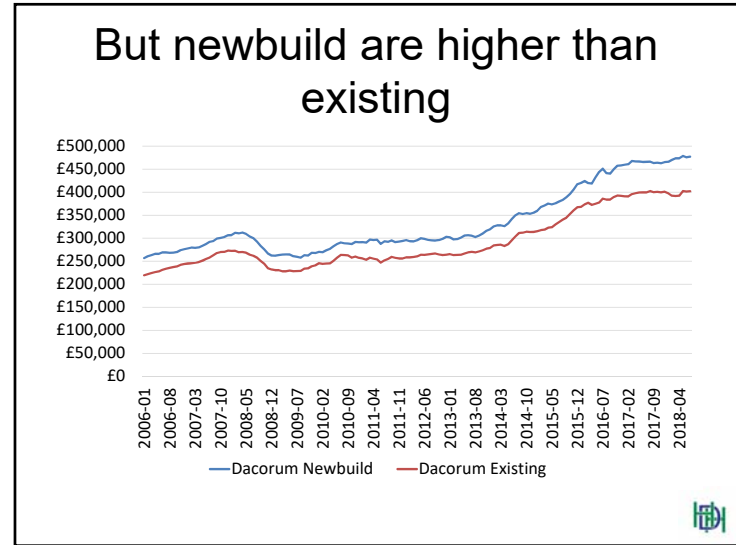
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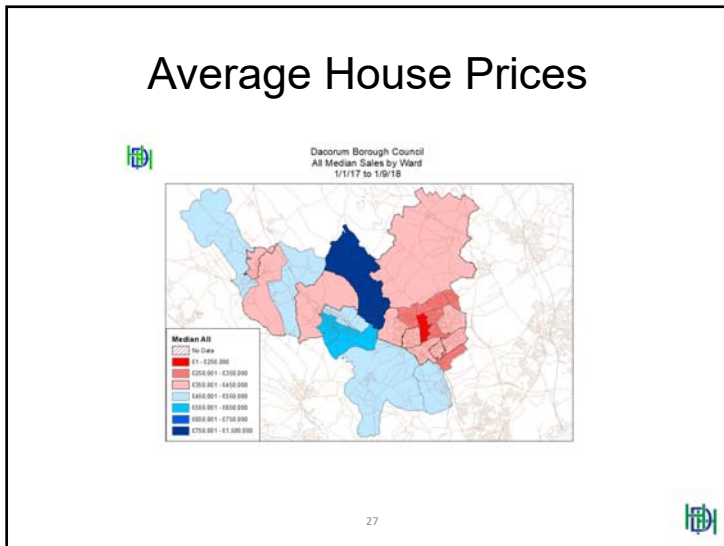
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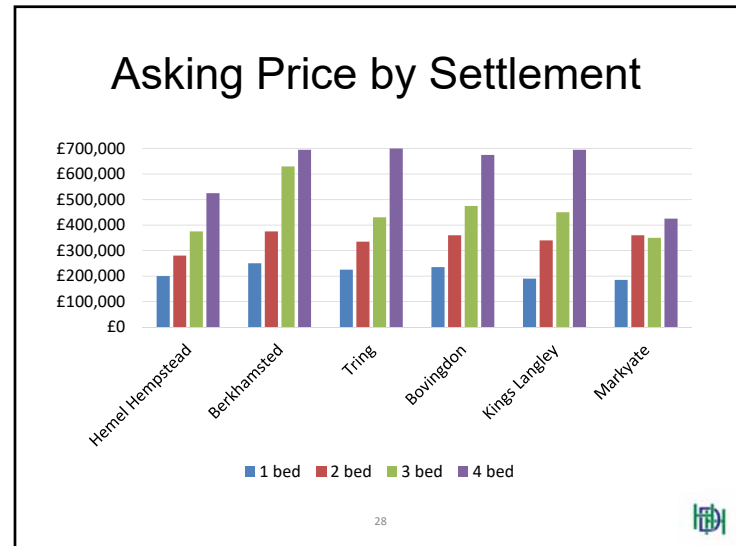
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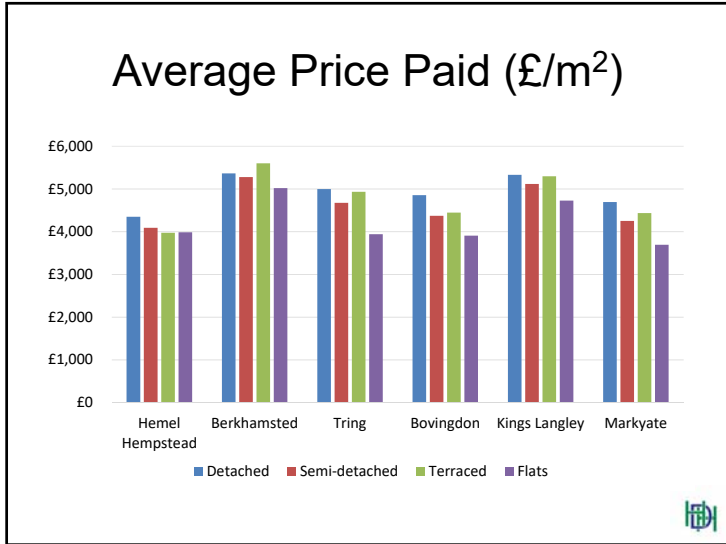
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New Build Asking Prices

Scheme	Minimum	Average	Maximum
Hemel Hempstead			
Sure Sales	Alexandra rd	£4,538	
Flags	Old Town	£3,805	£4,605
Bovis	Aspen Park	£3,881	£4,674
Sears	St Marys Road	£5,944	£6,166
Savoy Estates	Park Rise View	£4,375	
Croudace Homes			
Berkhamsted			
Beechcroft Retirement	Birch Place	£6,974	£7,263
Hunters	Chestnut Drive	£5,325	
Tring			
Cesare & Co	Longfield Rd		
Bovingdon			
Macarthy & Stone	Mountbatten House	£5,917	
Wilson's	Chiltern Mews	£4,737	
	High St	£4,095	
Kings Langley			
Signature Estates	Grand Union Appartments	£5,169	£5,405
Sterling Estates	Village House Development		£5,721
Your Move	Coniston Rd		
Hamptons	Vicarage Lane	£4,862	
Boxmoor			
Flags	Leinster	£5,345	£5,595
	Beechfield Rd	£5,902	

30

Table 4.1 Land Registry Price Paid Data with EPC Data

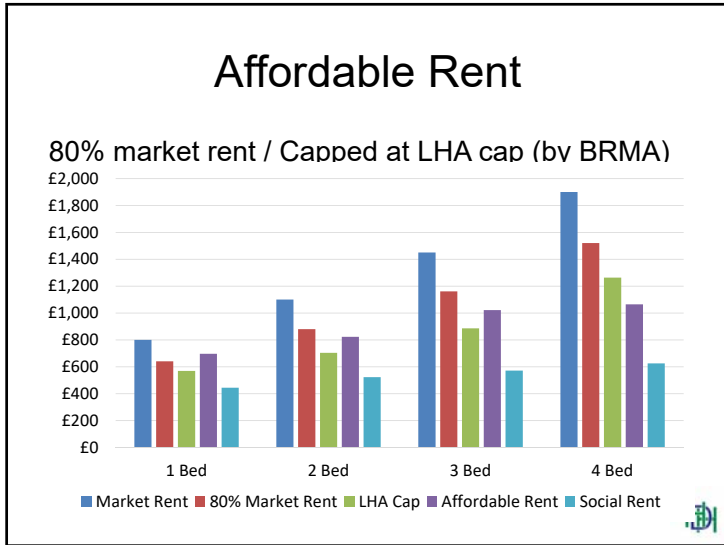
	Detached	Flats	Semi-detached	Terraced	All
Berkhamsted					
Count	45	20	2	0	67
Average £	£724,632	£515,063	£672,500	£0	£660,518
Average £/m2	£5,652	£6,873	£6,011	£0	£6,027
Hemel Hempstead					
Count	49	103	58	46	256
Average £	£508,677	£293,254	£388,377	£404,302	£375,993
Average £/m2	£4,169	£5,345	£4,122	£4,146	£4,631
Tring					
Count	2	16	2	10	30
Average £	£1,100,000	£280,406	£917,359	£534,450	£462,191
Average £/m2	£4,247	£4,404	£3,597	£5,400	£4,672
Dacorum					
Count	96	139	62	56	353
Average £	£622,225	£323,690	£414,606	£427,543	£437,322
Average £/m2	£4,873	£5,457	£4,167	£4,370	£4,901

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Price Assumptions (£/m²)

Description	CIL ZONE 1	CIL ZONE 2	CIL ZONE3
	Berkhamsted and surrounding area	Elsewhere	Hemel Hempstead and Markyate
Larger Brownfield	£5,700	£4,400	£4,600
Smaller Brownfield Sites	£5,700	£4,400	£4,600
Urban Flats	£6,870	-	£5,340
Large Greenfield	£5,700	£4,450	£4,600
Medium Greenfield	£5,700	£4,450	£4,600
Small Greenfield	£6,000		

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Affordable Rent

Table 4.12 Capitalisation of Affordable Rents

	1 Bedroom	2 Bedroom	3 Bedrooms	4 Bedrooms
Gross Rent	£6,818	£8,442	£10,628	£15,150
Net Rent	£5,454	£6,753	£8,502	£12,120
Value	£109,084	£135,067	£170,044	£242,395
m ²	50	70	84	97
£/m ²	£2,182	£1,930	£2,024	£2,499

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- ### Affordable Housing
- Affordable Rent
 - LHA CAP; Management 10%; Voids and bad debts 4%; Repairs 6%; Yield 5.5%

= £2,159/m²
 - Intermediate
 - 50% Share; Rent 2.75%

= 65% OMV

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Non-Residential

	Rent £/m ²	Yield	Rent free period	Value
Offices	£220	6.00%	2	£3,263
Industrial / warehouse	£200	5.00%	2	£3,628
	£81	6.50%	2	£1,095

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Table 6.1 Recent Sales of Development Land

PP Ref	Site	Units		Size	Price Paid	
		As	Per		£/ha	£/unit
40043414MFA	FORMER EGG PACKING FACILITY, LINES LANE, GIMBLECOTE, TRING, HP23 5FA	21	7	1.30	£4,756,582	£3,659,217
40054517MFA	GARAGE COURT ADJ. 83, TURNERS HILL, HEMEL HEMPSTEAD	14	0	0.11	£620,000	£5,911,111
40094417MFA	BRYANSTON COURT, SELDEN HILL, HEMEL HEMPSTEAD, HP2 4TH	109	6	0.34	£5,750,000	£16,911,776
40117311MFA	LAND AT HICKS ROAD, MARKYATE, AL3 8LH	75	19	1.90	£5,742,000	£3,022,110
40119818MFA	LAND AT APSELEY MILLS, ADJ. THE COTTAGE, LONDON ROAD, APSELEY	29	29	0.53	£1,100,000	£3,333,333
40151917MFA	WESTWICK FARM, WESTWICK ROW, LEVERSTOCK GREEN, HP2 4UE	25	9	1.22	£4,100,000	£4,019,600
40183017MFA	MARTINDALE JMI SCHOOL, ROYDERS ROAD, HEMEL HEMPSTEAD, HP1 2QS	65	32	1.43	£4,090,000	£2,860,146
40165517MFA	181-183 MARLOWES, HEMEL HEMPSTEAD, HP1 1BE	10	0	0.34	£360,000	£22,322,222
40267214MFA	121-123 MARLOWES, HEMEL HEMPSTEAD, HP1 1BA	10	0	0.36	£620,000	£10,333,333
40236217MFA	NEW GROUND FARM, NEW GROUND ROAD, ALDBURY, TRING, HP23 5RE	10	0	0.30	£1,800,000	£6,000,000
40226817MFA	LAND NORTH EAST OF 25, GOLDCROFT, HEMEL HEMPSTEAD, HP1 1BE	11	11	0.12	£850,000	£6,995,588
40235113RES	LAND AT NE HEMEL HEMPSTEAD, ADJ. NICKY LANE, THREE CHERRY TREES LANE, HEMEL HEMPSTEAD	357	142	Incomplete		#VALUE!
40241904FUL	LAND ADJ. THE MANOR ESTATE, APSELEY, HEMEL HEMPSTEAD	325	115	48.24	£30,250,000	£627,077
40280717ROCC	LIDL - LAND FORMERLY ROY CHAPMAN LTD AND DAVID AND SAMSON, GOSSOMS END, BERKHAMSTED, HP1 2LP	32	11		£4,125,000	#DIV/0!
40284717FUL	GARAGE, ADJ. ST ORDNWAY, NORTHEAST, HEMEL HEMPSTEAD	6	6	0.08	No PPD	#VALUE!
40284917FUL	GARAGE SITE ON CORNER OF TESSDALE AND WESTINDALE, HEMEL HEMPSTEAD	6	6	0.08	No PPD	#VALUE!
40237215MFA	TRING HOUSE, 151 WILLOWDALE LANE, HEMEL HEMPSTEAD, HP2 3YU	87	87	0.91	£2,280,000	£2,814,917
40316717MFA	CONVERT OF ST FRANCIS DE SALES PREPARATORY SCHOOL, AYLESBURY ROAD, TRING, HP23 4L	31	10	1.34	£5,800,000	£4,328,350
40324114MFA	LAND AT JUNCTION OF: BURROFTS LANE & SPOFFERSWAY, BERKHAMSTED	92	24	11.14	Incomplete	#VALUE!
40325215MFA	WOOD HOUSE, MAYLANDS AVENUE, HEMEL HEMPSTEAD, HP2 7DE	79	79	0.49	£1,550,000	£3,163,267

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Land Registry Prices Paid

	£/ha	£/unit
Minimum	£627,073	£62,923
Average	£3,098,879	£143,754
Median	£3,659,217	£146,453
Maximum	£4,328,358	£226,523

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Existing Use Value £/ha

- Agricultural Land £25,000
- Paddock Land £50,000
- Industrial Land £1,800,000
- Residential Land £650,000

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Development Costs 1

- Construction BCIS
– Median £1,323/m²
- Small sites +13% / +6%
- Site Costs 5% to 15%
- Brownfield +5%
- Fees 8%
- Contingencies 2.5% / 5%

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Development Costs 2

- S106 £1,500/unit
- CIL

Development Type	CIL rate (per square metre)			
	Zone 1: Berkhamsted and surrounding area	Zone 2: Elsewhere	Zone 3: Hemel Hempstead and Markyate	Zone 4: Identified Sites
Residential	£250	£150	£100	£0
Retirement Housing	£125		£0	
Convenience based supermarkets and superstores and retail warehousing (net retailing space of over 280 square metres)	£150			
Other	£0			

Retirement housing is housing which is purpose built or converted for sale to elderly people with a package of estate management services and which consists of grouped, self-contained accommodation with communal facilities amounting to less than 10% of the gross floor area. These premises often have emergency alarm systems and/or wardens. These properties would not however be subject to significant levels of residential care (C2) as would be expected in care homes or extra-care premises.

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Development Costs 3

- Interest 6% plus fees
- Developer's Return 17.5% GDV
- Sales 3.5%

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Cumulative Impact of Policy

- Affordable Housing – 35%
- Developer Contributions – s106 and CIL
- Housing Mix – From SHMA
- Space Standards
- Accessible and Adaptable (10% & 5%)
- Charging points
- Water
- SUDS
- Self Build?

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Housing Mix

- 35% Affordable
- Affordable – 75% to rent

	1-bed	2-bed	3-bed	4+ bed
Market	5-10%	25-30%	40-45%	20-25%
Affordable	30-35%	30-35%	25-30%	5-10%
All dwellings	15%	30%	40%	15%

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Modelling 1

Table 9.1 Case Study Modelling

	Type	Area		Dwellings	Density	
		Gross ha	Net ha		Gross	Net
A	15 Berkhamstead	5.24	4.00	100	19.08	25.00
B	28 (employment)	1.20	0.60			
C	33 Bovingdon	3.29	1.99	58	17.63	29.15
D	49 Chipperfield	1.80	1.20	28	15.56	23.33
E	83 Hemel Hempstead	4.75	3.78	170	35.79	44.97
F	113 Markyate	1.04	0.51	16	15.38	31.37
G	132 Tring	14.70	12.20	363	24.69	29.75
H	141 Wilstone	0.40	0.20	6	15.00	30.00

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Modelling 2

Table 9.3 Average Site Size

	Average Area (Gross ha)	Average Area (Net Ha)	Average Capacity
Berkhamstead	13.59	7.41	242.41
Bourne End	1.12	0.90	0.56
Bovingdon	3.83	2.89	81.93
Bridens Camp	0.41	0.33	6.13
Chipperfield	1.47	1.15	22.00
Fiamstead	0.97	0.76	14.57
Great Gaddesden	2.44	1.83	1.22
Hemel Hempstead	59.28	30.22	1,041.57
Kings Langley	8.10	4.85	142.31
Long Marston	0.54	0.44	8.17
Markyate	6.23	4.03	138.13
Potten End	1.92	1.49	32.35
Tring	28.77	14.82	550.06
Wilstone	1.37	1.06	20.49
Grand Total	19.73	10.47	352.20

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Modelling 3

			Current Use	Units	Area Ha		Density Units/ha		Density m2/ha	
					Gross	Net	Gross	Net		
1	A-15 Berkhamstead	Zone 3	Green	Agricultural	100	5.24	4.00	19.08	25.00	2,292
2	C-33 Bovingdon	Zone 3	Green	Agricultural	58	3.29	1.99	17.63	29.15	2,685
3	D-49 Chipperfield	Zone 3	Green	Agricultural	28	1.80	1.20	15.56	23.33	2,168
4	E-83 Hemel Hempstead	Zone 3	Mixed	Mixed	170	4.75	3.78	35.79	44.97	4,098
5	F-113 Markyate	Zone 3	Green	Agricultural	16	1.04	0.51	15.38	31.37	2,923
6	G-132 Tring	Zone 3	Green	Agricultural	363	14.70	12.20	24.69	29.75	2,708
7	H-141 Wilstone	Zone 3	Green	Paddock	6	0.40	0.20	15.00	30.00	2,510
8	Large Green 1500	Zone 3	Green	Agricultural	1,500	100.00	50.00	15.00	30.00	2,730
9	Large Green 500	Zone 3	Green	Agricultural	500	33.33	16.67	15.00	30.00	2,734
10	Large Green 100	Zone 3	Green	Agricultural	100	4.44	3.33	22.50	30.00	2,750
11	Green 50	Zone 3	Green	Agricultural	50	2.08	1.67	24.00	30.00	2,734
12	Green 25	Zone 3	Green	Agricultural	25	1.25	1.00	20.00	25.00	2,260
13	Green 15	Zone 3	Green	Agricultural	15	0.94	0.75	16.00	20.00	1,783
14	Green 10	Zone 3	Green	Agricultural	10	0.63	0.50	16.00	20.00	1,850
15	Green 7	Zone 3	Green	Paddock	7	0.39	0.35	18.00	20.00	1,820
16	Sandish Manor	Hemel H	Brown	Industrial	554	31.67	15.83	17.49	34.99	3,181
17	Holtzmere End Fm	Hemel H	Green	Agricultural	586	33.51	16.76	17.49	34.97	3,182
18	Dunsley Fm	Tring	Mixed	Agricultural	652	37.25	18.62	17.51	35.01	3,188
19	S Berkhamsted UE	Berkhamsted	Mixed	Agricultural	661	37.79	18.89	17.49	34.99	3,190
20	Polehanger Lane	Hemel H	Green	Agricultural	966	55.21	27.60	17.50	34.99	3,185
21	Wayside Farm	Kings Langley	Mixed	Mixed	1,223	69.90	34.95	17.50	34.99	3,185
22	East of Berkhamsted	Berkhamsted	Green	Agricultural	1,624	92.82	46.41	17.50	34.99	3,183
23	Pouchen End Lane	Hemel H	Green	Agricultural	1,799	102.81	51.41	17.50	35.00	3,187
24	East of Tring	Tring	Green	Agricultural	2,084	119.11	59.55	17.50	34.99	3,185
25	N & NE of Hemel Hempstead	Hemel H	Green	Agricultural	15,589	890.78	445.39	17.50	35.00	3,185

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A Pragmatic Viability Test

We are NOT trying to replicate a particular business model
Test should be broadly representative

'Existing use value plus'
– reality checked against market value

- Will EUV Plus provide landowner's premiums?
- Land owner's have expectations (*life changing?*)
- Will land come forward?

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Early Results

- Subject to change as a result of this consultation
- Should be given little weight
- For illustrative purposes
- IDP costs required



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					Area (ha)		Units	Residual Value (£)		
					Gross	Net		Gross ha	Net ha	Site
Site 1	A-15 Berkhamstead	Zone 3	Green	Agricultural	5.24	4.00	100	904,067	1,184,328	4,737,314
Site 2	C-33 Bovington	Zone 3	Green	Agricultural	3.29	1.99	58	835,136	1,380,703	2,747,596
Site 3	D-49 Chipperfield	Zone 3	Green	Agricultural	1.80	1.20	28	793,540	1,190,309	1,428,371
Site 4	E-83 Hemel Hempstead	Zone 3	Mixed	Mixed	4.75	3.78	170	1,651,925	2,075,832	7,846,645
Site 5	F-113 Markyate	Zone 3	Green	Agricultural	1.04	0.51	16	1,838,465	3,749,027	1,912,004
Site 6	G-132 Tring	Zone 3	Green	Agricultural	14.70	12.20	363	1,202,959	1,449,467	17,663,498
Site 7	H-141 Wilstone	Zone 3	Green	Paddock	0.40	0.20	6	1,794,742	3,589,483	717,897
Site 8	Large Green 1500	Zone 3	Green	Agricultural	100.00	50.00	1,500	536,344	1,072,687	53,634,358
Site 9	Large Green 500	Zone 3	Green	Agricultural	33.33	16.67	500	650,773	1,301,546	21,692,439
Site 10	Large Green 100	Zone 3	Green	Agricultural	4.44	3.33	100	1,079,811	1,439,748	4,799,160
Site 11	Green 50	Zone 3	Green	Agricultural	2.08	1.67	50	1,183,977	1,479,972	2,486,619
Site 12	Green 25	Zone 3	Green	Agricultural	1.25	1.00	25	938,447	1,173,059	1,173,059
Site 13	Green 15	Zone 3	Green	Agricultural	0.94	0.75	15	1,809,321	2,261,652	1,696,239
Site 14	Green 10	Zone 3	Green	Agricultural	0.63	0.50	10	1,913,507	2,391,883	1,195,942
Site 15	Green 7	Zone 3	Green	Paddock	0.39	0.35	7	2,061,406	2,290,451	801,658
Site 16	Sandish Manor	Hemel H	Brown	Industrial	31.67	15.83	554	743,937	1,487,921	23,558,251
Site 17	Holtsmere End Fm	Hemel H	Green	Agricultural	33.51	16.76	586	784,327	1,568,560	26,282,784
Site 18	Dunsley Fm	Tring	Mixed	Agricultural	37.25	18.62	652	577,311	1,154,621	21,502,507
Site 19S	Berkhamsted UE	Berkhamsted	Mixed	Agricultural	37.79	18.89	661	1,338,868	2,678,445	50,595,833
Site 20	Polehanger Lane	Hemel H	Green	Agricultural	55.21	27.60	966	688,141	1,376,308	37,991,597
Site 21	Wayside Farm	Kings Langley	Mixed	Mixed	69.90	34.95	1,223	512,477	1,024,953	35,822,120
Site 22	East of Berkhamsted	Berkhamsted	Green	Agricultural	92.82	46.41	1,624	1,125,265	2,250,554	104,448,223
Site 23	Pouchen End Lane	Hemel H	Green	Agricultural	102.81	51.41	1,799	592,703	1,185,408	60,935,783
Site 24	East of Tring	Tring	Green	Agricultural	119.11	59.55	2,084	415,655	831,303	49,507,446
Site 25	N & NE of Hemel Hempstead	Hemel H	Green	Agricultural	890.78	445.39	15,589	211,649	423,299	188,532,428



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Moving Forward

- Circulate rough and ready first draft today
- Comments by 1st March (to the Council)
- Final draft late February



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Appendix 2 – Consultation Notes

AECOM/HDH Site Assessment

- SDH introduction.
 - HDH does SHMAs and Viability Studies
 - Straight forward part right now.
 - After today, circulate a very early draft report. We want your feedback. We ask you to make written responses, short and concise.
- Key Issues
 - Describes AECOM work, looking at big issues/constraints and coming to a 'shortened list'.
 - Some of these sites require infrastructure to make them developable.
 - Study is based on a whole series of assumptions.
- The old → NPPF/PPG slide → New NPPF slides
 - For the purposes of this study, the new Framework makes greater emphasis on viability at the plan making stage.
- Extracts from old and new NPPF
 - Sets out these extracts
 - Focus on 'deliverable' definition – not materially different.
 - Inspectors want concise, but cover all the options.
 - "We are going to consider national standards, and all things in the emerging local plan."
 - For Local Plans, expectation to demonstrate deliverability of sites, and a greater emphasis on SoCGs/MOUs.
 - "Cannot stress importance of discussion with local authority"
- Slides - "PPG Viability in Plan Making" → "PPG Standardised Inputs" → "PPG Costs" → "PPG Land Value" → "PPG BLV" → "PPG Landowner Premium slide" → "PPG Developer's Return" → "New / Current issues" (note reference to paragraph 007 of PPG)
 - Presents contents
- "Harman/RICS"
 - presents
 - note it is still up to date, inspectors have training on Harman guidance)
 - RICS is not aligned with the new guidance.
- "Engagement phases"
 - Presents image, helpful but circular
- End of background – ANY QUESTIONS? NO IMMEDIATE RESPONSE.
 - SDH requests any queries/questions or comments on this section to be included in any written feedback.

MOVES ONTO METHODOLOGY

- "Standard Viability Test"
 - **QUESTION** – Will slides be available? YES WE WILL CIRCULATE ACTION
 - **QUESTION** – Land values. ANSWER We have no interest in historic land values. If you bought a piece of land for extortionate value, we do not take that into account. It is based on its existing value today.
- "Gross Development Value"
 - Trying to identify how much the local authority is asking for and how much that will affect land.
 - Any Questions.
 - **QUESTION** –Do you make adjustments for larger sites. ANSWER – We use guidance for smaller sites using BCIS.
- "Average House Prices"

- Presents slide
 - “Active market in Dacorum and is in line with the wider work.”
- Graph with new vs existing
 - New house prices are significantly more than existing house prices.
 - Newbuild are 20% more expensive. Not because they are new. Part of the reason for why they are lower, in SDH view, is the existing stock is of a style/design that is less desirable. Much of Hemel built as post-war new town. More recent developments are more aspirational in terms of their style/design.
- Average House Prices
 - Look at variation across the district.
 - Berkhamsted has substantially higher values than Hemel.
- Asking Prices by settlement & Price Paid slides
 - Looked at data from land registry, every house sold since start of 2017. Align that with EPC certificate for £ per m2.
 - Really good data, as it is not up for debate. These are prices that are paid and the size of the unit.
 - **QUESTION**– Where is the data from? ANSWER – From Land Registry
 - **QUESTION** – Is this all homes data? ANSWER – This is only new homes.
 - **QUESTION** – definition is ‘brand new’? ANSWER – Yes.
- New build asking prices and average prices from EPC register
 - Presents these slides.
 - **QUESTION** – Retirement scheme, take account of unusual factors like that ANSWER – Yes, but we do consider older people’s homes.
- Price assumptions slide
 - Look at green field values – around Hemel of £4,600 m2.
 - **QUESTION** – What are these thresholds? ANSWER - Small site <10 units; Medium Site 10-50 units
 - In some lower value areas, you could create a premium if there is a distinctive space.
 - **QUESTION** – What about Brexit? ANSWER – We are looking at today’s costs and values.
 - We do not get into the debate of price prediction.
 - **QUESTION** - When do you revisit? ANSWER – We look at things pretty quickly. If you look at the range of predictions.
 - **COMMENT** – Although guidance is pushing viability towards Local Plan, it will come back as an adjustment down the line. SDH – If we set viability at such a tight margin, we would be picked up by a planning inspector.
 - **QUESTION** – What would be the normal variation? ANSWER – a 5% variation in costs and values.
 - **QUESTION** – The prices quoted (per m2). Is that talking about the whole site? ANSWER – It is the gross internal area.
 - **QUESTION** – Does that include garages. ANSWER – It does not include garages.
 - **QUESTION** – Zone 2 less than Zone 3 (*unsure on exact question*) ANSWER – Average prices is £4,631 Average is over £6,000 per m2. Tring is £4,670.
 - **QUESTION** – Does land registry figures take into account? ANSWER – Land registry is the price paid from the buyer to seller. QUESTIONS Does it include inducements? ANSWER – No . QUESTION Should it be included? ANSWER – HDH have done some work on this. If you are a self-financed buyer, there is a discount of up to 5% that you can negotiate, typically its closer to 2.5%. If you are a help to buy, you may get less quality furnishings. QUESTION – Help to buy is an inducement factor, with a significant percentage of new properties under that. ANSWER – Would welcome written feedback, and including any other incentives.
- Affordable Rent
 - Presents slide.
 - Taken cautious approach that it is no lower than LHA CAP.

- QUESTION – WHY. ANSWER – We know that housing associations are charging more, but this normally applies to older/existing properties.
- QUESTION – 5% is quite high yield for a solid yield. ANSWER – This is affordable rent rather than the social rent. It gives a value of about 50% of market value. It is my understanding that AH locally is around this %.
- Asks if Local Housing Association are here (one response) **It would be good to have their view on this in writing.**
- LHA – Make offers in excess of 65%. Costs of materials/repairs seem strange. SDH the figures come from HCA.
- “Non-residential”
 - Notes issue with table – second line of table is ‘smaller offices’ rather than just ‘offices’.
 - **SDH REQUEST** - Is anyone involved in non-residential development? **FEEDBACK** Industrial is too cheap. Much more appetite for industrial in this area.
- “Land registry prices paid”
 - Presents land value
 - Looked at the last 20 applications subject to affordable housing. All of these are listed in the report. This is open data, nothing secret or confidential.
- “Land registry prices paid” (2nd slide)
 - Presents table. Remember only 60% of site is developable.
 - Any Questions?
 - QUESTION – Are these prices paid? ANSWER – Yes.
 - QUESTION – In relation to planning consent? ANSWER – SDH has not consider this.
- “Existing Use Value”
 - Presents bullet.
 - **QUESTION** – Do the figures include CIL? ANSWER – Yes
 - **QUESTION** – Does Industrial include offices, as that could impact the overall value.
 - **QUESTION** – How is this broken down by serviced and unserviced land. ANSWER – The Industrial land value is not a figure that we will be using moving forward in the study.
 - **STATEMENT** – On CIL figure, it has not been indexed.
- “Development Costs 1”
 - Presents slide.
 - **QUESTION** Site costs 15% of what? ANSWER - Of BCIS cost.
 - Notes Fees 8%, previously was 10% but changed due to inflation.
- “Development Costs 2”
 - Presents slide
 - Notice that last CIL zone is zero rated, these relate to strategic sites. We will look at options around that. If it’s not viable, then we may consider if a scheme could be presented that is viable.
- “Development Costs 3”
 - Presents slide
 - Developers return – taken middle of road approach.
 - **QUESTION** – Dev Return who won’t buy based on your rate due to current uncertainty. ANSWER – guidance states you should use between 15%-20%. COMMENT – That number is just nowhere near the current position. QUESTION – Is it pure profit? ANSWER – This is more like a gross margin for a particular scheme. COMMENT – Buying land for 40 years, you cannot use a single figure. ANSWER – I expected that comment to be made. We will look at return on capital employed. What would you suggest? RESPONSE 12.5%. SDH What capital assumption would you assume? RESPONSE – Unsure, SDH noted the answer on their slides.
 - SDH reiterates that the assessment needs to be prepared in line with the guidance. We have the new PPG, it sets out parameters, and it might be possible to use a different figure. You would need to work very hard to move outside of the

- parameters. If we are wrong, and this was to be done, then we would be happy to set it out in the report.
- COMMENT (gent in front, in defence of SDH) – Are we getting too detailed as this is all based on greenfield sites, and that the premium is so much more here. SDH – we need to get the assumptions right.
 - COMMENT (gent in back right corner) - TO BALANCE DEVELOPERS VIEW – as landowner, looking too much at residential. Developers costs are largely inflexible. Pressure on land value and gain. Support “your robust assumptions”.
 - “Cumulative impact of policy”
 - Presents slide
 - “Housing mix”
 - Important that current policy is that mix should follow SHMA
 - That is the basic housing mix that you are using, but have used the ranges to maximise 3-4 bed within these ranges.
 - Appreciate that may not be what developers want.
 - “Modelling 1”
 - AECOM have created eight sites, including one site.
 - “Modelling 2”
 - HDH have supplemented that to reflect a broader range (size, range, net developable area”
 - Used to develop typologies.
 - “Modelling 3”
 - Top 7 sites are AECOM
 - Then half a dozen sites that HDH have developed that is sufficiently wide.
 - A further nine sites that are being considered. These are options that are being assessed, not draft allocations. Include sites up to 15,500 houses right down to lower level.
 - REQUEST FROM SHD – If your site is not reflected in the typology, then write it in your response. HDH are able to add in as necessary.
 - “Pragmatic Viability Test” → Early Results
 - Presents slides
 - Note that the results are pre-consultation, to provide something.
 - RESULTS TABLE
 - All of these are in the lower value zone
 - Typically generating between £750,000/ha. On net basis over £1.5m/ha
 - No point developing report until I have had your feedback.
 - Moving forward
 - Comments by 1 March.
 - What we do not want are great dissertations. If we are wrong, tell us we are wrong and point to evidence to demonstrate this. We need to be objective. We need figures that are ‘more or less’ right.
 - Final draft should be by late March, not late Feb as per the slide.
 - Results will be given to AECOM
 - ANY FURTHER QUESTIONS
 - QUESTION (gent on right) – On deliverability of site, very little infrastructure costs. If site is developed, it will have an impact on infrastructure (schools, medical, etc). Is this considered. ANSWER – There is still work to be done on the IDP. Figures for costs are based on best current estimates. A range will be tested, up to £70k /unit. At the end of the report, AECOM will apply assumptions.
 - QUESTION – It has been suggested that 40% could be applied on GB release. Landowners may be able to do their own homework to come to their own view on what they can deliver. Are there any hidden taxes? ANSWER – SDH refers to Chelmsford.
 - QUESTION - Collaboration to work with local authority. Is that too late? When is the right time? ANSWER – Not yet.

- QUESTION – Existing infrastructure, it may make sites more difficult to deliver.
ANSWER (FRANCIS) – That is something we will consider.
- **SDH NOTE TAKEN TODAY** – Reference to comments will be made throughout the report.



Appendix 3 – Newbuild Price Paid Data with EPC

Date	Price Paid	Type	saon	paon	street	locality	town	postcode	m2	£/m2
24/02/2017	£285,000	F	FLAT 29	SWAN COURT	WATERHOUSE STREET		HEMEL HEMPSTEAD	HP1 1DS	49	£5,816
03/03/2017	£189,000	F	FLAT 43	SWAN COURT	WATERHOUSE STREET		HEMEL HEMPSTEAD	HP1 1DS	25	£7,560
17/02/2017	£185,000	F	FLAT 62	SWAN COURT	WATERHOUSE STREET		HEMEL HEMPSTEAD	HP1 1DS	25	£7,400
03/02/2017	£225,000	F	FLAT 8	SWAN COURT	WATERHOUSE STREET		HEMEL HEMPSTEAD	HP1 1DS	39	£5,769
15/03/2017	£850,000	D		9	OAKHILL CLOSE		HEMEL HEMPSTEAD	HP2 4FZ	201	£4,229
17/02/2017	£650,000	D		10	OAKHILL CLOSE		HEMEL HEMPSTEAD	HP2 4FZ	133	£4,887
03/02/2017	£600,000	D		12	OAKHILL CLOSE		HEMEL HEMPSTEAD	HP2 4FZ	126	£4,762
21/02/2017	£455,000	D		13	OAKHILL CLOSE		HEMEL HEMPSTEAD	HP2 4FZ	83	£5,482
28/02/2017	£465,000	D		14	OAKHILL CLOSE		HEMEL HEMPSTEAD	HP2 4FZ	95	£4,895
28/04/2017	£480,000	D		23	OAKHILL CLOSE		HEMEL HEMPSTEAD	HP2 4FZ	87	£5,517
31/03/2017	£565,000	D		24	OAKHILL CLOSE		HEMEL HEMPSTEAD	HP2 4FZ	117	£4,829
16/01/2018	£273,690	F	FLAT 1	SHERPA HOUSE	MONTGOMERY AVENUE		HEMEL HEMPSTEAD	HP2 4HD	64	£4,276
23/02/2018	£268,425	F	FLAT 2	SHERPA HOUSE	MONTGOMERY AVENUE		HEMEL HEMPSTEAD	HP2 4HD	67	£4,006
26/01/2018	£270,000	F	FLAT 3	SHERPA HOUSE	MONTGOMERY AVENUE		HEMEL HEMPSTEAD	HP2 4HD	67	£4,030
04/12/2017	£263,160	F	FLAT 4	SHERPA HOUSE	MONTGOMERY AVENUE		HEMEL HEMPSTEAD	HP2 4HD	64	£4,112
12/01/2018	£262,000	F	FLAT 6	SHERPA HOUSE	MONTGOMERY AVENUE		HEMEL HEMPSTEAD	HP2 4HD	67	£3,910
05/12/2017	£275,000	F	FLAT 7	SHERPA HOUSE	MONTGOMERY AVENUE		HEMEL HEMPSTEAD	HP2 4HD	64	£4,297
10/07/2018	£270,000	F	FLAT 9	SHERPA HOUSE	MONTGOMERY AVENUE		HEMEL HEMPSTEAD	HP2 4HD	67	£4,030
25/05/2018	£220,000	F	FLAT 1	NORMANDY HOUSE, 1	WOLSEY ROAD		HEMEL HEMPSTEAD	HP2 4TU	34	£6,471
29/06/2018	£190,000	F	FLAT 11	NORMANDY HOUSE, 1	WOLSEY ROAD		HEMEL HEMPSTEAD	HP2 4TU	34	£5,588
20/10/2017	£260,000	F	FLAT 12	NORMANDY HOUSE, 1	WOLSEY ROAD		HEMEL HEMPSTEAD	HP2 4TU	36	£7,222
11/05/2018	£208,000	F	FLAT 13	NORMANDY HOUSE, 1	WOLSEY ROAD		HEMEL HEMPSTEAD	HP2 4TU	32	£6,500
13/04/2018	£206,000	F	FLAT 14	NORMANDY HOUSE, 1	WOLSEY ROAD		HEMEL HEMPSTEAD	HP2 4TU	34	£6,059
18/01/2018	£230,000	F	FLAT 17	NORMANDY HOUSE, 1	WOLSEY ROAD		HEMEL HEMPSTEAD	HP2 4TU	34	£6,765
20/12/2017	£195,000	F	FLAT 19	NORMANDY HOUSE, 1	WOLSEY ROAD		HEMEL HEMPSTEAD	HP2 4TU	34	£5,735
18/12/2017	£210,000	F	FLAT 20	NORMANDY HOUSE, 1	WOLSEY ROAD		HEMEL HEMPSTEAD	HP2 4TU	33	£6,364
19/01/2018	£210,000	F	FLAT 21	NORMANDY HOUSE, 1	WOLSEY ROAD		HEMEL HEMPSTEAD	HP2 4TU	34	£6,176
16/11/2017	£240,000	F	FLAT 22	NORMANDY HOUSE, 1	WOLSEY ROAD		HEMEL HEMPSTEAD	HP2 4TU	36	£6,667
21/12/2017	£230,000	F	FLAT 23	NORMANDY HOUSE, 1	WOLSEY ROAD		HEMEL HEMPSTEAD	HP2 4TU	32	£7,188
25/05/2018	£220,000	F	FLAT 25	NORMANDY HOUSE, 1	WOLSEY ROAD		HEMEL HEMPSTEAD	HP2 4TU	34	£6,471
25/05/2018	£212,000	F	FLAT 26	NORMANDY HOUSE, 1	WOLSEY ROAD		HEMEL HEMPSTEAD	HP2 4TU	37	£5,730
29/03/2018	£200,000	F	FLAT 27	NORMANDY HOUSE, 1	WOLSEY ROAD		HEMEL HEMPSTEAD	HP2 4TU	34	£5,882
02/02/2018	£235,000	F	FLAT 28	NORMANDY HOUSE, 1	WOLSEY ROAD		HEMEL HEMPSTEAD	HP2 4TU	39	£6,026
20/02/2018	£195,000	F	FLAT 29	NORMANDY HOUSE, 1	WOLSEY ROAD		HEMEL HEMPSTEAD	HP2 4TU	35	£5,571

11/01/2018	£235,000	F	FLAT 3	NORMANDY HOUSE, 1	WOLSEY ROAD		HEMEL HEMPSTEAD	HP2 4TU	39	£6,026
17/11/2017	£212,500	F	FLAT 30	NORMANDY HOUSE, 1	WOLSEY ROAD		HEMEL HEMPSTEAD	HP2 4TU	33	£6,439
14/12/2017	£230,000	F	FLAT 31	NORMANDY HOUSE, 1	WOLSEY ROAD		HEMEL HEMPSTEAD	HP2 4TU	35	£6,571
22/01/2018	£238,000	F	FLAT 32	NORMANDY HOUSE, 1	WOLSEY ROAD		HEMEL HEMPSTEAD	HP2 4TU	38	£6,263
24/11/2017	£197,500	F	FLAT 35	NORMANDY HOUSE, 1	WOLSEY ROAD		HEMEL HEMPSTEAD	HP2 4TU	33	£5,985
08/12/2017	£285,000	F	FLAT 36	NORMANDY HOUSE, 1	WOLSEY ROAD		HEMEL HEMPSTEAD	HP2 4TU	50	£5,700
12/12/2017	£265,000	F	FLAT 37	NORMANDY HOUSE, 1	WOLSEY ROAD		HEMEL HEMPSTEAD	HP2 4TU	40	£6,625
07/02/2018	£250,000	F	FLAT 38	NORMANDY HOUSE, 1	WOLSEY ROAD		HEMEL HEMPSTEAD	HP2 4TU	46	£5,435
23/03/2018	£200,000	F	FLAT 4	NORMANDY HOUSE, 1	WOLSEY ROAD		HEMEL HEMPSTEAD	HP2 4TU	33	£6,061
16/02/2018	£212,500	F	FLAT 9	NORMANDY HOUSE, 1	WOLSEY ROAD		HEMEL HEMPSTEAD	HP2 4TU	34	£6,250
03/05/2017	£335,000	T		3	ADMIRAL AVENUE		HEMEL HEMPSTEAD	HP2 7BP	91	£3,681
27/01/2017	£329,950	S		18	ADMIRAL AVENUE		HEMEL HEMPSTEAD	HP2 7BP	77	£4,285
30/01/2017	£434,950	S		1	WOODWHITE WAY		HEMEL HEMPSTEAD	HP2 7BS	124	£3,508
27/01/2017	£334,950	S		3	WOODWHITE WAY		HEMEL HEMPSTEAD	HP2 7BS	77	£4,350
16/06/2017	£364,950	D		4	WOODWHITE WAY		HEMEL HEMPSTEAD	HP2 7BS	91	£4,010
27/01/2017	£354,950	S		5	WOODWHITE WAY		HEMEL HEMPSTEAD	HP2 7BS	89	£3,988
19/05/2017	£345,950	S		51	WOODWHITE WAY		HEMEL HEMPSTEAD	HP2 7BS	77	£4,493
19/05/2017	£365,950	S		53	WOODWHITE WAY		HEMEL HEMPSTEAD	HP2 7BS	89	£4,112
28/04/2017	£342,950	T		55	WOODWHITE WAY		HEMEL HEMPSTEAD	HP2 7BS	77	£4,454
31/03/2017	£342,995	T		57	WOODWHITE WAY		HEMEL HEMPSTEAD	HP2 7BS	77	£4,454
31/03/2017	£342,950	T		59	WOODWHITE WAY		HEMEL HEMPSTEAD	HP2 7BS	77	£4,454
31/03/2017	£342,950	T		61	WOODWHITE WAY		HEMEL HEMPSTEAD	HP2 7BS	77	£4,454
31/03/2017	£365,950	T		63	WOODWHITE WAY		HEMEL HEMPSTEAD	HP2 7BS	89	£4,112
29/06/2017	£434,950	S		1	MONARCH STREET		HEMEL HEMPSTEAD	HP2 7BU	124	£3,508
29/08/2017	£445,950	T		2	MONARCH STREET		HEMEL HEMPSTEAD	HP2 7BU	124	£3,596
30/06/2017	£399,950	T		5	MONARCH STREET		HEMEL HEMPSTEAD	HP2 7BU	121	£3,305
23/06/2017	£394,950	T		7	MONARCH STREET		HEMEL HEMPSTEAD	HP2 7BU	121	£3,264
29/06/2017	£389,950	S		8	MONARCH STREET		HEMEL HEMPSTEAD	HP2 7BU	102	£3,823
23/06/2017	£399,950	T		9	MONARCH STREET		HEMEL HEMPSTEAD	HP2 7BU	121	£3,305
23/06/2017	£399,950	T		11	MONARCH STREET		HEMEL HEMPSTEAD	HP2 7BU	121	£3,305
23/06/2017	£394,950	T		13	MONARCH STREET		HEMEL HEMPSTEAD	HP2 7BU	121	£3,264
28/06/2017	£342,950	S		19	MONARCH STREET		HEMEL HEMPSTEAD	HP2 7BU	77	£4,454
28/06/2017	£342,950	S		21	MONARCH STREET		HEMEL HEMPSTEAD	HP2 7BU	77	£4,454
29/06/2018	£529,950	D		26	MONARCH STREET		HEMEL HEMPSTEAD	HP2 7BU	131	£4,045
22/06/2018	£369,950	S		1	BURGUNDY DRIVE		HEMEL HEMPSTEAD	HP2 7BX	78	£4,743
29/06/2018	£369,950	S		3	BURGUNDY DRIVE		HEMEL HEMPSTEAD	HP2 7BX	78	£4,743
28/06/2018	£292,500	T		5	BURGUNDY DRIVE		HEMEL HEMPSTEAD	HP2 7BX	78	£3,750
28/06/2018	£292,500	T		7	BURGUNDY DRIVE		HEMEL HEMPSTEAD	HP2 7BX	78	£3,750
28/06/2018	£292,500	T		9	BURGUNDY DRIVE		HEMEL HEMPSTEAD	HP2 7BX	78	£3,750

28/06/2018	£292,500	S		11	BURGUNDY DRIVE		HEMEL HEMPSTEAD	HP2 7BX	78	£3,750
28/06/2018	£292,500	S		13	BURGUNDY DRIVE		HEMEL HEMPSTEAD	HP2 7BX	78	£3,750
26/01/2018	£389,950	T		23	BURGUNDY DRIVE		HEMEL HEMPSTEAD	HP2 7BX	94	£4,148
23/03/2018	£429,950	S		25	BURGUNDY DRIVE		HEMEL HEMPSTEAD	HP2 7BX	120	£3,583
16/03/2018	£389,950	D		27	BURGUNDY DRIVE		HEMEL HEMPSTEAD	HP2 7BX	94	£4,148
23/03/2018	£364,950	S		29	BURGUNDY DRIVE		HEMEL HEMPSTEAD	HP2 7BX	78	£4,679
26/02/2018	£364,950	S		31	BURGUNDY DRIVE		HEMEL HEMPSTEAD	HP2 7BX	78	£4,679
01/06/2018	£404,950	S		33	BURGUNDY DRIVE		HEMEL HEMPSTEAD	HP2 7BX	124	£3,266
29/06/2018	£534,950	D		37	BURGUNDY DRIVE		HEMEL HEMPSTEAD	HP2 7BX	131	£4,084
29/03/2018	£456,950	S		41	BURGUNDY DRIVE		HEMEL HEMPSTEAD	HP2 7BX	124	£3,685
23/04/2018	£426,950	S		43	BURGUNDY DRIVE		HEMEL HEMPSTEAD	HP2 7BX	121	£3,529
29/03/2018	£589,950	D		45	BURGUNDY DRIVE		HEMEL HEMPSTEAD	HP2 7BX	132	£4,469
29/03/2018	£449,950	D		47	BURGUNDY DRIVE		HEMEL HEMPSTEAD	HP2 7BX	105	£4,285
29/03/2018	£449,950	S		49	BURGUNDY DRIVE		HEMEL HEMPSTEAD	HP2 7BX	105	£4,285
29/03/2018	£449,950	D		51	BURGUNDY DRIVE		HEMEL HEMPSTEAD	HP2 7BX	105	£4,285
29/03/2018	£449,950	D		53	BURGUNDY DRIVE		HEMEL HEMPSTEAD	HP2 7BX	105	£4,285
26/02/2018	£449,950	D		73	BURGUNDY DRIVE		HEMEL HEMPSTEAD	HP2 7BX	105	£4,285
24/11/2017	£424,950	D		77	BURGUNDY DRIVE		HEMEL HEMPSTEAD	HP2 7BX	121	£3,512
24/11/2017	£409,950	D		79	BURGUNDY DRIVE		HEMEL HEMPSTEAD	HP2 7BX	103	£3,980
29/06/2017	£389,950	S		2	BURGUNDY DRIVE		HEMEL HEMPSTEAD	HP2 7DB	102	£3,823
28/07/2017	£414,950	T		4	BURGUNDY DRIVE		HEMEL HEMPSTEAD	HP2 7DB	121	£3,429
28/07/2017	£414,950	T		6	BURGUNDY DRIVE		HEMEL HEMPSTEAD	HP2 7DB	121	£3,429
28/07/2017	£374,950	T		8	BURGUNDY DRIVE		HEMEL HEMPSTEAD	HP2 7DB	89	£4,213
29/09/2017	£379,950	S		36	BURGUNDY DRIVE		HEMEL HEMPSTEAD	HP2 7DB	89	£4,269
29/09/2017	£349,950	S		38	BURGUNDY DRIVE		HEMEL HEMPSTEAD	HP2 7DB	77	£4,545
26/01/2018	£394,950	D		46	BURGUNDY DRIVE		HEMEL HEMPSTEAD	HP2 7DB	103	£3,834
26/01/2018	£356,950	S		50	BURGUNDY DRIVE		HEMEL HEMPSTEAD	HP2 7DB	77	£4,636
26/01/2018	£356,950	D		52	BURGUNDY DRIVE		HEMEL HEMPSTEAD	HP2 7DB	77	£4,636
23/02/2018	£389,950	S		54	BURGUNDY DRIVE		HEMEL HEMPSTEAD	HP2 7DB	102	£3,823
26/01/2018	£389,950	S		56	BURGUNDY DRIVE		HEMEL HEMPSTEAD	HP2 7DB	102	£3,823
26/01/2018	£384,950	D		58	BURGUNDY DRIVE		HEMEL HEMPSTEAD	HP2 7DB	91	£4,230
26/01/2018	£419,950	S		60	BURGUNDY DRIVE		HEMEL HEMPSTEAD	HP2 7DB	121	£3,471
26/01/2018	£419,950	S		62	BURGUNDY DRIVE		HEMEL HEMPSTEAD	HP2 7DB	121	£3,471
26/01/2018	£419,950	S		64	BURGUNDY DRIVE		HEMEL HEMPSTEAD	HP2 7DB	121	£3,471
26/01/2018	£419,950	S		66	BURGUNDY DRIVE		HEMEL HEMPSTEAD	HP2 7DB	121	£3,471
01/12/2017	£353,950	S		68	BURGUNDY DRIVE		HEMEL HEMPSTEAD	HP2 7DB	77	£4,597
21/11/2017	£353,950	S		70	BURGUNDY DRIVE		HEMEL HEMPSTEAD	HP2 7DB	77	£4,597
30/10/2017	£445,950	S		72	BURGUNDY DRIVE		HEMEL HEMPSTEAD	HP2 7DB	124	£3,596
30/10/2017	£409,950	S		74	BURGUNDY DRIVE		HEMEL HEMPSTEAD	HP2 7DB	121	£3,388

27/10/2017	£409,950	T		76	BURGUNDY DRIVE		HEMEL HEMPSTEAD	HP2 7DB	121	£3,388
23/02/2018	£390,000	T		78	BURGUNDY DRIVE		HEMEL HEMPSTEAD	HP2 7DB	121	£3,223
27/10/2017	£409,950	T		80	BURGUNDY DRIVE		HEMEL HEMPSTEAD	HP2 7DB	121	£3,388
13/10/2017	£409,950	T		82	BURGUNDY DRIVE		HEMEL HEMPSTEAD	HP2 7DB	121	£3,388
24/11/2017	£385,000	T		84	BURGUNDY DRIVE		HEMEL HEMPSTEAD	HP2 7DB	121	£3,182
29/09/2017	£409,950	S		86	BURGUNDY DRIVE		HEMEL HEMPSTEAD	HP2 7DB	121	£3,388
29/08/2017	£409,950	T		88	BURGUNDY DRIVE		HEMEL HEMPSTEAD	HP2 7DB	121	£3,388
08/12/2017	£409,950	T		90	BURGUNDY DRIVE		HEMEL HEMPSTEAD	HP2 7DB	121	£3,388
26/01/2018	£419,950	T		1	GRAYLING GROVE		HEMEL HEMPSTEAD	HP2 7DD	120	£3,500
23/03/2018	£364,950	S		2	GRAYLING GROVE		HEMEL HEMPSTEAD	HP2 7DD		
09/03/2018	£389,950	T		3	GRAYLING GROVE		HEMEL HEMPSTEAD	HP2 7DD	94	£4,148
09/03/2018	£399,950	D		5	GRAYLING GROVE		HEMEL HEMPSTEAD	HP2 7DD	92	£4,347
29/03/2018	£389,950	D		6	GRAYLING GROVE		HEMEL HEMPSTEAD	HP2 7DD	93	£4,193
29/03/2018	£364,950	S		8	GRAYLING GROVE		HEMEL HEMPSTEAD	HP2 7DD	78	£4,679
29/06/2018	£529,950	D		9	GRAYLING GROVE		HEMEL HEMPSTEAD	HP2 7DD	131	£4,045
29/03/2018	£364,950	S		10	GRAYLING GROVE		HEMEL HEMPSTEAD	HP2 7DD	78	£4,679
27/06/2018	£529,950	D		11	GRAYLING GROVE		HEMEL HEMPSTEAD	HP2 7DD	131	£4,045
29/06/2018	£534,950	D		12	GRAYLING GROVE		HEMEL HEMPSTEAD	HP2 7DD	139	£3,849
26/06/2018	£539,950	D		13	GRAYLING GROVE		HEMEL HEMPSTEAD	HP2 7DD	139	£3,885
22/06/2018	£524,950	D		14	GRAYLING GROVE		HEMEL HEMPSTEAD	HP2 7DD	131	£4,007
27/06/2018	£539,950	D		15	GRAYLING GROVE		HEMEL HEMPSTEAD	HP2 7DD	139	£3,885
22/06/2018	£524,950	D		16	GRAYLING GROVE		HEMEL HEMPSTEAD	HP2 7DD	131	£4,007
28/06/2018	£529,950	D		17	GRAYLING GROVE		HEMEL HEMPSTEAD	HP2 7DD	131	£4,045
27/04/2018	£459,950	D		1	CAMBERWELL PLACE		HEMEL HEMPSTEAD	HP2 7DJ	117	£3,931
01/06/2018	£292,500	S		2	CAMBERWELL PLACE		HEMEL HEMPSTEAD	HP2 7DJ	78	£3,750
27/04/2018	£399,950	S		3	CAMBERWELL PLACE		HEMEL HEMPSTEAD	HP2 7DJ	78	£5,128
01/06/2018	£292,500	S		4	CAMBERWELL PLACE		HEMEL HEMPSTEAD	HP2 7DJ	78	£3,750
01/06/2018	£292,500	S		6	CAMBERWELL PLACE		HEMEL HEMPSTEAD	HP2 7DJ	78	£3,750
27/04/2018	£459,950	D		7	CAMBERWELL PLACE		HEMEL HEMPSTEAD	HP2 7DJ	117	£3,931
01/06/2018	£292,500	S		8	CAMBERWELL PLACE		HEMEL HEMPSTEAD	HP2 7DJ	78	£3,750
01/06/2018	£364,950	S		9	CAMBERWELL PLACE		HEMEL HEMPSTEAD	HP2 7DJ	78	£4,679
01/06/2018	£292,500	S		10	CAMBERWELL PLACE		HEMEL HEMPSTEAD	HP2 7DJ	78	£3,750
29/06/2018	£389,950	S		11	CAMBERWELL PLACE		HEMEL HEMPSTEAD	HP2 7DJ	93	£4,193
01/06/2018	£292,500	S		12	CAMBERWELL PLACE		HEMEL HEMPSTEAD	HP2 7DJ	78	£3,750
22/06/2018	£534,950	D		13	CAMBERWELL PLACE		HEMEL HEMPSTEAD	HP2 7DJ	139	£3,849
04/06/2018	£389,950	D		14	CAMBERWELL PLACE		HEMEL HEMPSTEAD	HP2 7DJ	93	£4,193
29/06/2018	£524,950	D		15	CAMBERWELL PLACE		HEMEL HEMPSTEAD	HP2 7DJ	131	£4,007
22/06/2018	£524,950	D		17	CAMBERWELL PLACE		HEMEL HEMPSTEAD	HP2 7DJ	131	£4,007
22/06/2018	£389,950	D		19	CAMBERWELL PLACE		HEMEL HEMPSTEAD	HP2 7DJ	93	£4,193

15/06/2018	£524,950	D		20	CAMBERWELL PLACE		HEMEL HEMPSTEAD	HP2 7DJ	131	£4,007	
21/06/2018	£459,950	D		21	CAMBERWELL PLACE		HEMEL HEMPSTEAD	HP2 7DJ	117	£3,931	
01/06/2018	£429,950	S		22	CAMBERWELL PLACE		HEMEL HEMPSTEAD	HP2 7DJ	120	£3,583	
28/06/2018	£459,950	D		23	CAMBERWELL PLACE		HEMEL HEMPSTEAD	HP2 7DJ	117	£3,931	
01/06/2018	£429,950	S		25	CAMBERWELL PLACE		HEMEL HEMPSTEAD	HP2 7DJ	120	£3,583	
15/06/2018	£539,950	D		29	CAMBERWELL PLACE		HEMEL HEMPSTEAD	HP2 7DJ	139	£3,885	
09/03/2018	#####	D		6	LENDON GROVE	GUBBLECOTE	TRING	HP23 4FA	259	£4,247	
21/02/2018	£984,717	S		7	LENDON GROVE	GUBBLECOTE	TRING	HP23 4FA	255	£3,862	
04/05/2018	£850,000	S		15	LENDON GROVE	GUBBLECOTE	TRING	HP23 4FA	255	£3,333	
31/05/2018	#####	D		23	LENDON GROVE	GUBBLECOTE	TRING	HP23 4FA	259	£4,247	
28/04/2017	£250,000	F	1		BROOKSIDE COURT	BROOK STREET		TRING	HP23 5PF	59	£4,237
21/03/2017	£290,000	F	12		BROOKSIDE COURT	BROOK STREET		TRING	HP23 5PF	68	£4,265
21/04/2017	£312,000	F	14		BROOKSIDE COURT	BROOK STREET		TRING	HP23 5PF	59	£5,288
23/03/2017	£275,000	F	15		BROOKSIDE COURT	BROOK STREET		TRING	HP23 5PF	59	£4,661
10/03/2017	£295,000	F	16		BROOKSIDE COURT	BROOK STREET		TRING	HP23 5PF	67	£4,403
28/04/2017	£310,000	F	19		BROOKSIDE COURT	BROOK STREET		TRING	HP23 5PF	64	£4,844
11/05/2017	£250,000	F	21		BROOKSIDE COURT	BROOK STREET		TRING	HP23 5PF	68	£3,676
12/05/2017	£250,000	F	22		BROOKSIDE COURT	BROOK STREET		TRING	HP23 5PF	72	£3,472
23/02/2017	£290,000	F	24		BROOKSIDE COURT	BROOK STREET		TRING	HP23 5PF	64	£4,531
03/03/2017	£290,000	F	27		BROOKSIDE COURT	BROOK STREET		TRING	HP23 5PF	63	£4,603
11/05/2017	£291,000	F	3		BROOKSIDE COURT	BROOK STREET		TRING	HP23 5PF	61	£4,770
22/03/2017	£296,000	F	31		BROOKSIDE COURT	BROOK STREET		TRING	HP23 5PF	63	£4,698
10/03/2017	£285,000	F	32		BROOKSIDE COURT	BROOK STREET		TRING	HP23 5PF	60	£4,750
11/05/2017	£250,000	F	4		BROOKSIDE COURT	BROOK STREET		TRING	HP23 5PF	70	£3,571
15/05/2017	£250,000	F	5		BROOKSIDE COURT	BROOK STREET		TRING	HP23 5PF	59	£4,237
10/04/2017	£302,500	F	8		BROOKSIDE COURT	BROOK STREET		TRING	HP23 5PF	68	£4,449
06/02/2018	£537,000	T		18	LANGDON STREET		TRING	HP23 6AZ	96	£5,594	
04/05/2018	£520,000	T		19	LANGDON STREET		TRING	HP23 6AZ	96	£5,417	
29/03/2018	£520,000	T		20	LANGDON STREET		TRING	HP23 6AZ	96	£5,417	
28/02/2018	£527,500	T		21	LANGDON STREET		TRING	HP23 6AZ	96	£5,495	
30/11/2017	£550,000	T		22	LANGDON STREET		TRING	HP23 6AZ	101	£5,446	
08/12/2017	£535,000	T		23	LANGDON STREET		TRING	HP23 6AZ	101	£5,297	
08/12/2017	£535,000	T		24	LANGDON STREET		TRING	HP23 6AZ	101	£5,297	
09/01/2018	£537,500	T		25	LANGDON STREET		TRING	HP23 6AZ	101	£5,322	
30/11/2017	£532,500	T		26	LANGDON STREET		TRING	HP23 6AZ	101	£5,272	
19/12/2017	£550,000	T		27	LANGDON STREET		TRING	HP23 6AZ	101	£5,446	
07/06/2017	£634,995	D		1	FIELDFARE CLOSE		HEMEL HEMPSTEAD	HP3 0FJ	161	£3,944	
13/04/2017	£434,995	T		3	FIELDFARE CLOSE		HEMEL HEMPSTEAD	HP3 0FJ	107	£4,065	
16/05/2017	£424,995	T		5	FIELDFARE CLOSE		HEMEL HEMPSTEAD	HP3 0FJ	107	£3,972	



26/05/2017	£424,995	T		7	FIELDFARE CLOSE		HEMEL HEMPSTEAD	HP3 0FJ	107	£3,972
05/05/2017	£439,995	T		9	FIELDFARE CLOSE		HEMEL HEMPSTEAD	HP3 0FJ	107	£4,112
30/06/2017	£729,995	D		11	FIELDFARE CLOSE		HEMEL HEMPSTEAD	HP3 0FJ	190	£3,842
27/06/2017	£634,995	D		77	SHEARWATER ROAD		HEMEL HEMPSTEAD	HP3 0GB	161	£3,944
29/06/2017	£479,995	T		79	SHEARWATER ROAD		HEMEL HEMPSTEAD	HP3 0GB	137	£3,504
30/06/2017	£479,995	T		81	SHEARWATER ROAD		HEMEL HEMPSTEAD	HP3 0GB	137	£3,504
30/06/2017	£514,995	T		83	SHEARWATER ROAD		HEMEL HEMPSTEAD	HP3 0GB	137	£3,759
14/07/2017	£679,995	D		85	SHEARWATER ROAD		HEMEL HEMPSTEAD	HP3 0GB	175	£3,886
19/07/2017	£659,995	D		87	SHEARWATER ROAD		HEMEL HEMPSTEAD	HP3 0GB	175	£3,771
13/06/2017	£624,995	D		89	SHEARWATER ROAD		HEMEL HEMPSTEAD	HP3 0GB	161	£3,882
10/01/2017	£675,000	F	APARTMENT 10	OSPREY GATE	BEECHWOOD PARK		HEMEL HEMPSTEAD	HP3 0GE	132	£5,114
03/02/2017	£640,000	F	APARTMENT 5	OSPREY GATE	BEECHWOOD PARK		HEMEL HEMPSTEAD	HP3 0GE	131	£4,885
10/04/2018	£415,000	S		1	BRIDGEVIEW CLOSE		HEMEL HEMPSTEAD	HP3 9AD	76	£5,461
13/11/2017	£424,995	S		2	BRIDGEVIEW CLOSE		HEMEL HEMPSTEAD	HP3 9AD	76	£5,592
08/02/2018	£465,000	T		3	BRIDGEVIEW CLOSE		HEMEL HEMPSTEAD	HP3 9AD	81	£5,741
02/02/2018	£444,995	T		4	BRIDGEVIEW CLOSE		HEMEL HEMPSTEAD	HP3 9AD	81	£5,494
30/04/2018	£445,000	T		5	BRIDGEVIEW CLOSE		HEMEL HEMPSTEAD	HP3 9AD	81	£5,494
09/02/2018	£464,995	T		6	BRIDGEVIEW CLOSE		HEMEL HEMPSTEAD	HP3 9AD	81	£5,741
27/04/2018	£540,000	S		7	BRIDGEVIEW CLOSE		HEMEL HEMPSTEAD	HP3 9AD	132	£4,091
27/04/2018	£519,995	S		8	BRIDGEVIEW CLOSE		HEMEL HEMPSTEAD	HP3 9AD	145	£3,586
25/04/2018	£529,995	S		9	BRIDGEVIEW CLOSE		HEMEL HEMPSTEAD	HP3 9AD	145	£3,655
12/04/2018	£569,995	S		10	BRIDGEVIEW CLOSE		HEMEL HEMPSTEAD	HP3 9AD	132	£4,318
07/06/2018	£445,000	T		11	BRIDGEVIEW CLOSE		HEMEL HEMPSTEAD	HP3 9AD	81	£5,494
09/02/2018	£445,000	T		13	BRIDGEVIEW CLOSE		HEMEL HEMPSTEAD	HP3 9AD	81	£5,494
20/04/2017	£310,000	F	FLAT 6	WINDSOR COURT	CORNER HALL		HEMEL HEMPSTEAD	HP3 9AW	63	£4,921
26/07/2018	£214,995	F	1	ALBION COURT	EBBERNS ROAD		HEMEL HEMPSTEAD	HP3 9DE	44	£4,886
26/07/2018	£194,995	F	2	ALBION COURT	EBBERNS ROAD		HEMEL HEMPSTEAD	HP3 9DE	44	£4,432
26/07/2018	£214,995	F	5	ALBION COURT	EBBERNS ROAD		HEMEL HEMPSTEAD	HP3 9DE	44	£4,886
26/07/2018	£299,995	F	8	ALBION COURT	EBBERNS ROAD		HEMEL HEMPSTEAD	HP3 9DE	90	£3,333
07/08/2018	£289,995	F	FLAT 3	ALBION COURT	EBBERNS ROAD		HEMEL HEMPSTEAD	HP3 9DE	87	£3,333
26/07/2018	£299,995	F	FLAT 7	ALBION COURT	EBBERNS ROAD		HEMEL HEMPSTEAD	HP3 9DE	87	£3,448
31/10/2017	£345,500	F	1	DICKINSON HOUSE	THE EMBANKMENT	NASH MILLS WHARF	HEMEL HEMPSTEAD	HP3 9DR	50	£6,910
30/11/2017	£249,950	F	2	DICKINSON HOUSE	THE EMBANKMENT	NASH MILLS WHARF	HEMEL HEMPSTEAD	HP3 9DR	83	£3,011
27/11/2017	£359,999	F	3	DICKINSON HOUSE	THE EMBANKMENT	NASH MILLS WHARF	HEMEL HEMPSTEAD	HP3 9DR	73	£4,931
20/03/2017	£320,000	F	14	RICHARDSON HOUSE	THE EMBANKMENT	NASH MILLS WHARF	HEMEL HEMPSTEAD	HP3 9GA	60	£5,333
21/04/2017	£320,000	F	15	RICHARDSON HOUSE	THE EMBANKMENT	NASH MILLS WHARF	HEMEL HEMPSTEAD	HP3 9GA	60	£5,333
24/02/2017	£315,000	F	38	RICHARDSON HOUSE	THE EMBANKMENT	NASH MILLS WHARF	HEMEL HEMPSTEAD	HP3 9GA	61	£5,164
10/02/2017	£315,000	F	9	RICHARDSON HOUSE	THE EMBANKMENT	NASH MILLS WHARF	HEMEL HEMPSTEAD	HP3 9GA	62	£5,081
19/05/2017	£440,000	F	1	LONGMAN HOUSE	THE EMBANKMENT	NASH MILLS WHARF	HEMEL HEMPSTEAD	HP3 9GH	96	£4,583

31/03/2017	£330,000	F	10	LONGMAN HOUSE	THE EMBANKMENT	NASH MILLS WHARF	HEMEL HEMPSTEAD	HP3 9GH	65	£5,077
30/01/2017	£335,000	F	11	LONGMAN HOUSE	THE EMBANKMENT		HEMEL HEMPSTEAD	HP3 9GH	68	£4,926
27/01/2017	£340,000	F	12	LONGMAN HOUSE	THE EMBANKMENT		HEMEL HEMPSTEAD	HP3 9GH	71	£4,789
05/05/2017	£327,500	F	14	LONGMAN HOUSE	THE EMBANKMENT	NASH MILLS WHARF	HEMEL HEMPSTEAD	HP3 9GH	57	£5,746
15/05/2017	£320,000	F	15	LONGMAN HOUSE	THE EMBANKMENT	NASH MILLS WHARF	HEMEL HEMPSTEAD	HP3 9GH	60	£5,333
19/05/2017	£327,500	F	16	LONGMAN HOUSE	THE EMBANKMENT	NASH MILLS WHARF	HEMEL HEMPSTEAD	HP3 9GH	62	£5,282
28/06/2017	£327,500	F	17	LONGMAN HOUSE	THE EMBANKMENT	NASH MILLS WHARF	HEMEL HEMPSTEAD	HP3 9GH	62	£5,282
28/04/2017	£332,500	F	18	LONGMAN HOUSE	THE EMBANKMENT	NASH MILLS WHARF	HEMEL HEMPSTEAD	HP3 9GH	65	£5,115
31/01/2017	£337,500	F	19	LONGMAN HOUSE	THE EMBANKMENT	NASH MILLS WHARF	HEMEL HEMPSTEAD	HP3 9GH	68	£4,963
28/04/2017	£380,000	F	2	LONGMAN HOUSE	THE EMBANKMENT	NASH MILLS WHARF	HEMEL HEMPSTEAD	HP3 9GH	80	£4,750
31/01/2017	£340,000	F	20	LONGMAN HOUSE	THE EMBANKMENT	NASH MILLS WHARF	HEMEL HEMPSTEAD	HP3 9GH	65	£5,231
24/03/2017	£342,500	F	21	LONGMAN HOUSE	THE EMBANKMENT	NASH MILLS WHARF	HEMEL HEMPSTEAD	HP3 9GH	71	£4,824
16/06/2017	£330,000	F	22	LONGMAN HOUSE	THE EMBANKMENT	NASH MILLS WHARF	HEMEL HEMPSTEAD	HP3 9GH	57	£5,789
26/05/2017	£327,500	F	23	LONGMAN HOUSE	THE EMBANKMENT	NASH MILLS WHARF	HEMEL HEMPSTEAD	HP3 9GH	60	£5,458
31/03/2017	£330,000	F	24	LONGMAN HOUSE	THE EMBANKMENT	NASH MILLS WHARF	HEMEL HEMPSTEAD	HP3 9GH	62	£5,323
30/05/2017	£330,000	F	25	LONGMAN HOUSE	THE EMBANKMENT	NASH MILLS WHARF	HEMEL HEMPSTEAD	HP3 9GH	62	£5,323
12/05/2017	£335,000	F	26	LONGMAN HOUSE	THE EMBANKMENT	NASH MILLS WHARF	HEMEL HEMPSTEAD	HP3 9GH	65	£5,154
31/01/2017	£340,000	F	27	LONGMAN HOUSE	THE EMBANKMENT	NASH MILLS WHARF	HEMEL HEMPSTEAD	HP3 9GH	68	£5,000
31/01/2017	£342,000	F	28	LONGMAN HOUSE	THE EMBANKMENT		HEMEL HEMPSTEAD	HP3 9GH	65	£5,262
17/02/2017	£345,000	F	29	LONGMAN HOUSE	THE EMBANKMENT	NASH MILLS WHARF	HEMEL HEMPSTEAD	HP3 9GH	71	£4,859
24/03/2017	£340,000	F	3	LONGMAN HOUSE	THE EMBANKMENT	NASH MILLS WHARF	HEMEL HEMPSTEAD	HP3 9GH	72	£4,722
22/06/2017	£332,500	F	30	LONGMAN HOUSE	THE EMBANKMENT	NASH MILLS WHARF	HEMEL HEMPSTEAD	HP3 9GH	57	£5,833
26/05/2017	£330,000	F	31	LONGMAN HOUSE	THE EMBANKMENT	NASH MILLS WHARF	HEMEL HEMPSTEAD	HP3 9GH	60	£5,500
12/05/2017	£320,000	F	32	LONGMAN HOUSE	THE EMBANKMENT	NASH MILLS WHARF	HEMEL HEMPSTEAD	HP3 9GH	62	£5,161
31/01/2017	£332,500	F	33	LONGMAN HOUSE	THE EMBANKMENT	NASH MILLS WHARF	HEMEL HEMPSTEAD	HP3 9GH	62	£5,363
24/02/2017	£337,500	F	34	LONGMAN HOUSE	THE EMBANKMENT	NASH MILLS WHARF	HEMEL HEMPSTEAD	HP3 9GH	65	£5,192
24/02/2017	£342,500	F	35	LONGMAN HOUSE	THE EMBANKMENT	NASH MILLS WHARF	HEMEL HEMPSTEAD	HP3 9GH	68	£5,037
07/04/2017	£345,000	F	36	LONGMAN HOUSE	THE EMBANKMENT	NASH MILLS WHARF	HEMEL HEMPSTEAD	HP3 9GH	65	£5,308
28/04/2017	£365,000	F	37	LONGMAN HOUSE	THE EMBANKMENT	NASH MILLS WHARF	HEMEL HEMPSTEAD	HP3 9GH	69	£5,290
11/04/2017	£335,000	F	38	LONGMAN HOUSE	THE EMBANKMENT	NASH MILLS WHARF	HEMEL HEMPSTEAD	HP3 9GH	64	£5,234
28/06/2017	£337,500	F	39	LONGMAN HOUSE	THE EMBANKMENT	NASH MILLS WHARF	HEMEL HEMPSTEAD	HP3 9GH	58	£5,819
28/06/2017	£339,000	F	4	LONGMAN HOUSE	THE EMBANKMENT	NASH MILLS WHARF	HEMEL HEMPSTEAD	HP3 9GH	81	£4,185
24/02/2017	£345,000	F	40	LONGMAN HOUSE	THE EMBANKMENT	NASH MILLS WHARF	HEMEL HEMPSTEAD	HP3 9GH	68	£5,074
24/02/2017	£347,500	F	41	LONGMAN HOUSE	THE EMBANKMENT	NASH MILLS WHARF	HEMEL HEMPSTEAD	HP3 9GH	65	£5,346
28/02/2017	£360,000	F	42	LONGMAN HOUSE	THE EMBANKMENT	NASH MILLS WHARF	HEMEL HEMPSTEAD	HP3 9GH	75	£4,800
26/04/2017	£350,000	F	43	LONGMAN HOUSE	THE EMBANKMENT	NASH MILLS WHARF	HEMEL HEMPSTEAD	HP3 9GH	66	£5,303
26/04/2017	£460,000	F	5	LONGMAN HOUSE	THE EMBANKMENT	NASH MILLS WHARF	HEMEL HEMPSTEAD	HP3 9GH	107	£4,299
27/01/2017	£325,000	F	6	LONGMAN HOUSE	THE EMBANKMENT		HEMEL HEMPSTEAD	HP3 9GH	57	£5,702
27/01/2017	£325,000	F	7	LONGMAN HOUSE	THE EMBANKMENT	NASH MILLS WHARF	HEMEL HEMPSTEAD	HP3 9GH	60	£5,417



13/04/2017	£325,000	F	8	LONGMAN HOUSE	THE EMBANKMENT	NASH MILLS WHARF	HEMEL HEMPSTEAD	HP3 9GH	63	£5,159
27/01/2017	£325,000	F	9	LONGMAN HOUSE	THE EMBANKMENT	NASH MILLS WHARF	HEMEL HEMPSTEAD	HP3 9GH	62	£5,242
16/11/2017	£239,995	F	FLAT 1	DREW COURT, 70	EBBERNS ROAD		HEMEL HEMPSTEAD	HP3 9QR	64	£3,750
31/10/2017	£239,995	F	FLAT 2	DREW COURT, 70	EBBERNS ROAD		HEMEL HEMPSTEAD	HP3 9QR	64	£3,750
27/10/2017	£224,995	F	FLAT 3	DREW COURT, 70	EBBERNS ROAD		HEMEL HEMPSTEAD	HP3 9QR	42	£5,357
27/10/2017	£229,995	F	FLAT 4	DREW COURT, 70	EBBERNS ROAD		HEMEL HEMPSTEAD	HP3 9QR	42	£5,476
31/10/2017	£227,500	F	FLAT 5	DREW COURT, 70	EBBERNS ROAD		HEMEL HEMPSTEAD	HP3 9QR	42	£5,417
10/11/2017	£244,995	F	FLAT 6	DREW COURT, 70	EBBERNS ROAD		HEMEL HEMPSTEAD	HP3 9QR	42	£5,833
31/10/2017	£254,995	F	FLAT 7	DREW COURT, 70	EBBERNS ROAD		HEMEL HEMPSTEAD	HP3 9QR	42	£6,071
10/11/2017	£245,995	F	FLAT 8	DREW COURT, 70	EBBERNS ROAD		HEMEL HEMPSTEAD	HP3 9QR	42	£5,857
25/08/2017	£419,999	S		72	EBBERNS ROAD		HEMEL HEMPSTEAD	HP3 9QR	76	£5,526
26/07/2017	£429,995	S		74	EBBERNS ROAD		HEMEL HEMPSTEAD	HP3 9QR	76	£5,658
29/05/2018	£420,000	T		76	EBBERNS ROAD		HEMEL HEMPSTEAD	HP3 9QR	76	£5,526
30/06/2017	£409,995	T		78	EBBERNS ROAD		HEMEL HEMPSTEAD	HP3 9QR	76	£5,395
30/06/2017	£414,995	T		80	EBBERNS ROAD		HEMEL HEMPSTEAD	HP3 9QR	76	£5,460
16/02/2018	£427,500	T		82	EBBERNS ROAD		HEMEL HEMPSTEAD	HP3 9QR	76	£5,625
01/06/2018	£400,000	T		84	EBBERNS ROAD		HEMEL HEMPSTEAD	HP3 9QR	76	£5,263
09/03/2018	£372,950	F	10	SHELDON LODGE	HIGH STREET		BERKHAMSTED	HP4 1FP	48	£7,770
02/06/2017	£317,655	F	2	SHELDON LODGE	HIGH STREET		BERKHAMSTED	HP4 1FP	45	£7,059
07/04/2017	£348,255	F	20	SHELDON LODGE	HIGH STREET		BERKHAMSTED	HP4 1FP	45	£7,739
27/11/2017	£350,000	F	21	SHELDON LODGE	HIGH STREET		BERKHAMSTED	HP4 1FP	48	£7,292
22/06/2017	£352,450	F	22	SHELDON LODGE	HIGH STREET		BERKHAMSTED	HP4 1FP	48	£7,343
30/06/2017	£323,450	F	25	SHELDON LODGE	HIGH STREET		BERKHAMSTED	HP4 1FP	46	£7,032
28/02/2017	£416,655	F	30	SHELDON LODGE	HIGH STREET		BERKHAMSTED	HP4 1FP	50	£8,333
31/05/2018	£457,950	F	35	SHELDON LODGE	HIGH STREET		BERKHAMSTED	HP4 1FP	72	£6,360
31/05/2018	£446,950	F	37	SHELDON LODGE	HIGH STREET		BERKHAMSTED	HP4 1FP	69	£6,478
08/05/2018	£449,950	F	41	SHELDON LODGE	HIGH STREET		BERKHAMSTED	HP4 1FP	67	£6,716
12/05/2017	£765,000	D		2	ELIZABETH II AVENUE		BERKHAMSTED	HP4 3BF	150	£5,100
19/04/2017	£595,000	D		3	ELIZABETH II AVENUE		BERKHAMSTED	HP4 3BF	115	£5,174
19/05/2017	£790,000	D		4	ELIZABETH II AVENUE		BERKHAMSTED	HP4 3BF	150	£5,267
16/06/2017	£790,000	D		6	ELIZABETH II AVENUE		BERKHAMSTED	HP4 3BF	150	£5,267
03/04/2017	£790,000	D		8	ELIZABETH II AVENUE		BERKHAMSTED	HP4 3BF	150	£5,267
18/12/2017	£780,000	D		14	ELIZABETH II AVENUE		BERKHAMSTED	HP4 3BF	137	£5,693
26/01/2018	£620,000	D		16	ELIZABETH II AVENUE		BERKHAMSTED	HP4 3BF	90	£6,889
26/01/2018	£665,000	D		18	ELIZABETH II AVENUE		BERKHAMSTED	HP4 3BF	113	£5,885
23/10/2017	£599,950	D		19	ELIZABETH II AVENUE		BERKHAMSTED	HP4 3BF	91	£6,593
15/12/2017	£577,000	D		20	ELIZABETH II AVENUE		BERKHAMSTED	HP4 3BF	88	£6,557
15/12/2017	£750,000	D		21	ELIZABETH II AVENUE		BERKHAMSTED	HP4 3BF	150	£5,000
02/02/2018	£775,000	D		22	ELIZABETH II AVENUE		BERKHAMSTED	HP4 3BF	137	£5,657

10/11/2017	£760,000	D		23	ELIZABETH II AVENUE		BERKHAMSTED	HP4 3BF	150	£5,067
23/02/2018	£775,000	D		24	ELIZABETH II AVENUE		BERKHAMSTED	HP4 3BF	137	£5,657
29/09/2017	£665,000	D		25	ELIZABETH II AVENUE		BERKHAMSTED	HP4 3BF	115	£5,783
20/12/2017	£577,000	D		26	ELIZABETH II AVENUE		BERKHAMSTED	HP4 3BF	88	£6,557
19/09/2017	£595,000	S		27	ELIZABETH II AVENUE		BERKHAMSTED	HP4 3BF	92	£6,467
01/12/2017	£577,000	D		28	ELIZABETH II AVENUE		BERKHAMSTED	HP4 3BF	88	£6,557
29/08/2017	£655,000	D		29	ELIZABETH II AVENUE		BERKHAMSTED	HP4 3BF	113	£5,796
01/12/2017	£615,000	D		30	ELIZABETH II AVENUE		BERKHAMSTED	HP4 3BF	92	£6,685
21/08/2017	£850,000	D		31	ELIZABETH II AVENUE		BERKHAMSTED	HP4 3BF	153	£5,556
16/11/2017	£600,000	D		32	ELIZABETH II AVENUE		BERKHAMSTED	HP4 3BF	90	£6,667
24/08/2017	#####	D		33	ELIZABETH II AVENUE		BERKHAMSTED	HP4 3BF	195	£5,128
20/11/2017	£615,000	D		34	ELIZABETH II AVENUE		BERKHAMSTED	HP4 3BF	92	£6,685
11/08/2017	#####	D		35	ELIZABETH II AVENUE		BERKHAMSTED	HP4 3BF	195	£5,359
30/10/2017	£655,000	D		36	ELIZABETH II AVENUE		BERKHAMSTED	HP4 3BF	115	£5,696
03/08/2017	£750,000	S		37	ELIZABETH II AVENUE		BERKHAMSTED	HP4 3BF	135	£5,556
29/09/2017	£880,000	D		38	ELIZABETH II AVENUE		BERKHAMSTED	HP4 3BF	167	£5,269
30/06/2017	£760,000	D		39	ELIZABETH II AVENUE		BERKHAMSTED	HP4 3BF	135	£5,630
21/08/2017	£760,000	D		40	ELIZABETH II AVENUE		BERKHAMSTED	HP4 3BF	135	£5,630
16/06/2017	£995,000	D		41	ELIZABETH II AVENUE		BERKHAMSTED	HP4 3BF	195	£5,103
30/06/2017	£650,000	D		42	ELIZABETH II AVENUE		BERKHAMSTED	HP4 3BF	113	£5,752
09/06/2017	£985,000	D		43	ELIZABETH II AVENUE		BERKHAMSTED	HP4 3BF	195	£5,051
16/06/2017	£750,000	D		44	ELIZABETH II AVENUE		BERKHAMSTED	HP4 3BF	135	£5,556
09/06/2017	£567,500	D		46	ELIZABETH II AVENUE		BERKHAMSTED	HP4 3BF	88	£6,449
15/05/2017	£625,000	D		48	ELIZABETH II AVENUE		BERKHAMSTED	HP4 3BF	113	£5,531
28/04/2017	£585,000	D		50	ELIZABETH II AVENUE		BERKHAMSTED	HP4 3BF	90	£6,500
31/03/2017	£585,000	D		52	ELIZABETH II AVENUE		BERKHAMSTED	HP4 3BF	90	£6,500
31/05/2017	£985,000	D		53	ELIZABETH II AVENUE		BERKHAMSTED	HP4 3BF	195	£5,051
01/06/2017	£565,000	D		54	ELIZABETH II AVENUE		BERKHAMSTED	HP4 3BF	88	£6,420
17/03/2017	£710,000	D		58	ELIZABETH II AVENUE		BERKHAMSTED	HP4 3BF	135	£5,259
27/04/2017	£870,000	D		60	ELIZABETH II AVENUE		BERKHAMSTED	HP4 3BF	167	£5,210
03/03/2017	£690,000	D		64	ELIZABETH II AVENUE		BERKHAMSTED	HP4 3BF	135	£5,111
10/02/2017	£730,000	D		66	ELIZABETH II AVENUE		BERKHAMSTED	HP4 3BF	135	£5,407
13/04/2017	£860,000	D		68	ELIZABETH II AVENUE		BERKHAMSTED	HP4 3BF	167	£5,150
03/04/2018	£580,000	D		7	CHARLOTTE CLOSE		BERKHAMSTED	HP4 3EB	135	£4,296
13/04/2018	£590,000	D		8	CHARLOTTE CLOSE		BERKHAMSTED	HP4 3EB	150	£3,933
28/07/2017	£595,000	F		1	BIRCH PLACE		BERKHAMSTED	HP4 3FU	89	£6,685
11/07/2017	£710,000	F		2	BIRCH PLACE		BERKHAMSTED	HP4 3FU	112	£6,339
30/06/2017	£675,000	F		3	BIRCH PLACE		BERKHAMSTED	HP4 3FU	112	£6,027
12/09/2017	£645,000	F		4	BIRCH PLACE		BERKHAMSTED	HP4 3FU	105	£6,143



30/06/2017	£575,000	F		5	BIRCH PLACE		BERKHAMSTED	HP4 3FU	88	£6,534
14/07/2017	£600,000	F		6	BIRCH PLACE		BERKHAMSTED	HP4 3FU	97	£6,186
30/06/2017	£655,000	F		7	BIRCH PLACE		BERKHAMSTED	HP4 3FU	105	£6,238
16/02/2018	£595,000	F		8	BIRCH PLACE		BERKHAMSTED	HP4 3FU	88	£6,761
30/06/2017	£615,000	F		9	BIRCH PLACE		BERKHAMSTED	HP4 3FU	97	£6,340
28/07/2017	£800,000	F		10	BIRCH PLACE		BERKHAMSTED	HP4 3FU	99	£8,081
27/04/2018	£399,950	D		5	CAMBERWELL PLACE		HEMEL HEMPSTEAD			

Appendix 4 Newbuild Houses for Sale

Agent / Developer	Scheme	Address	Postcode	Type	Bed-rooms	D/S/T/F	flat sqm	house sq m	Price	
Hemel Hempstead										
Connells	Normandy House	Wolsey Rd	HP2 4TU		1	f			£190,000	
Sure Sales		Alexandra rd			1	f			£220,000	
Flaggs		Alexandra Rd	HP2 5BS		2	f	61.7		£280,000 £4,538.09	
		Old Town			1	f	65.7		£250,000 £3,805.18	
Bovis	Aspen Park	Apsley	HP3 0AP	Pinkerton	2	f	60.8		£280,000 £4,605.26	
				Lopes	5	d		173	£789,995	£4,566.45
				Pettifer	5	d		160	£709,995	£4,437.47
				Cornwall	4	t		134	£519,995	£3,880.56
				Caddington	4	t		131	£514,995	£3,931.26
				preston	3	t		93	£479,995	£5,161.24
				Langley	3	t		80	£414,995	£5,187.44
Sears	St Marys Road	Old Town	HP2 5HL		2	d		67.3	£400,000	£5,943.54
					2	d		67.3	£415,000	£6,166.42
Savoy Estates	Park Rise View				3	d			£500,000	
					4	t		120	£525,000	£4,375.00
Croudace Homes				Trinity	3	d			£515,000	
				Richmond	3	sd			£550,000	
				Richmond	3	d			£600,000	
Berkhamsted										
Beechcroft Retirement	Birch Place	Kings Rd	HP4	16	3	sd		114	£795,000	£6,973.68
				17	3	sd		114	£810,000	£7,105.26
				18	2	f		83	£640,000	£7,710.84
Hunters Churchhill Retirement		Chestnut Drive	HP4		5	sd		169	£900,000	£5,325.44
Retirement	Sheldon Lodge	High St	HP4 1FP		1	f			£350,950	
	Sheldon Lodge	High St			2	f			£514,950	
Tring										
Cesare & Co		Longfield Rd	HP23		4	d			£850,000	
Bovingdon										
Macarthy & Stone	Mountbatten House	Hempstead Rd	HP3	William	1	f	60		£355,000	£5,916.67
				Louis x7	1	f			£330,000	
				Patricia x2	2	f			£440,000	
				Patricia x3	2	f			£445,000	


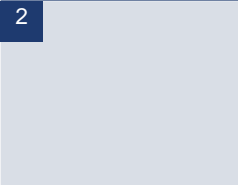
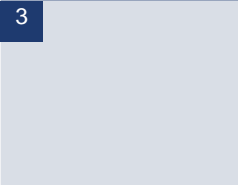



				Victoria x3	2	f			£425,000	
Wilsons	Chiltern Mews	High St	HP3		2	f	76		£360,000	£4,736.84
		High St	HP3	x2	3	t		116	£475,000	£4,094.83
Kings Langley										
Signature Estates	Grand Union Apartments	Hunton Bridge			2	f	67.3		£385,000	£5,720.65
					3	f	75.1		£400,000	£5,326.23
					3	f	91.9		£475,000	£5,168.66
Sterling Estates	Village House Development	High St	WD4		2	sd			£575,000	
Your Move		Coniston Rd	WD4		4	sd			£750,000	
Hamptons		Vicarage Lane	Wd4		5	d		246.8	£1,200,000	£4,862.24
Boxmoor										
Flaggs	Leinster	Beechfield Rd	HP1		2	f	59.3		£350,000	£5,902.19
Flaggs	Leinster	Beechfield Rd	HP1		2	f	66.8		£370,000	£5,538.92
Flaggs	Leinster	Beechfield Rd	HP1		2	f	71.1		£380,000	£5,344.59

Appendix 5 – Costar Data

The pages in this appendix are not numbered



Lease Comparables

	Address	Tenant Landlord	SF Leased Type	StartDate Term	Starting Rent Effective Rent	Free Rent Rates	Breaks Reviews
1	 Icknield Way Tring, HP23 4JX <i>Dacorum Ind Submarket</i>		10,156 New Direct	Dec 2018			
2	 23-28 Brook St Tring, HP23 5EF <i>Dacorum Ind Submarket</i>	Margisal Ltd	1,760 New Direct	Dec 2018			
3	 Boundary Way Hemel Hempstead, HP2 7SJ <i>Dacorum Submarket</i>	Muraspec Decorative Solutions	9,482 New Direct	Oct 2018	£18.00/SF		
4	 Breakspears Park Breakspears Way Hemel Hempstead, HP2 4TZ <i>Dacorum Submarket</i>	Threadneedle Property	20,096 New Direct	Dec 2018		£6.70/SF	
5	 Prologis Park Boundary Way Hemel Hempstead, HP2 7GE <i>Dacorum Ind Submarket</i>	The Loan Partnership Limited Prologis UK Ltd	2,983 New Sublease	Sep 2018	£25.00/SF		
6	 Breakspears Park Breakspears Way Hemel Hempstead, HP2 4TZ <i>Dacorum Submarket</i>	Threadneedle Property	7,300 New Direct	Nov 2018		£17.52/SF	













Lease Comparables

	Address	Tenant Landlord	SF Leased Type	StartDate Term	Starting Rent Effective Rent	Free Rent Rates	Breaks Reviews
	7 The Wilderness Berkhamsted, HP4 2UB <i>Dacorum Submarket</i>	Potential Squared International Lim... Ashworth Homes Ltd	976 Renewal	Sep 2018 3 Years	£20.99/SF		
	8 Three Gables Corner Hall Hemel Hempstead, HP3 9HN <i>Dacorum Submarket</i>	Palmer Mandley & Sparrow Ltd	202 New Sublease	Sep 2018			
	9 Three Gables Corner Hall Hemel Hempstead, HP3 9HN <i>Dacorum Submarket</i>	Palmer Mandley & Sparrow Ltd	302 New Sublease	Sep 2018			
	10 Three Gables Corner Hall Hemel Hempstead, HP3 9HN <i>Dacorum Submarket</i>	Palmer Mandley & Sparrow Ltd	215 New Sublease	Sep 2018			
	11 Amberside Wood Ln Hemel Hempstead, HP2 4TP <i>Dacorum Submarket</i>	Suttons Transport Limited Suffolk Life Group Ltd	1,510 New Direct	Aug 2018 5 Years	£17.88/SF	0 Mos £7.33/SF	
	12 Maxted House 13 Maxted Rd Hemel Hempstead, HP2 7DX <i>Dacorum Ind Submarket</i>	Telereal Trillium Ltd	27,036 New Direct	Aug 2018	£13.50/SF		




Lease Comparables

	Address	Tenant Landlord	SF Leased Type	StartDate Term	Starting Rent Effective Rent	Free Rent Rates	Breaks Reviews
13	23-28 Brook St Tring, HP23 5EF <i>Dacorum Ind Submarket</i>	Margisal Ltd	319 New Direct	Sep 2018			
14	23-28 Brook St Tring, HP23 5EF <i>Dacorum Ind Submarket</i>	Margisal Ltd	311 New Direct	Sep 2018			
15	23-28 Brook St Tring, HP23 5EF <i>Dacorum Ind Submarket</i>	Margisal Ltd	300 New Direct	Sep 2018			
16	Whiteleaf Rd Hemel Hempstead, HP3 9PH <i>Dacorum Ind Submarket</i>	Poindus System UK Prime Impex Ltd	1,642 New Direct	Jul 2018 5 Years	£24.06/SF £24.06/SF	0 Mos	
17	 55 Maylands Ave Hemel Hempstead, HP2 4SJ <i>Dacorum Submarket</i>	Blizzard Telecom	2,600 New Direct	Jun 2018	£15.00/SF		
18	 50 St Marys Rd Hemel Hempstead, HP2 5HL <i>Dacorum Submarket</i>	Hemel Hempstead Property Co. (A...)	780 New Direct	Aug 2018		£6.24/SF	

Lease Comparables

	Address	Tenant Landlord	SF Leased Type	StartDate Term	Starting Rent Effective Rent	Free Rent Rates	Breaks Reviews
 	Nettledon Rd Hemel Hempstead, HP1 3DQ <i>Dacorum Submarket</i>		315 New Direct	Jul 2018			
 	55 Maylands Ave Hemel Hempstead, HP2 4SJ <i>Dacorum Submarket</i>	Protech Recruitment	3,600 New Direct	May 2018	£15.00/SF		
 	184-190 High St Berkhamsted, HP4 3AP <i>Dacorum Submarket</i>	SVM Consulting Engineers CBRE Global Investors Ltd	2,100 New Direct	Apr 2018	£16.00/SF	£6.69/SF	
 	125-125A High St Berkhamsted, HP4 2DJ <i>Dacorum Submarket</i>	Ringmall Ltd	305 New Direct	Apr 2018		£14.36/SF	
 	Breakspear Park Breakspear Way Hemel Hempstead, HP2 4TZ <i>Dacorum Submarket</i>	Threadneedle Property	4,000 New Direct	Apr 2018		£14.10/SF	
 	Focus 31 Mark Rd Hemel Hempstead, HP2 7BW <i>Dacorum Submarket</i>	Neurokinex Charitable Trust BMW (UK) Trustees Ltd	3,794 New Direct	Mar 2018 10 Years	£15.00/SF £11.32/SF	24 Mos at Start £5.89/SF	Mar 2023







Lease Comparables

	Address	Tenant Landlord	SF Leased Type	StartDate Term	Starting Rent Effective Rent	Free Rent Rates	Breaks Reviews
 	The Stables - Ashlyns Hall Chesham Rd Berkhamsted, HP4 2ST <i>Dacorum Submarket</i>	Chiltern Consulting and Prime Syst... James Hay Pension Trustees Limit...	2,443 New Direct	Mar 2018 6 Years		£6.60/SF	
 	254 High St Berkhamsted, HP4 1AQ <i>Dacorum Submarket</i>		1,403 New Direct	Feb 2018			
 	Travelodge Hemel Hempstead Hotel Wolsey Rd Hemel Hempstead, HP2 4TU <i>Dacorum Submarket</i>	Connect Physical Health Fairview Properties Limited	3,514 New Direct	Mar 2018	£15.83/SF	£7.17/SF	
 	Cleveland House Cleveland Way Hemel Hempstead, HP2 7EY <i>Dacorum Submarket</i>	Full On Marketing	1,509 New Direct	Mar 2018	£12.25/SF		
 	The Granary 234 High St Berkhamsted, HP4 1AG <i>Dacorum Ret Submarket</i>	Ad-Rank Ltd Hatfield Trading Limited	600 New Direct	Jan 2018 10 Years		£8.20/SF	
 	Mark Rd Hemel Hempstead, HP2 7DW <i>Dacorum Submarket</i>	Hepburn Delaney Solicitors The Eyre Estate Investment Fund	1,710 New Direct	Mar 2018	£14.91/SF	£5.42/SF	

Lease Comparables

	Address	Tenant Landlord	SF Leased Type	StartDate Term	Starting Rent Effective Rent	Free Rent Rates	Breaks Reviews
 	The Red House 111-113 High St Berkhamsted, HP4 2DJ <i>Dacorum Submarket</i>	Ringmall Ltd	848 New Direct	Dec 2017		£0.71/SF	
 	Ramsay House Marchmont Farm Hemel Hempstead, HP2 6JH <i>Dacorum Submarket</i>		1,731 New Direct	Jan 2018 5 Years		£4.91/SF	
 	Westside London Rd Hemel Hempstead, HP3 9TD <i>Dacorum Submarket</i>	Thrive Homes Tristan Capital Partners LLP	9,175 New Direct	Mar 2018 10 Years	£27.25/SF £22.92/SF	15 Mos at Start £5.48/SF	Mar 2023 Mar 2023
 	Quadtech Boundary Way Hemel Hempstead, HP2 7SR <i>Dacorum Submarket</i>	Orion Financial Management	3,409 New Direct	Jan 2018	£16.13/SF	£4.96/SF	
 	Felden House High St Berkhamsted, HP4 2BL <i>Dacorum Submarket</i>	JLES Southern Ltd	1,716 New Direct	Dec 2017 10 Years	£21.18/SF £21.18/SF	£6.92/SF	Dec 2022 Dec 2022
 	IMEX 575-599 Maxted Rd Hemel Hempstead, HP2 7DX <i>Dacorum Submarket</i>	Breakfree Holidays Commercial Estates Group Ltd	688 New Sublease	Dec 2017	£15.50/SF		


Lease Comparables

	Address	Tenant Landlord	SF Leased Type	StartDate Term	Starting Rent Effective Rent	Free Rent Rates	Breaks Reviews
	37 IMEX 575-599 Maxted Rd Hemel Hempstead, HP2 7DX <i>Dacorum Submarket</i>	G Jakeman Commercial Estates Group Ltd	1,000 New Sublease	Jan 2017 10 Years	£15.25/SF £15.50/SF	£4.92/SF	Nov 2022 Nov 2022
	38 Bridgeway House Icknield Way Tring, HP23 4JX <i>Dacorum Ind Submarket</i>	Professional Venue Solutions	3,531 New Direct	Nov 2017	£10.95/SF		
	39 Westside London Rd Hemel Hempstead, HP3 9TD <i>Dacorum Submarket</i>	The Grass Roots Group Holdings L... Tristan Capital Partners LLP	44,899 New Direct	Jan 2018 12 Years	£24.10/SF £21.39/SF	12 Mos at Start £5.12/SF	Jan 2025 Jan 2023...
	40 Breakspear Park Breakspear Way Hemel Hempstead, HP2 4TZ <i>Dacorum Submarket</i>	Eusa Pharma Threadneedle Property	11,823 New Direct	Oct 2017 10 Years	£24.33/SF £19.52/SF	Spread Over	Oct 2025
	41 IMEX 575-599 Maxted Rd Hemel Hempstead, HP2 7DX <i>Dacorum Submarket</i>	UK Dedicated Commercial Estates Group Ltd	1,940 New Sublease	Oct 2017	£15.50/SF		
	42 19-21 Brook St Tring, HP23 5EF <i>Dacorum Ind Submarket</i>	Margisal Ltd	270 New Direct	Sep 2017			



Lease Comparables

	Address	Tenant Landlord	SF Leased Type	StartDate Term	Starting Rent Effective Rent	Free Rent Rates	Breaks Reviews
 	35-38 Brook St Tring, HP23 5EF <i>Dacorum Ind Submarket</i>	Serious Brands Margisal Ltd	721 New Direct	Sep 2017 5 Years		0 Mos	Sep 2020
 	44B High St Hemel Hempstead, HP1 3AE <i>Dacorum Submarket</i>	Mr A Suqlain	202 New Direct	Aug 2017 10 Years	£20.00/SF £20.00/SF	£7.01/SF	
 	Enterprise House Maxted Rd Hemel Hempstead, HP2 7BT <i>Dacorum Submarket</i>	Eamal Quintain Estates & Development plc	692 New Direct	Sep 2017	£13.00/SF		
 	Westside London Rd Hemel Hempstead, HP3 9TD <i>Dacorum Submarket</i>	Harman International Industries Ltd Tristan Capital Partners LLP	25,824 New Direct	Aug 2017 10 Years	£26.00/SF £24.87/SF	4 Mos at Start £5.58/SF	Aug 2022 Aug 2022
 	Building B & C 37 Mark Rd Hemel Hempstead, HP2 7BW <i>Dacorum Submarket</i>	Pureprint Group Grendel Property Investments	2,697 New Direct	Aug 2017	£11.12/SF	£5.58/SF	
 	Westside London Rd Hemel Hempstead, HP3 9TD <i>Dacorum Submarket</i>	Epson (UK) Ltd Tristan Capital Partners LLP	53,378 Renewal Direct	Jun 2017 12 Years 3 Mont...	£17.08/SF £17.84/SF	Spread Over -	Sep 2024 Sep 2024

Lease Comparables

	Address	Tenant Landlord	SF Leased Type	StartDate Term	Starting Rent Effective Rent	Free Rent Rates	Breaks Reviews
49	 Quadtech Boundary Way Hemel Hempstead, HP2 7SR <i>Dacorum Submarket</i>	Electric Tobacconist	7,864 New Direct	Aug 2017	£11.78/SF	£5.12/SF	
50	 Aldbury & Buckland House High St Berkhamsted, HP4 2BL <i>Dacorum Submarket</i>	ECR Ltd Ashworth Homes Ltd	605 New Direct	Jun 2017 6 Years	£21.07/SF £21.07/SF		
51	 Bridgeway House Icknield Way Tring, HP23 4JX <i>Dacorum Ind Submarket</i>	Reviss Services UK	1,290 New Direct	Jun 2017	£10.27/SF		
52	 The Red House 111-113 High St Berkhamsted, HP4 2DJ <i>Dacorum Submarket</i>	Sarah Butters Ringmall Ltd	680 New Direct	May 2017 10 Years	£15.00/SF £15.00/SF	0 Mos £5.19/SF	May 2022 May 2022
53	 The Red House 111-113 High St Berkhamsted, HP4 2DJ <i>Dacorum Submarket</i>	Refuels Ltd Ringmall Ltd	1,990 New Direct	Jun 2017 10 Years	£17.08/SF £17.08/SF	0 Mos	Jun 2023 Jun 2022
54	 Westside London Rd Hemel Hempstead, HP3 9TD <i>Dacorum Submarket</i>	Epson (UK) Ltd Tristan Capital Partners LLP	10,860 Renewal Direct	Apr 2017 12 Years 6 Mont...	£23.00/SF £21.72/SF	6 Mos at Start	Sep 2024 Sep 2024













Lease Comparables

	Address	Tenant Landlord	SF Leased Type	StartDate Term	Starting Rent Effective Rent	Free Rent Rates	Breaks Reviews
 	1 Park Ln Hemel Hempstead, HP2 4YJ <i>Dacorum Submarket</i>	Bourne Leisure Group Ltd Floreast Real Estate Ltd	8,922 Renewal Direct	Jun 2021 10 Years	£15.92/SF £16.20/SF	Spread Over -	Jun 2021
 	Mark Rd Hemel Hempstead, HP2 7DW <i>Dacorum Submarket</i>	Hope for Children The Eyre Estate Investment Fund	1,734 New Direct	Mar 2017 6 Years	£14.00/SF £14.00/SF	0 Mos £11.83/SF	Mar 2020
 	Hardy House Northbridge Rd Berkhamsted, HP4 1EF <i>Dacorum Submarket</i>	Parrot Society Landlink Ltd	611 New Direct	Feb 2017 2 Years	£19.23/SF £19.23/SF	0 Mos £5.77/SF	
 	The Red House 111-113 High St Berkhamsted, HP4 2DJ <i>Dacorum Submarket</i>	Pocock Rutherford Ringmall Ltd	2,846 New Direct	Mar 2017 10 Years			Mar 2022
 	Grovelands Business Centre Boundary Way Hemel Hempstead, HP2 7TE <i>Dacorum Submarket</i>	One Stop Doctors Columbia Threadneedle Investmen...	3,019 New Direct	Feb 2017 4 Years	£16.06/SF £16.06/SF		£6.71/SF
 	Breakspear Park Breakspear Way Hemel Hempstead, HP2 4TZ <i>Dacorum Submarket</i>	Consort Medical Plc Threadneedle Property	8,329 New Direct	Jan 2017 10 Years	£27.50/SF £27.50/SF		Dec 2023 Dec 2021

Lease Comparables

	Address	Tenant Landlord	SF Leased Type	StartDate Term	Starting Rent Effective Rent	Free Rent Rates	Breaks Reviews
	Breakspears Park Breakspears Way Hemel Hempstead, HP2 4TZ <i>Dacorum Submarket</i>	Consort Medical Plc Threadneedle Property	6,494 New Direct	Dec 2016 10 Years	£27.50/SF £24.44/SF	12 Mos at Start £6.56/SF	Dec 2023
	Mark House 36 Mark Rd Hemel Hempstead, HP2 7UE <i>Dacorum Submarket</i>	Dacorum SportSpace Augur Investments Ltd	12,455 New Direct	Feb 2017 10 Years			
	Nexus House Boundary Way Hemel Hempstead, HP2 7SJ <i>Dacorum Submarket</i>	Transcend Richcliff Group Ltd	6,890 New Direct	Nov 2016 5 Years	£15.46/SF £15.46/SF	£5.62/SF	
	Peoplebuilding Maylands Ave Hemel Hempstead, HP2 4NW <i>Dacorum Submarket</i>	Ramtac Computer Systems Aviva Investors Global Services Ltd	4,965 New Direct	Nov 2016 10 Years	£20.00/SF £17.44/SF	12 Mos at Start £6.18/SF	Nov 2021 Nov 2021
	Boundary Way Hemel Hempstead, HP2 7TE <i>Dacorum Submarket</i>	Albion Ltd Columbia Threadneedle Investmen...	2,172 New Direct	Nov 2016 5 Years	£14.96/SF £14.96/SF	£6.50/SF	Oct 2019
	George House 64 High St Tring, HP23 4AF <i>Dacorum Ret Submarket</i>	Marshglobe Ltd	296 New Direct	Nov 2016		£3.49/SF	













Lease Comparables

	Address	Tenant Landlord	SF Leased Type	StartDate Term	Starting Rent Effective Rent	Free Rent Rates	Breaks Reviews
 	Norman House 207-209 High St Berkhamsted, HP4 1AD <i>Dacorum Submarket</i>	Visa Inn Immigration Specialists NSS Trustees Ltd	892 New Direct	Nov 2016 5 Years	£16.82/SF £16.82/SF	£3.83/SF	
 	Waterhouse Waterhouse St Hemel Hempstead, HP1 1ES <i>Dacorum Submarket</i>	Optimise Outsourced Business De... Pershing Properties Ltd	1,536 New Direct	Oct 2016 5 Years	£16.93/SF £16.93/SF		
 	158 Marlowes Hemel Hempstead, HP1 1BA <i>Dacorum Ret Submarket</i>	Novo UK Recruitment Ltd Miller Buckley Developments Ltd	2,201 New Direct	Dec 2016 10 Years	£11.36/SF £11.36/SF	£2.91/SF	Oct 2021 Oct 2021
 	Charleston House 13 High St Hemel Hempstead, HP1 3AA <i>Dacorum Submarket</i>	Balreed Ltd	1,206 New Direct	Oct 2016			
 	Aston House Queensway Ct Hemel Hempstead, HP1 1LS <i>Dacorum Submarket</i>	Inception Events Ltd Mr S Norris & Mr R Wood	732 New Direct	Sep 2016 5 Years	£14.00/SF £14.00/SF	£6.47/SF	
 	IMEX 575-599 Maxted Rd Hemel Hempstead, HP2 7DX <i>Dacorum Submarket</i>	Forbes Young (London) Ltd Commercial Estates Group Ltd	509 New Direct	Aug 2016 5 Years	£15.00/SF £15.00/SF		

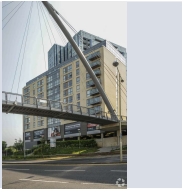
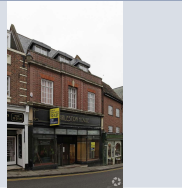


Lease Comparables

	Address	Tenant Landlord	SF Leased Type	StartDate Term	Starting Rent Effective Rent	Free Rent Rates	Breaks Reviews
 	Breakspears Park Breakspears Way Hemel Hempstead, HP2 4TZ <i>Dacorum Submarket</i>	Denso Automotive Threadneedle Property	8,784 New Direct	Aug 2016 10 Years		Spread Over	Aug 2021
 	271-273 High St Berkhamsted, HP4 1AA <i>Dacorum Submarket</i>	Recherche Construction Ltd	486 New Direct	Jul 2016 6 Years			Jul 2019
 	Building B & C 37 Mark Rd Hemel Hempstead, HP2 7BW <i>Dacorum Submarket</i>	Lumia Technologies Ltd Grendel Property Investments	5,337 New Direct	Jul 2016 10 Years	£10.00/SF		
 	Mark Rd Hemel Hempstead, HP2 7DW <i>Dacorum Submarket</i>	Innovelec Solutions Ltd	980 New Direct	Jun 2016 5 Years	£14.29/SF £14.29/SF	0 Mos £7.04/SF	
 	Eaton Court Maylands Ave Hemel Hempstead, HP2 7TR <i>Dacorum Submarket</i>	Sir Robert McAlpine Ltd	38,950 New Direct	Jun 2016 10 Years	£30.71/SF £30.71/SF		Jun 2021
 	Marlowes Hemel Hempstead, HP1 1LE <i>Dacorum Submarket</i>	Alina Homecare Ltd	2,325 New Direct	Jun 2016 5 Years	£11.01/SF £11.01/SF	0 Mos	Jun 2016


Lease Comparables

	Address	Tenant Landlord	SF Leased Type	StartDate Term	Starting Rent Effective Rent	Free Rent Rates	Breaks Reviews
 	Building 2 Eaton Rd Hemel Hempstead, HP2 7UB <i>Dacorum Submarket</i>	ASUSTek (UK) Ltd	16,000 New Direct	Jun 2016 10 Years	£9.00/SF £9.00/SF	0 Mos	
 	Nexus House Boundary Way Hemel Hempstead, HP2 7SJ <i>Dacorum Submarket</i>	Aspin Group Richcliff Group Ltd	6,455 New Direct	May 2016 10 Years	£18.68/SF £18.68/SF	0 Mos	May 2021
 	Westside London Rd Hemel Hempstead, HP3 9TD <i>Dacorum Submarket</i>	DAI Tristan Capital Partners LLP	16,000 New Direct	Sep 2016 10 Years	£23.77/SF £17.85/SF	24 Mos at Start	Sep 2021
 	Boundary Way Hemel Hempstead, HP2 7BF <i>Dacorum Submarket</i>	Safestyle UK Tradelink	2,119 New Direct	Apr 2016 10 Years	£12.97/SF £12.97/SF	0 Mos	
 	Cleveland Way Hemel Hempstead, HP2 7DA <i>Dacorum Ind Submarket</i>	P & J Consumer Debt Services Ltd Rees Flooring Ltd	1,550 New Direct	Mar 2016	£11.94/SF	0 Mos	
 	Lower Kings Rd Berkhamsted, HP4 2AF <i>Dacorum Submarket</i>	Rayden Ltd Bruce M Thomson Holdings Limited	1,304 New Direct	Mar 2016 5 Years	£18.02/SF £18.02/SF	0 Mos	

Lease Comparables

	Address	Tenant Landlord	SF Leased Type	StartDate Term	Starting Rent Effective Rent	Free Rent Rates	Breaks Reviews
85	 The Galleries Station Rd Hemel Hempstead, HP1 1JZ <i>Dacorum Submarket</i>	Contractor UK Ltd Luton Borough Council	1,613 New Direct	Mar 2016 5 Years	£18.50/SF £18.50/SF		
86	 Building 2 Eaton Rd Hemel Hempstead, HP2 7UB <i>Dacorum Submarket</i>	Office Supplies	16,000 New Direct	May 2016			
87	 Charleston House 13 High St Hemel Hempstead, HP1 3AA <i>Dacorum Submarket</i>	Balreed Ltd	482 New Direct	Feb 2016			
88	 Focus 31 Mark Rd Hemel Hempstead, HP2 7BW <i>Dacorum Submarket</i>	Dale Powered Solutions Ltd Real Estate Investment Managem...	3,308 New Direct	Feb 2016 5 Years	£13.50/SF £13.50/SF	£5.00/SF	
89	 George House 64 High St Tring, HP23 4AF <i>Dacorum Ret Submarket</i>	APPS to Life Ltd Marshglobe Limited	296 New Direct	Jan 2016 1 Year		0 Mos	
90	 Focus 31 Mark Rd Hemel Hempstead, HP2 7BW <i>Dacorum Submarket</i>	acrelec uk ltd Real Estate Investment Managem...	6,936 New Direct	Dec 2015 10 Years	£9.50/SF £8.88/SF	6 Mos at Start £3.63/SF	Dec 2020 Dec 2020

Lease Comparables

	Address	Tenant Landlord	SF Leased Type	StartDate Term	Starting Rent Effective Rent	Free Rent Rates	Breaks Reviews
91	 <p>Waterhouse Waterhouse St Hemel Hempstead, HP1 1ES <i>Dacorum Submarket</i></p>	<p>Wheldon Law Pearson Pension Property Fund Ltd</p>	<p>1,661 New Direct</p>	<p>Dec 2015 3652 Days</p>	<p>£12.94/SF</p>	<p>0 Mos</p>	<p>Dec 2020 Dec 2020</p>

Asking Rent Per SF

£19.29

Achieved Rent Per SF

£19.85

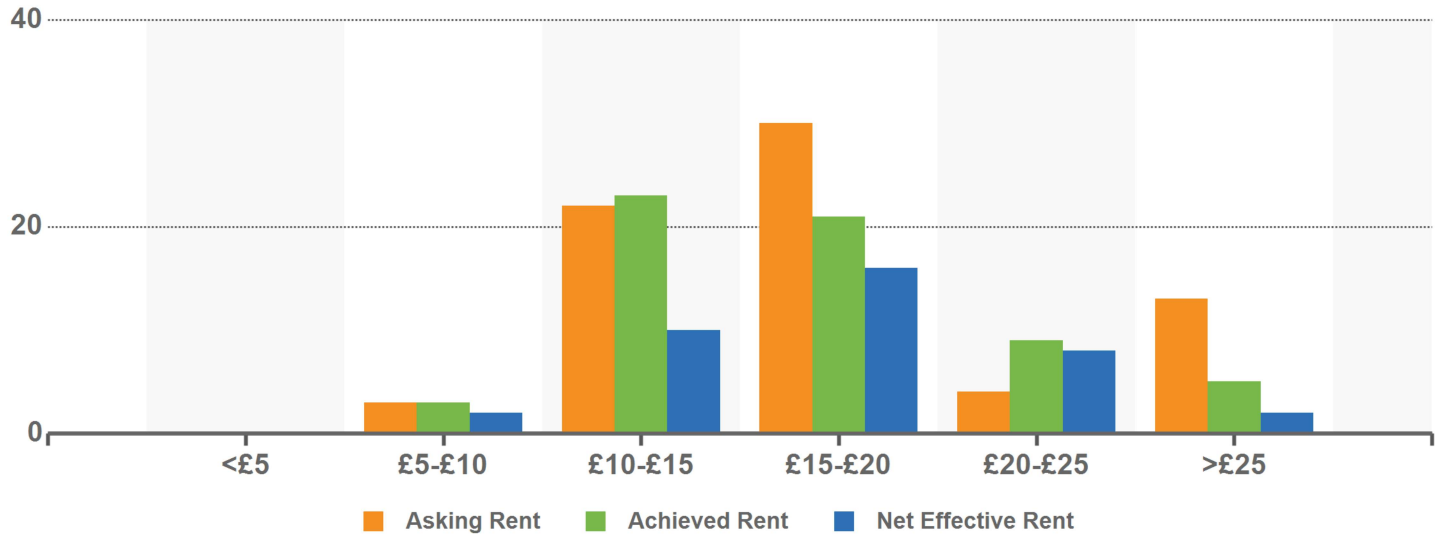
Net Effective Rent Per SF

£20.35

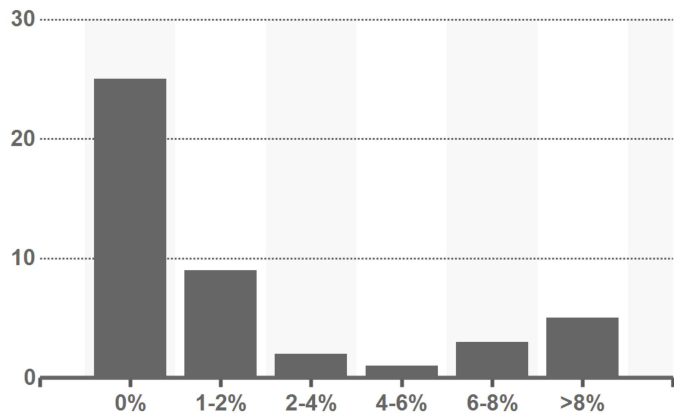
Avg. Rent Free Months

4.7

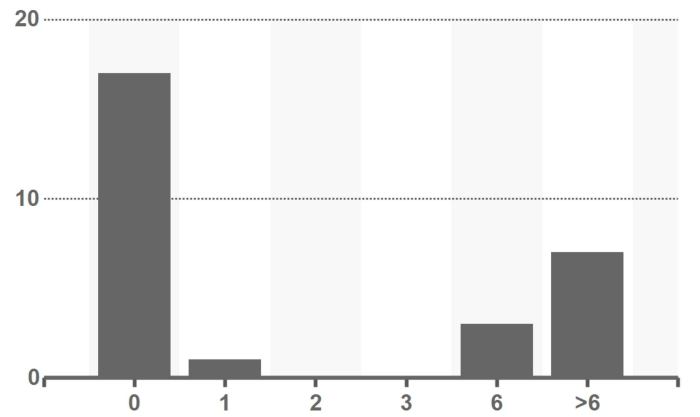
DEALS BY ASKING, ACHIEVED, AND NET EFFECTIVE RENT















DEALS BY ASKING RENT DISCOUNT















DEALS BY RENT FREE MONTHS















1	Bulk Portfolio	SOLD
33 Office buildings, having total size of 175,976 SF. Sale Date: 31/01/2018 # Properties: 33 Sale Price: £43,200,000 - Confirmed Total Size: 175,976 SF Price/SF: £245.49 Total Land Area: -		
Reversionary Yield: - Sale Conditions: Bulk/Portfolio Sale Net Initial Yield: 8.20% Comp ID: 4122566 Research Status: Confirmed		
2	Multi-Property	SOLD
3 Buildings in Hemel Hempstead, HRT, having total size of 75,611 SF. Sale Date: 15/06/2017 # Properties: 3 Sale Price: £14,096,000 - Confirmed Total Size: 75,611 SF Price/SF: - Total Land Area: -		
Reversionary Yield: - Sale Conditions: - Net Initial Yield: 4.31% Comp ID: 3934712 Research Status: Confirmed		
3	Bulk Portfolio	SOLD
12 Buildings in Hemel Hempstead, HRT, having total size of 64,867 SF. Sale Date: 04/04/2016 # Properties: 12 Sale Price: £10,500,000 - Confirmed Total Size: 64,867 SF Price/SF: - Total Land Area: -		
Reversionary Yield: - Sale Conditions: Bulk/Portfolio Sale Net Initial Yield: 7.80% Comp ID: 3559398 Research Status: Confirmed		
4	Multi-Property	SOLD
3 Properties in Kings Langley, HRT. Sale Date: 15/02/2018 (206 days on mkt) # Properties: 3 Sale Price: £8,160,000 - Confirmed Total Size: - Price/SF: - Total Land Area: -		
Reversionary Yield: - Sale Conditions: Redevelopment Project Comp ID: 4170902 Research Status: Confirmed		
5	Bulk Portfolio	SOLD
3 Buildings in Hemel Hempstead, HRT, having total size of 21,933 SF. Sale Date: 30/07/2017 (95 days on mkt) # Properties: 3 Sale Price: £5,200,000 - Confirmed Total Size: 21,933 SF Price/SF: - Total Land Area: -		
Reversionary Yield: - Sale Conditions: Bulk/Portfolio Sale, Condo Conversion ... Net Initial Yield: 3.81% Comp ID: 3976419 Research Status: Confirmed		
6	Bulk Portfolio	SOLD
2 Office buildings, having total size of 46,693 SF. Sale Date: 01/04/2016 # Properties: 2 Sale Price: £4,165,000 - Confirmed Total Size: 46,693 SF Price/SF: £89.20 Total Land Area: -		
Reversionary Yield: - Sale Conditions: Bulk/Portfolio Sale Net Initial Yield: 8.44% Comp ID: 3664742 Research Status: Confirmed		







7	Multi-Property	SOLD
<p>2 Office buildings in Hemel Hempstead, HRT, having total size of 36,129 SF.</p> <p>Sale Date: 23/06/2015 (142 days on mkt) # Properties: 2 Sale Price: £4,150,000 - Confirmed Total Size: 36,129 SF Price/SF: £114.87 Total Land Area: -</p> <p>Reversionary Yield: - Sale Conditions: - Net Initial Yield: 8.90% Comp ID: 3843350 Research Status: Confirmed</p>		
8	Bulk Portfolio	SOLD
<p>10 Buildings in Tring, HRT, having total size of 32,056 SF.</p> <p>Sale Date: 01/02/2017 # Properties: 10 Sale Price: £4,100,000 - Confirmed Total Size: 32,056 SF Price/SF: - Total Land Area: -</p> <p>Reversionary Yield: - Sale Conditions: Bulk/Portfolio Sale Net Initial Yield: 8.13% Comp ID: 3846528 Research Status: Confirmed</p>		
9	Multi-Property	SOLD
<p>2 Buildings in Hemel Hempstead, HRT, having total size of 12,972 SF.</p> <p>Sale Date: 13/01/2017 # Properties: 2 Sale Price: £989,500 - Confirmed Total Size: 12,972 SF Price/SF: - Total Land Area: -</p> <p>Reversionary Yield: - Sale Conditions: - Comp ID: 3917958 Research Status: Confirmed</p>		
10	Multi-Condo	SOLD
<p>2 Industrial Units in Hemel Hempstead, HRT, having total size of 11,983 SF.</p> <p>Sale Date: 20/10/2014 (558 days on mkt) # Properties: 2 Sale Price: £816,000 - Confirmed Total Size: 11,983 SF Price/SF: £68.10 Total Land Area: -</p> <p>Reversionary Yield: - Sale Conditions: - Comp ID: 3248283 Research Status: Confirmed</p>		
11	Multi-Property	SOLD
<p>2 Office buildings in Hemel Hempstead, HRT, having total size of 18,968 SF.</p> <p>Sale Date: 14/02/2014 (74 days on mkt) # Properties: 2 Sale Price: £655,000 - Confirmed Total Size: 18,968 SF Price/SF: £34.53 Total Land Area: -</p> <p>Reversionary Yield: - Sale Conditions: - Comp ID: 2986750 Research Status: Confirmed</p>		
12	Multi-Condo	SOLD
<p>3 Office Units in Hemel Hempstead, HRT, having total size of 1,920 SF.</p> <p>Sale Date: 18/12/2015 (379 days on mkt) # Properties: 3 Sale Price: £380,000 - Confirmed Total Size: 1,920 SF Price/SF: £197.92 Total Land Area: -</p> <p>Reversionary Yield: - Sale Conditions: - Comp ID: 3499337 Research Status: Confirmed</p>		

13	Multi-Condo	SOLD
<p>2 Office Units in Hemel Hempstead, HRT, having total size of 2,170 SF.</p> <p>Sale Date: 01/10/2014 (422 days on mkt) # Properties: 2 Sale Price: £355,000 - Confirmed Total Size: 2,170 SF Price/SF: £163.59 Total Land Area: -</p> <p>Reversionary Yield: - Sale Conditions: -</p> <p>Comp ID: 3165699 Research Status: Confirmed</p>		
14	Multi-Condo	SOLD
<p>6 Office Units in Hemel Hempstead, HRT, having total size of 1,906 SF.</p> <p>Sale Date: 01/08/2014 (1,124 days on mkt) # Properties: 6 Sale Price: £270,000 - Confirmed Total Size: 1,906 SF Price/SF: £141.66 Total Land Area: -</p> <p>Reversionary Yield: - Sale Conditions: -</p> <p>Comp ID: 3101094 Research Status: Confirmed</p>		
15	Multi-Condo	SOLD
<p>2 Industrial Units in Hemel Hempstead, HRT, having total size of 2,942 SF.</p> <p>Sale Date: 01/12/2014 # Properties: 2 Sale Price: £260,000 - Confirmed Total Size: 2,942 SF Price/SF: £88.38 Total Land Area: -</p> <p>Reversionary Yield: - Sale Conditions: -</p> <p>Comp ID: 3176362 Research Status: Confirmed</p>		
16	Multi-Condo	SOLD
<p>3 Office Units in Hemel Hempstead, HRT, having total size of 2,837 SF.</p> <p>Sale Date: 26/02/2015 (121 days on mkt) # Properties: 3 Sale Price: £165,000 - Confirmed Total Size: 2,837 SF Price/SF: £58.16 Total Land Area: -</p> <p>Reversionary Yield: - Sale Conditions: -</p> <p>Comp ID: 3245523 Research Status: Confirmed</p>		
17	8 Akeman St	SOLD
<p>Tring, HP23 6AA Hertfordshire County</p> <p>Sale Date: 02/05/2016 (70 days on mkt) Bldg Type: Office Sale Price: - Year Built/Age: Built 1991 Age: 25 Price/SF: - NIA: 1,583 SF</p> <p>Reversionary Yield: - Net Initial Yield: - Comp ID: 3634228 Sale Conditions: - Research Status:</p>		
18	64-68 Akeman St	SOLD
<p>Tring, HP23 6AF Hertfordshire County</p> <p>Sale Date: 26/10/2015 Bldg Type: Office Sale Price: £1,490,000 - Confirmed Year Built/Age: Built 1994 Age: 21 Price/SF: £125.27 NIA: 11,894 SF</p> <p>Reversionary Yield: - Net Initial Yield: - Comp ID: 3508565 Sale Conditions: - Research Status: Confirmed</p>		

19	Hemel One - Boundary Way	SOLD
<p>Hemel Hempstead, HP2 7YU Hertfordshire County</p> <p>Sale Date: 14/11/2014 Bldg Type: Office Sale Price: £17,750,000 - Confirmed Year Built/Age: Built 1986 Age: 28 Price/SF: £184.90 NIA: 96,000 SF</p> <p>Reversionary Yield: - Net Initial Yield: 7.82% Comp ID: 3168348 Sale Conditions: - Research Status: Confirmed</p> 		
20	Nexus House - Boundary Way	SOLD
<p>Hemel Hempstead, HP2 7SJ Hertfordshire County</p> <p>Sale Date: 01/03/2018 (94 days on mkt) Bldg Type: Office Sale Price: £3,200,000 - Confirmed Year Built/Age: Built 1989 Age: 29 Price/SF: £233.54 NIA: 13,702 SF</p> <p>Reversionary Yield: - Net Initial Yield: 6.60% Comp ID: 4208933 Sale Conditions: - Research Status: Confirmed</p> 		
21	Breakspear Park - Breakspear Way	SOLD
<p>Hemel Hempstead, HP2 4TZ Hertfordshire County</p> <p>Sale Date: 01/04/2014 Bldg Type: Office Sale Price: £60,600,000 - Confirmed Year Built/Age: Built 1988 Age: 25 Price/SF: £188.27 NIA: 321,877 SF</p> <p>Reversionary Yield: - Net Initial Yield: 7.70% Comp ID: 3018331 Sale Conditions: - Research Status: Confirmed</p> 		
22	Church House - Church Ln	SOLD
<p>Kings Langley, WD4 8JP Hertfordshire County</p> <p>Sale Date: 01/08/2015 (166 days on mkt) Bldg Type: Office Sale Price: £987,500 - Confirmed Year Built/Age: Built 1826 Renov 1990 Age: 189 Price/SF: £200.18 NIA: 4,933 SF</p> <p>Reversionary Yield: - Net Initial Yield: - Comp ID: 3361520 Sale Conditions: - Research Status: Confirmed</p> 		
23	Cleveland House - Cleveland Way	SOLD
<p>Hemel Hempstead, HP2 7EY Hertfordshire County</p> <p>Sale Date: 07/05/2017 (111 days on mkt) Bldg Type: Office Sale Price: £575,000 - Confirmed Year Built/Age: Built 1978 Age: 39 Price/SF: £148.20 NIA: 3,880 SF</p> <p>Reversionary Yield: - Net Initial Yield: - Comp ID: 3922897 Sale Conditions: High Vacancy Property Research Status: Confirmed</p> 		
24	10-16 - Industrial Unit, Unit 16 - Cleveland Way	SOLD
<p>Hemel Hempstead, HP2 7DA Hertfordshire County</p> <p>Sale Date: 01/03/2016 Unit Type: 1,730 SF Industrial Unit Sale Price: £300,000 - Confirmed Year Built/Age: Built 1997 Age: 19 Price/SF: £173.41 NIA: 1,730 SF</p> <p>Reversionary Yield: - Net Initial Yield: - Comp ID: 3554157 Sale Conditions: - Research Status: Confirmed</p> 		





25	Hempstead House - 1 Hempstead Rd	SOLD
<p>Kings Langley, WD4 8BJ Hertfordshire County</p> <p>Sale Date: 03/07/2018 (132 days on mkt) Bldg Type: Office Sale Price: £550,000 Year Built/Age: Built 1780 Age: 238 Price/SF: £280.90 NIA: 1,958 SF</p> <p>Reversionary Yield: - Net Initial Yield: - Comp ID: 4347358 Sale Conditions: - Research Status: Research Complete</p>		
		
26	Sharose Court Office, Markyate - Richmond Sq Hicks Rd	SOLD
<p>St Albans, AL3 8FL Hertfordshire County</p> <p>Sale Date: 27/02/2018 (1,068 days on mkt) Bldg Type: Office Sale Price: £255,000 Year Built/Age: Built 2015 Age: 2 Price/SF: £67.66 NIA: 3,769 SF</p> <p>Reversionary Yield: - Net Initial Yield: - Comp ID: 4257678 Sale Conditions: Auction Sale Research Status: Research Complete</p>		
		
27	44B High St	SOLD
<p>Hemel Hempstead, HP1 3AE Hertfordshire County</p> <p>Sale Date: 17/10/2017 (20 days on mkt) Bldg Type: Office Sale Price: £80,000 - Confirmed Year Built/Age: Built 1954 Age: 63 Price/SF: £396.04 NIA: 202 SF</p> <p>Reversionary Yield: - Net Initial Yield: 5.00% Comp ID: 4038029 Sale Conditions: Auction Sale Research Status: Confirmed</p>		
		
28	48-49 High St	SOLD
<p>Tring, HP23 5AG Hertfordshire County</p> <p>Sale Date: 05/06/2014 (29 days on mkt) Bldg Type: Office Sale Price: £690,000 - Confirmed Year Built/Age: Built 1810 Age: 203 Price/SF: £230.69 NIA: 2,991 SF</p> <p>Reversionary Yield: - Net Initial Yield: 7.28% Comp ID: 3040786 Sale Conditions: Auction Sale Research Status: Confirmed</p>		
		
29	85-87 High St	SOLD
<p>Berkhamsted, HP4 2DF Hertfordshire County</p> <p>Sale Date: 29/06/2018 (221 days on mkt) Bldg Type: Office Sale Price: - Year Built/Age: Built 1865 Age: 153 Price/SF: - NIA: 1,095 SF</p> <p>Reversionary Yield: - Net Initial Yield: - Comp ID: 4482192 Sale Conditions: - Research Status: Research Complete</p>		
		
30	Westside - London Rd	SOLD
<p>Hemel Hempstead, HP3 9TD Hertfordshire County</p> <p>Sale Date: 01/04/2015 Bldg Type: Office Sale Price: £24,500,000 - Confirmed Year Built/Age: Built 1990 Renov 2016 Age: 24 Price/SF: £127.05 NIA: 192,837 SF</p> <p>Reversionary Yield: - Net Initial Yield: - Comp ID: 3315018 Sale Conditions: High Vacancy Property Research Status: Confirmed</p>		
		

31	56 London Rd	SOLD	
Hemel Hempstead, HP3 9SB		Hertfordshire County	
Sale Date: 01/07/2015 (97 days on mkt) Sale Price: £385,000 - Confirmed Price/SF: £150.63		Bldg Type: Office Year Built/Age: Built 1957 Age: 58 NIA: 2,556 SF	
Reversionary Yield: - Net Initial Yield: - Comp ID: 3336674 Research Status: Confirmed		Sale Conditions: High Vacancy Property, Purchase By Tenant	
			
32	Vantage Point - 23 Mark Rd	SOLD	
Hemel Hempstead, HP2 7DN		Hertfordshire County	
Sale Date: 25/08/2015 Sale Price: £2,175,000 - Confirmed Price/SF: £117.49		Bldg Type: Office Year Built/Age: Built 1982 Age: 32 NIA: 18,513 SF	
Reversionary Yield: - Net Initial Yield: 8.42% Comp ID: 3380370 Research Status: Confirmed		Sale Conditions: -	
			
33	Mark House - 36 Mark Rd	SOLD	
Hemel Hempstead, HP2 7UE		Hertfordshire County	
Sale Date: 01/07/2016 Sale Price: - Price/SF: -		Bldg Type: Office Year Built/Age: Built 1997 Age: 18 NIA: 25,303 SF	
Reversionary Yield: - Net Initial Yield: - Comp ID: 3665357 Research Status: Confirmed		Sale Conditions: -	
			
34	Building A - 37 Mark Rd	SOLD	
Hemel Hempstead, HP2 7BW		Hertfordshire County	
Sale Date: 17/10/2018 (76 days on mkt) Sale Price: £2,100,000 - Confirmed Price/SF: £342.69		Bldg Type: Office Year Built/Age: Built 1993 Age: 25 NIA: 6,128 SF	
Reversionary Yield: - Net Initial Yield: - Comp ID: 4548976 Research Status: Confirmed		Sale Conditions: -	
			
35	Innovation House - 39 Mark Rd	SOLD	
Hemel Hempstead, HP2 7DN		Hertfordshire County	
Sale Date: 05/06/2018 Sale Price: £2,600,000 Price/SF: £141.00		Bldg Type: Office Year Built/Age: Built 1995 Renov 2008 Age: 23 NIA: 18,440 SF	
Reversionary Yield: - Net Initial Yield: - Comp ID: 4548853 Research Status: In Progress		Sale Conditions: -	
			
36	81 Marlowes	SOLD	
Hemel Hempstead, HP1 1LF		Hertfordshire County	
Sale Date: 01/06/2016 Sale Price: £335,000 - Confirmed Price/SF: £201.69		Bldg Type: Office Year Built/Age: Renov 1990 NIA: 1,661 SF	
Reversionary Yield: - Net Initial Yield: - Comp ID: 3636600 Research Status: Confirmed		Sale Conditions: -	
			

37	81A Marlowes	SOLD
<p>Hemel Hempstead, HP1 1LF Hertfordshire County</p> <p>Sale Date: 01/06/2017 Bldg Type: Office Sale Price: £360,000 - Confirmed Year Built/Age: Built 1980 Age: 36 Price/SF: £253.52 NIA: 1,420 SF</p> <p>Reversionary Yield: - Net Initial Yield: - Comp ID: 3944041 Sale Conditions: - Research Status: Confirmed</p> 		
38	IMEX - 575-599 Maxted Rd	SOLD
<p>Hemel Hempstead, HP2 7DX Hertfordshire County</p> <p>Sale Date: 29/03/2018 Bldg Type: Office Sale Price: £6,350,000 - Confirmed Year Built/Age: Built 1978 Renov 2011 Age: 39 Price/SF: £115.50 NIA: 54,976 SF</p> <p>Reversionary Yield: - Net Initial Yield: - Comp ID: 4201648 Sale Conditions: - Research Status: Confirmed</p> 		
39	Technology House - Maylands Ave	SOLD
<p>Hemel Hempstead, HP2 7DF Hertfordshire County</p> <p>Sale Date: 01/09/2015 Bldg Type: Office Sale Price: £5,830,000 - Confirmed Year Built/Age: Built 1992 Age: 23 Price/SF: £126.94 NIA: 45,927 SF</p> <p>Reversionary Yield: - Net Initial Yield: 8.15% Comp ID: 3430847 Sale Conditions: - Research Status: Confirmed</p> 		
40	Quantum House - Maylands Ave	SOLD
<p>Hemel Hempstead, HP2 7DE Hertfordshire County</p> <p>Sale Date: 01/03/2016 (69 days on mkt) Bldg Type: Office Sale Price: £2,300,000 - Confirmed Year Built/Age: Built 1987 Age: 28 Price/SF: £118.07 NIA: 19,480 SF</p> <p>Reversionary Yield: - Net Initial Yield: - Comp ID: 3554136 Sale Conditions: - Research Status: Confirmed</p> 		
41	6 - Oxford House - Northbridge Rd @ Billet Lane	SOLD
<p>Berkhamsted, HP4 1EH Hertfordshire County</p> <p>Sale Date: 01/04/2018 (87 days on mkt) Bldg Type: Office Sale Price: - Year Built/Age: Built 1974 Age: 43 Price/SF: - NIA: 2,832 SF</p> <p>Reversionary Yield: - Net Initial Yield: - Comp ID: 4395309 Sale Conditions: - Research Status: Research Complete</p> 		
42	1 Park Ln	SOLD
<p>Hemel Hempstead, HP2 4YJ Hertfordshire County</p> <p>Sale Date: 30/05/2017 (60 days on mkt) Bldg Type: Office Sale Price: £21,150,000 - Confirmed Year Built/Age: Built 1989 Age: 28 Price/SF: £213.09 NIA: 99,255 SF</p> <p>Reversionary Yield: - Net Initial Yield: - Comp ID: 3932568 Sale Conditions: Purchase By Tenant Research Status: Confirmed</p> 		

43	1 Park Ln	SOLD	
Hemel Hempstead, HP2 4YJ		Hertfordshire County	
Sale Date: 04/09/2015		Bldg Type: Office	
Sale Price: £16,650,000 - Confirmed		Year Built/Age: Built 1989 Age: 26	
Price/SF: £167.75		NIA: 99,255 SF	
Reversionary Yield: -		Sale Conditions: -	
Net Initial Yield: 7.28%			
Comp ID: 3402263			
Research Status: Confirmed			
44	Fells House - Prince Edward St	SOLD	
Berkhamsted, HP4 3EZ		Hertfordshire County	
Sale Date: 18/12/2017		Bldg Type: Office	
Sale Price: £3,500,000 - Confirmed		Year Built/Age: -	
Price/SF: £402.53		NIA: 8,695 SF	
Reversionary Yield: -		Sale Conditions: -	
Net Initial Yield: -			
Comp ID: 4168322			
Research Status: Confirmed			
45	Boston House - 64-66 Queensway	SOLD	
Hemel Hempstead, HP2 5HA		Hertfordshire County	
Sale Date: 21/10/2016 (95 days on mkt)		Bldg Type: Office	
Sale Price: -		Year Built/Age: Renov 1990	
Price/SF: -		NIA: 2,719 SF	
Reversionary Yield: -		Sale Conditions: -	
Net Initial Yield: -			
Comp ID: 3739344			
Research Status:			
46	Hempstead House - Selden HI	SOLD	
Hemel Hempstead, HP2 4XW		Hertfordshire County	
Sale Date: 14/02/2018 (15 days on mkt)		Bldg Type: Office	
Sale Price: £6,600,000 - Confirmed		Year Built/Age: Built 1980 Age: 37	
Price/SF: £250.67		NIA: 26,329 SF	
Reversionary Yield: -		Sale Conditions: Redevelopment Project	
Net Initial Yield: -			
Comp ID: 4240783			
Research Status: Confirmed			
47	The Galleries - Station Rd	SOLD	
Hemel Hempstead, HP1 1JZ		Hertfordshire County	
Sale Date: 16/11/2015		Bldg Type: OfficeOffice Live/Work Unit	
Sale Price: £4,200,000 - Confirmed		Year Built/Age: Built 1971 Renov 2011 Age: 44	
Price/SF: £100.70		NIA: 41,707 SF	
Reversionary Yield: -		Sale Conditions: -	
Net Initial Yield: 8.99%			
Comp ID: 3511450			
Research Status: Confirmed			
48	Former Tring Clinic - Station Rd	SOLD	
Tring, HP23 5NF		Hertfordshire County	
Sale Date: 22/02/2017 (133 days on mkt)		Bldg Type: OfficeMedical	
Sale Price: £1,300,000 - Confirmed		Year Built/Age: Built 1975 Age: 42	
Price/SF: £237.75		NIA: 5,468 SF	
Reversionary Yield: -		Sale Conditions: Condo Conversion, High Vacancy Property ...	
Net Initial Yield: -			
Comp ID: 3840693			
Research Status: Confirmed			



49	Normandy Court - 1 Wolsey Rd	SOLD
<p>Hemel Hempstead, HP2 5PZ</p> <p>Sale Date: 01/07/2016 (106 days on mkt) Sale Price: £3,300,000 - Confirmed Price/SF: £271.27</p> <p>Reversionary Yield: - Net Initial Yield: 5.30% Comp ID: 3673798 Research Status: Confirmed</p>	<p>Hertfordshire County</p> <p>Bldg Type: Office Year Built/Age: Built 1990 Age: 26 NIA: 12,165 SF</p> <p>Sale Conditions: Distress Sale</p>	
50	Amberside, Unit 2 - Wood Ln	SOLD
<p>Hemel Hempstead, HP2 4TP</p> <p>Sale Date: 01/11/2014 Sale Price: £325,000 - Confirmed Price/SF: £166.92</p> <p>Reversionary Yield: - Net Initial Yield: - Comp ID: 3166190 Research Status: Confirmed</p>	<p>Hertfordshire County</p> <p>Unit Type: 1,947 SF Office Unit Year Built/Age: Built 1971 Renov 2007 Age: 43 NIA: 1,947 SF</p> <p>Sale Conditions: -</p>	
51	Amberside, Unit 9 - Wood Ln	SOLD
<p>Hemel Hempstead, HP2 4TP</p> <p>Sale Date: 18/11/2014 (791 days on mkt) Sale Price: £275,000 - Confirmed Price/SF: £140.66</p> <p>Reversionary Yield: - Net Initial Yield: - Comp ID: 3188013 Research Status: Confirmed</p>	<p>Hertfordshire County</p> <p>Unit Type: 1,955 SF Office Unit Year Built/Age: Built 1971 Renov 2007 Age: 43 NIA: 1,955 SF</p> <p>Sale Conditions: -</p>	
52	Amberside, Unit 1C - Wood Ln	SOLD
<p>Hemel Hempstead, HP2 4TP</p> <p>Sale Date: 18/02/2018 (303 days on mkt) Sale Price: - Price/SF: -</p> <p>Reversionary Yield: - Net Initial Yield: - Comp ID: 4151868 Research Status: Public Record</p>	<p>Hertfordshire County</p> <p>Unit Type: 863 SF Office Unit Year Built/Age: Built 1971 Renov 2007 Age: 47 NIA: 863 SF</p> <p>Sale Conditions: -</p>	

Quick Stats Report

Comps Statistics					
	Low	Average	Median	High	Count
Office					
Sale Price	£80,000	£6,587,905	£2,100,000	£60,600,000	37
NIA	202 SF	33,510 SF	6,128 SF	321,877 SF	43
Price per SF	£34.53	£173.30	£166.92	£402.53	37
Net Initial Yield	5.00%	7.54%	7.82%	8.99%	13
Days on Market	15	231	108	1,124	26
Sale Price to Asking Price Ratio	84.62%	102.75%	100.00%	145.45%	21
Industrial					
Sale Price	£260,000	£458,667	£300,000	£816,000	3
NIA	1,730 SF	5,552 SF	2,942 SF	11,983 SF	3
Price per SF	£68.10	£82.62	£88.38	£173.41	3
Net Initial Yield	-	-	-	-	-
Days on Market	558	558	558	558	1
Sale Price to Asking Price Ratio	90.64%	95.32%	95.32%	100.00%	2
Mixed					
Sale Price	£989,500	£7,174,250	£6,680,000	£14,096,000	6
NIA	12,972 SF	41,488 SF	32,056 SF	75,611 SF	5
Price per SF	-	£168.17	-	-	-
Net Initial Yield	3.81%	6.01%	6.06%	8.13%	4
Days on Market	95	150	150	206	2
Sale Price to Asking Price Ratio	98.80%	103.98%	104.00%	109.15%	3
Totals					
Sold Transactions	Total Sales Volume:	£288,174,000	Total Sales Transactions:	52	
Survey Criteria					
<p>basic criteria: Type of Property - Office; Sale Date - from 01/01/2014; Sale Status - Sold; Return and Search on Portfolio Sales as Individual Properties - No; Exclude Non-Arms Length Comps - Yes</p> <p>geography criteria: Submarket - Dacorum (Hertfordshire)</p>					

Sale Distribution by Price

4Q15: 01/10/2015-31/12/2015				
	# of Records	% of Records	GBP Volume	% of GBP Volume
Less than £500k	1	100.0%	£380,000	100.0%
£500k - £1.49M	0	0.0%	£0	0.0%
£1.5M - £4.9M	0	0.0%	£0	0.0%
£5M - £9.9M	0	0.0%	£0	0.0%
£10M and above	0	0.0%	£0	0.0%
Totals	1	100.0%	£380,000	100.0%

1Q16: 01/01/2016-31/03/2016				
	# of Records	% of Records	GBP Volume	% of GBP Volume
Less than £500k	1	50.0%	£300,000	11.5%
£500k - £1.49M	0	0.0%	£0	0.0%
£1.5M - £4.9M	1	50.0%	£2,300,000	88.5%
£5M - £9.9M	0	0.0%	£0	0.0%
£10M and above	0	0.0%	£0	0.0%
Totals	2	100.0%	£2,600,000	100.0%

2Q16: 01/04/2016-30/06/2016				
	# of Records	% of Records	GBP Volume	% of GBP Volume
Less than £500k	1	33.3%	£335,000	2.2%
£500k - £1.49M	0	0.0%	£0	0.0%
£1.5M - £4.9M	1	33.3%	£4,165,000	27.8%
£5M - £9.9M	0	0.0%	£0	0.0%
£10M and above	1	33.3%	£10,500,000	70.0%
Totals	3	100.0%	£15,000,000	100.0%

3Q16: 01/07/2016-30/09/2016				
	# of Records	% of Records	GBP Volume	% of GBP Volume
Less than £500k	0	0.0%	£0	0.0%
£500k - £1.49M	0	0.0%	£0	0.0%
£1.5M - £4.9M	1	100.0%	£3,300,000	100.0%
£5M - £9.9M	0	0.0%	£0	0.0%
£10M and above	0	0.0%	£0	0.0%
Totals	1	100.0%	£3,300,000	100.0%

4Q16: 01/10/2016-31/12/2016				
No Data				

Sale Distribution by Price

1Q17: 01/01/2017-31/03/2017				
	# of Records	% of Records	GBP Volume	% of GBP Volume
Less than £500k	0	0.0%	£0	0.0%
£500k - £1.49M	2	66.7%	£2,289,500	35.8%
£1.5M - £4.9M	1	33.3%	£4,100,000	64.2%
£5M - £9.9M	0	0.0%	£0	0.0%
£10M and above	0	0.0%	£0	0.0%
Totals	3	100.0%	£6,389,500	100.0%

2Q17: 01/04/2017-30/06/2017				
	# of Records	% of Records	GBP Volume	% of GBP Volume
Less than £500k	0	0.0%	£0	0.0%
£500k - £1.49M	1	33.3%	£575,000	1.6%
£1.5M - £4.9M	0	0.0%	£0	0.0%
£5M - £9.9M	0	0.0%	£0	0.0%
£10M and above	2	66.7%	£35,246,000	98.4%
Totals	3	100.0%	£35,821,000	100.0%

3Q17: 01/07/2017-30/09/2017				
	# of Records	% of Records	GBP Volume	% of GBP Volume
Less than £500k	0	0.0%	£0	0.0%
£500k - £1.49M	0	0.0%	£0	0.0%
£1.5M - £4.9M	0	0.0%	£0	0.0%
£5M - £9.9M	1	100.0%	£5,200,000	100.0%
£10M and above	0	0.0%	£0	0.0%
Totals	1	100.0%	£5,200,000	100.0%

4Q17: 01/10/2017-31/12/2017				
	# of Records	% of Records	GBP Volume	% of GBP Volume
Less than £500k	0	0.0%	£0	0.0%
£500k - £1.49M	0	0.0%	£0	0.0%
£1.5M - £4.9M	1	100.0%	£3,500,000	100.0%
£5M - £9.9M	0	0.0%	£0	0.0%
£10M and above	0	0.0%	£0	0.0%
Totals	1	100.0%	£3,500,000	100.0%

1Q18: 01/01/2018-31/03/2018				
	# of Records	% of Records	GBP Volume	% of GBP Volume
Less than £500k	1	16.7%	£255,000	0.4%
£500k - £1.49M	0	0.0%	£0	0.0%
£1.5M - £4.9M	1	16.7%	£3,200,000	4.7%
£5M - £9.9M	3	50.0%	£21,110,000	31.2%
£10M and above	1	16.7%	£43,200,000	63.7%
Totals	6	100.0%	£67,765,000	100.0%

Sale Distribution by Price

2Q18: 01/04/2018-30/06/2018				
	# of Records	% of Records	GBP Volume	% of GBP Volume
Less than £500k	0	0.0%	£0	0.0%
£500k - £1.49M	0	0.0%	£0	0.0%
£1.5M - £4.9M	1	100.0%	£2,600,000	100.0%
£5M - £9.9M	0	0.0%	£0	0.0%
£10M and above	0	0.0%	£0	0.0%
Totals	1	100.0%	£2,600,000	100.0%

3Q18: 01/07/2018-30/09/2018				
	# of Records	% of Records	GBP Volume	% of GBP Volume
Less than £500k	0	0.0%	£0	0.0%
£500k - £1.49M	1	100.0%	£550,000	100.0%
£1.5M - £4.9M	0	0.0%	£0	0.0%
£5M - £9.9M	0	0.0%	£0	0.0%
£10M and above	0	0.0%	£0	0.0%
Totals	1	100.0%	£550,000	100.0%

4Q18: 01/10/2018-31/12/2018				
	# of Records	% of Records	GBP Volume	% of GBP Volume
Less than £500k	0	0.0%	£0	0.0%
£500k - £1.49M	0	0.0%	£0	0.0%
£1.5M - £4.9M	1	100.0%	£2,100,000	100.0%
£5M - £9.9M	0	0.0%	£0	0.0%
£10M and above	0	0.0%	£0	0.0%
Totals	1	100.0%	£2,100,000	100.0%

Total				
	# of Records	% of Records	GBP Volume	% of GBP Volume
Less than £500k	4	16.7%	£1,270,000	0.9%
£500k - £1.49M	4	16.7%	£3,414,500	2.4%
£1.5M - £4.9M	8	33.3%	£25,265,000	17.4%
£5M - £9.9M	4	16.7%	£26,310,000	18.1%
£10M and above	4	16.7%	£88,946,000	61.3%
Totals	24	100.0%	£145,205,500	100.0%

Survey Criteria

basic criteria: Type of Property - Office; Sale Date - from 01/01/2014; Sale Status - Sold; Return and Search on Portfolio Sales as Individual Properties - No; Exclude Non-Arms Length Comps - Yes
 geography criteria: Submarket - Dacorum (Hertfordshire)

Lease Comparables

	Address	Tenant Landlord	SF Leased Type	StartDate Term	Starting Rent Effective Rent	Free Rent Rates	Breaks Reviews
	Icknield Way Tring, HP23 4JZ Dacorum Ind Submarket	Suffolk Life Group Ltd	11,400 New Direct	Dec 2018			
	Maxted Close Hemel Hempstead, HP2 7YJ Dacorum Ind Submarket	Epiroc UK & Ireland Limited Schroders Real Estate Investment...	4,050 New Direct	Aug 2018	£12.50/SF		
	Whiteleaf Rd Hemel Hempstead, HP3 9PH Dacorum Ind Submarket	Poindus systems UK Limited Prime Impex Ltd	2,049 New Direct	Jul 2018 5 Years	£19.27/SF	£7.11/SF	
	Mistral 170 Maxted Rd Hemel Hempstead, HP2 7DX Dacorum Ind Submarket	Booker Group Aberdeen Asset Management plc	167,730 New Direct	Oct 2018 15 Years	£9.75/SF	6 Mos at Start £3.32/SF	
	Crossways Yard Nettledon Rd Hemel Hempstead, HP1 3DQ Dacorum Ind Submarket	Oakdell Ltd	3,775 New Direct	May 2018 5 Years	£5.29/SF £5.29/SF	£1.91/SF	
	Twinmar Ltd 14 Maxted Rd Hemel Hempstead, HP1 7DX Dacorum Ind Submarket	Extreme Sounds	6,943 New Direct	May 2018	£8.64/SF		

Lease Comparables

	Address	Tenant Landlord	SF Leased Type	StartDate Term	Starting Rent Effective Rent	Free Rent Rates	Breaks Reviews
	Bourne End Hemel Hempstead, HP1 2UJ Dacorum Ind Submarket	Mobius Labs W M Pension Trustee Services Ltd	2,171 New Direct	Apr 2018	£11.51/SF		
	2 Eastman Hemel Hempstead, HP2 7DU Dacorum Ind Submarket	66 Brooks Palmer Air Conditioning Limited	41,292 New Direct	Aug 2018	£10.00/SF	£2.94/SF	
	Northbridge Rd Berkhamsted, HP4 1EH Dacorum Ind Submarket	Prestige Hygiene Services Ltd Leaps & Bounds (Hertfordshire) Li...	2,718 New Direct	Mar 2018	£9.20/SF	£3.52/SF	
	2-3 Cleveland Way Hemel Hempstead, HP2 7DL Dacorum Ind Submarket	Golf 2 Golf Anmik Ltd	5,754 New Direct	Mar 2018	£10.42/SF	£3.74/SF	
	Finway Rd Hemel Hempstead, HP2 7PT Dacorum Ind Submarket	Express Vending Ltd	11,941 New Direct	Feb 2018 10 Years	£10.00/SF £10.00/SF	0 Mos £2.89/SF	Feb 2026 Feb 2023
	10-17 Avebury Ct Hemel Hempstead, HP2 7TA Dacorum Ind Submarket	Birdsall Services Ltd Digital Distribution (GB) Limited	2,560 New Direct	Dec 2017	£9.94/SF	£4.27/SF	

Lease Comparables

	Address	Tenant Landlord	SF Leased Type	StartDate Term	Starting Rent Effective Rent	Free Rent Rates	Breaks Reviews
	Northbridge Rd Berkhamsted, HP4 1EH Dacorum Ind Submarket	GLEX Ltd Leaps & Bounds (Hertfordshire) Li...	2,718 New Direct	Dec 2017	£8.46/SF	£3.66/SF	
	Hall Rd Hemel Hempstead, HP2 7BH Dacorum Ind Submarket	St James's Place Property Unit Tru...	2,215 New Direct	Nov 2017		£3.59/SF	
	Hall Rd Hemel Hempstead, HP2 7BH Dacorum Ind Submarket	St James's Place Property Unit Tru...	2,215 New Direct	Nov 2017		£3.59/SF	
	Fenbright Works Northbridge Rd Berkhamsted, HP4 1EW Dacorum Ind Submarket	Ebbens Kitchens	3,875 New Direct	Nov 2017 10 Years	£7.61/SF £7.20/SF	5 Mos at Start £3.19/SF	Nov 2022 Nov 2022
	Finway Rd Hemel Hempstead, HP2 7PT Dacorum Ind Submarket	Gem Associates Limited	4,982 New Direct	Jul 2017 31 Years	£11.00/SF £11.00/SF	£3.34/SF	Jul 2038
	London Rd St Albans, AL3 8HG Dacorum Ind Submarket	Lantern Recovery Specialists plc	3,838 New Direct	Jun 2017		£0.86/SF	

Lease Comparables

	Address	Tenant Landlord	SF Leased Type	StartDate Term	Starting Rent Effective Rent	Free Rent Rates	Breaks Reviews
 	Maylands Ave Hemel Hempstead, HP2 7BH Dacorum Ind Submarket	Selco Trade Orchard Street Investment Manag...	36,000 New Direct	Oct 2017 10 Years	£10.50/SF £10.50/SF		
	Whiteleaf Rd Hemel Hempstead, HP3 9PH Dacorum Ind Submarket	TAD Communications Prime Impex Ltd	4,450 New Direct	Jun 2017 10 Years	£9.88/SF £9.88/SF	0 Mos	Jun 2022 Jun 2022
 	Enterprise Way Hemel Hempstead, HP2 7YJ Dacorum Ind Submarket	Vislink Dencora PLC	12,345 New Direct	Jul 2017	£11.00/SF	£3.53/SF	
 	Carpet City Church Ln Kings Langley, WD4 8JX Dacorum Ind Submarket	Trade Link Solutions	3,310 New Direct	May 2017 1 Year	£3.02/SF	0 Mos	
 	Maylands Ave Hemel Hempstead, HP2 7BH Dacorum Ind Submarket	Elliot Baxter Orchard Street Investment Manag...	28,350 New Direct	Oct 2017 10 Years	£9.95/SF £9.95/SF		
 	Upper Bourne End Ln Hemel Hempstead, HP1 2UJ Dacorum Ind Submarket	Optoma Europe	30,397 New Direct	Jun 2017	£10.00/SF		





Lease Comparables

	Address	Tenant Landlord	SF Leased Type	StartDate Term	Starting Rent Effective Rent	Free Rent Rates	Breaks Reviews
 	Prologis Park Boundary Way Hemel Hempstead, HP2 7GE Dacorum Ind Submarket	Cormar Carpets	122,856 New Direct	Apr 2017	£9.00/SF		
 	Boundary Way Hemel Hempstead, HP2 7SU Dacorum Ind Submarket	DHL	15,682 Renewal Direct	Mar 2017		£3.49/SF	Mar 2022 Mar 2022
 	32 Waterside Kings Langley, WD4 8HH Dacorum Ret Submarket	Securefast	1,400 New Direct	Apr 2017 3 Years	£11.42/SF £11.42/SF	£4.79/SF	
 	Billet Ln Berkhamsted, HP4 1HL Dacorum Ind Submarket	Cube Lighting Limited Jarvis Indcom Ltd	4,124 New Direct	Jan 2017 10 Years	£8.49/SF £8.49/SF	£3.13/SF	
 	Eastman Way Hemel Hempstead, HP2 7DU Dacorum Ind Submarket	SWR Ltd Cadbury Schweppes Pensions Tru...	7,026 New Direct	Jan 2017 5 Years	£8.26/SF £8.26/SF		
 	Eastman Way Hemel Hempstead, HP2 7DU Dacorum Ind Submarket	Cadbury Schweppes Pensions Tru...	938 New Direct	Feb 2017 8 Years	£8.25/SF £8.25/SF	£16.70/SF	







Lease Comparables

	Address	Tenant Landlord	SF Leased Type	StartDate Term	Starting Rent Effective Rent	Free Rent Rates	Breaks Reviews
 	Maxted Close Hemel Hempstead, HP2 7YJ Dacorum Ind Submarket	All Electrical Distributors Ltd Schroders Real Estate Investment...	3,087 New Direct	Jan 2017 10 Years	£9.72/SF £9.30/SF	4 Mos at Start £5.39/SF	Jan 2022
 	Eastman Way Hemel Hempstead, HP2 7DU Dacorum Ind Submarket	SWR Group Proactive Ltd	7,985 Direct	Jan 2017			
 	Cleveland Way Hemel Hempstead, HP2 7DA Dacorum Ind Submarket	ID Integrated Security Ltd S R & A S Patel	5,774 New Direct	Dec 2016 10 Years	£9.87/SF £9.87/SF		
 	Church Ln Kings Langley, WD4 8JU Dacorum Ind Submarket	Aneata Print	2,504 New Direct	Nov 2016 1 Year			
 	Mark Rd Hemel Hempstead, HP2 7BJ Dacorum Ind Submarket	Hermes Parcelnet Ltd Hermes Real Estate Investment M...	3,491 New Direct	Nov 2016 5 Years	£10.50/SF £10.30/SF	1 Mo at Start £4.31/SF	
 	Icknield Way Tring, HP23 4JZ Dacorum Ind Submarket	Tape Specialities Ltd	3,725 New Direct	Nov 2016 5 Years			

Lease Comparables

	Address	Tenant Landlord	SF Leased Type	StartDate Term	Starting Rent Effective Rent	Free Rent Rates	Breaks Reviews
 	Billet Ln Berkhamsted, HP4 1HL Dacorum Ind Submarket	Grafton Optical Jarvis Indcom Ltd	4,774 New Direct	Nov 2016 5 Years		£2.94/SF	
	Unicorn House Northbridge Rd Berkhamsted, HP4 1EH Dacorum Ind Submarket	The Ultimate Promotions Company...	9,036 New Direct	Nov 2016 10 Years	£6.86/SF £6.75/SF	Spread Over	Nov 2021 Nov 2021
 	Mark Rd Hemel Hempstead, HP2 7BJ Dacorum Ind Submarket	Jakobs Ltd Hermes Real Estate Investment M...	4,562 New Direct	Oct 2016 10 Years	£9.86/SF £9.43/SF	4 Mos at Start £3.32/SF	Sep 2020
 	Maxted Corner Maxted Rd Hemel Hempstead, HP2 7RA Dacorum Ind Submarket	APT Controls Ltd Universities Superannuation Sche...	19,374 New Direct	Jul 2016 10 Years	£8.50/SF £7.95/SF	6 Mos at Start £3.72/SF	Jun 2021 Jun 2021
 	2 North Bridge Rd Berkhamsted, HP4 1EH Dacorum Ind Submarket	Hillgate Industrial Estates Ltd	6,138 New Direct	Jul 2016			
 	Mark Rd Hemel Hempstead, HP2 7TA Dacorum Ind Submarket	OM Interactive Limited	4,092 New Direct	May 2016		£2.56/SF	

Lease Comparables

	Address	Tenant Landlord	SF Leased Type	StartDate Term	Starting Rent Effective Rent	Free Rent Rates	Breaks Reviews
 	Maxted Park Hemel Hempstead, HP2 7EP Dacorum Ind Submarket	APT Controls Ltd	19,374 New Direct	Jul 2016 10 Years	£8.50/SF £8.50/SF		
 	Boundary Point Boundary Way Hemel Hempstead, HP2 7SU Dacorum Ind Submarket	Goodrich Aerospace UK Ltd Boulton (Hemel Hempstead) LLP	65,344 New Direct	Jun 2016 15 Years	£7.61/SF £7.61/SF		
 	Maylands Ave Hemel Hempstead, HP2 7EB Dacorum Ind Submarket	Blue i Event Technology Ltd CBRE Global Investors Ltd	6,284 New Direct	Jan 2016 10 Years	£11.00/SF £10.64/SF	3 Mos at Start £3.70/SF	Jan 2021 Jan 2021
 	Paradise Furniture Wood Ln Hemel Hempstead, HP2 4TP Dacorum Ind Submarket	Gone Moto Ltd	5,906 New Direct	Mar 2016 10 Years	£6.10/SF £6.10/SF		

Asking Rent Per SF

£8.61

Achieved Rent Per SF

£9.33

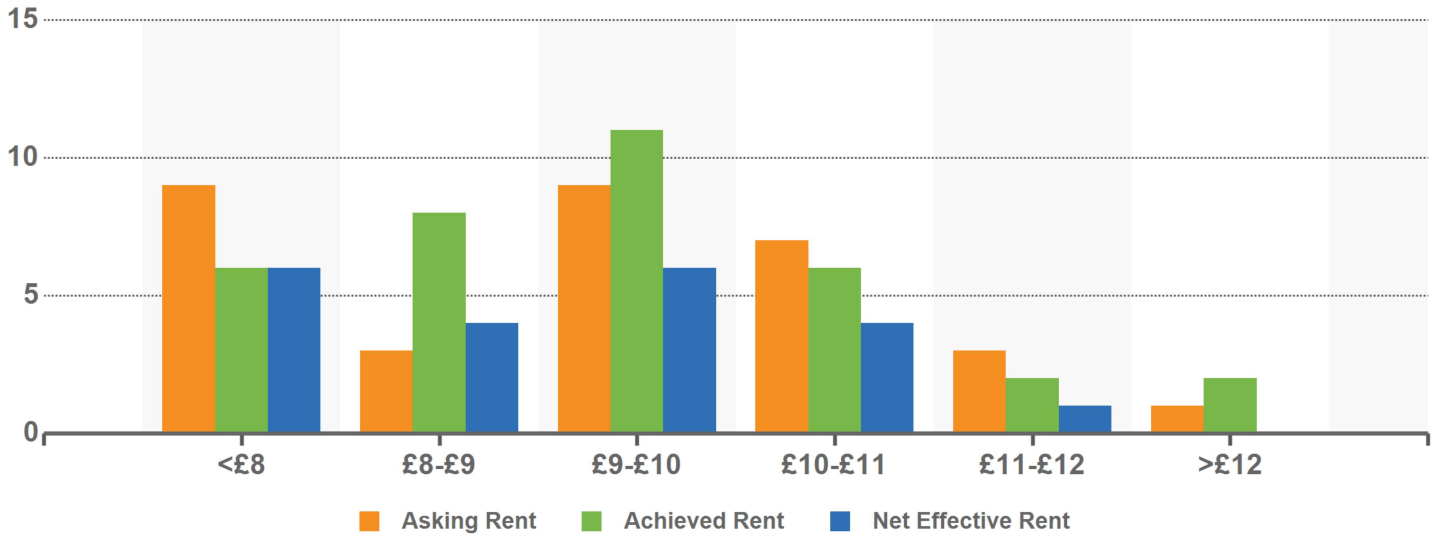
Net Effective Rent Per SF

£8.78

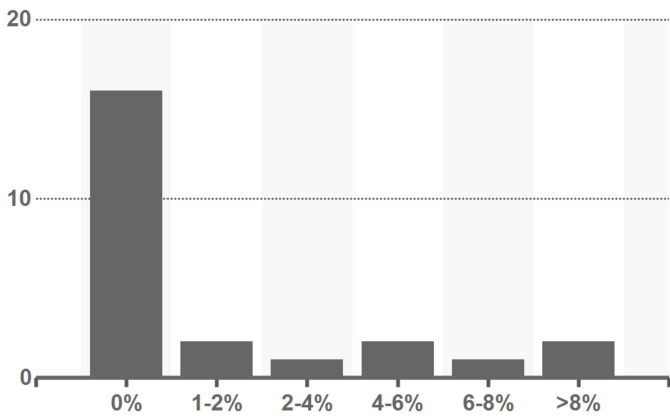
Avg. Rent Free Months

2.8

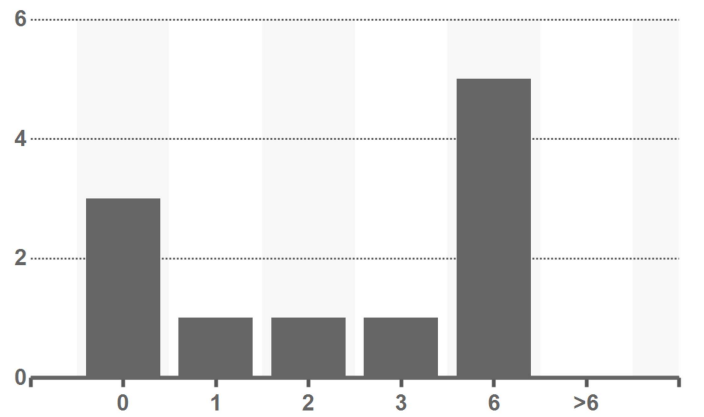
DEALS BY ASKING, ACHIEVED, AND NET EFFECTIVE RENT















DEALS BY ASKING RENT DISCOUNT















DEALS BY RENT FREE MONTHS









1	Multi-Property	SOLD
<p>3 Properties in Kings Langley, HRT.</p> <p>Sale Date: 15/02/2018 (206 days on mkt) # Properties: 3 Sale Price: £8,160,000 - Confirmed Total Size: - Price/SF: - Total Land Area: -</p> <p>Reversionary Yield: - Sale Conditions: Redevelopment Project</p> <p>Comp ID: 4170902 Research Status: Confirmed</p>		
2	Multi-Condo	SOLD
<p>2 Industrial Units in Hemel Hempstead, HRT, having total size of 12,169 SF.</p> <p>Sale Date: 17/07/2017 # Properties: 2 Sale Price: £1,360,000 - Confirmed Total Size: 12,169 SF Price/SF: £111.76 Total Land Area: -</p> <p>Reversionary Yield: - Sale Conditions: -</p> <p>Comp ID: 3963933 Research Status: Confirmed</p>		
3	Multi-Condo	SOLD
<p>2 Industrial Units in Hemel Hempstead, HRT, having total size of 11,983 SF.</p> <p>Sale Date: 20/10/2014 (558 days on mkt) # Properties: 2 Sale Price: £816,000 - Confirmed Total Size: 11,983 SF Price/SF: £68.10 Total Land Area: -</p> <p>Reversionary Yield: - Sale Conditions: -</p> <p>Comp ID: 3248283 Research Status: Confirmed</p>		
4	Multi-Condo	SOLD
<p>2 Industrial Units in Hemel Hempstead, HRT, having total size of 2,488 SF.</p> <p>Sale Date: 07/05/2015 (171 days on mkt) # Properties: 2 Sale Price: £270,000 - Confirmed Total Size: 2,488 SF Price/SF: £108.52 Total Land Area: -</p> <p>Reversionary Yield: - Sale Conditions: -</p> <p>Comp ID: 3302502 Research Status: Confirmed</p>		
5	Multi-Condo	SOLD
<p>2 Industrial Units in Hemel Hempstead, HRT, having total size of 2,582 SF.</p> <p>Sale Date: 19/12/2014 (413 days on mkt) # Properties: 2 Sale Price: £265,000 - Confirmed Total Size: 2,582 SF Price/SF: £102.63 Total Land Area: -</p> <p>Reversionary Yield: - Sale Conditions: -</p> <p>Comp ID: 3199896 Research Status: Confirmed</p>		
6	Multi-Condo	SOLD
<p>2 Industrial Units in Hemel Hempstead, HRT, having total size of 2,942 SF.</p> <p>Sale Date: 01/12/2014 # Properties: 2 Sale Price: £260,000 - Confirmed Total Size: 2,942 SF Price/SF: £88.38 Total Land Area: -</p> <p>Reversionary Yield: - Sale Conditions: -</p> <p>Comp ID: 3176362 Research Status: Confirmed</p>		

13	Unit 1 - Network 41 - Bourne End Ln	SOLD
<p>Hemel Hempstead, HP1 2UJ Hertfordshire County</p> <p>Sale Date: 05/02/2017 Bldg Type: IndustrialService Sale Price: £1,250,000 - Confirmed Year Built/Age: Built 2017 Price/SF: £159.97 NIA: 7,814 SF</p> <p>Reversionary Yield: - Net Initial Yield: - Comp ID: 3870187 Sale Conditions: - Research Status: Confirmed</p> 		
14	Unit 3 & 4 - Network 41, Unit 4 - Bourne End Ln	SOLD
<p>Hemel Hempstead, HP1 2UJ Hertfordshire County</p> <p>Sale Date: 05/02/2017 Unit Type: 5,630 SF Industrial Unit Sale Price: £873,000 - Confirmed Year Built/Age: Built 2017 Price/SF: £155.06 NIA: 5,630 SF</p> <p>Reversionary Yield: - Net Initial Yield: - Comp ID: 3870412 Sale Conditions: - Research Status: Confirmed</p> 		
15	Units 2A-2B - Industrial Unit, Unit 2A - Bourne End Ln	SOLD
<p>Hemel Hempstead, HP1 2UJ Hertfordshire County</p> <p>Sale Date: 05/02/2017 Unit Type: 4,606 SF Industrial Unit Sale Price: £715,000 - Confirmed Year Built/Age: Built 2017 Price/SF: £155.23 NIA: 4,606 SF</p> <p>Reversionary Yield: - Net Initial Yield: - Comp ID: 3870189 Sale Conditions: - Research Status: Confirmed</p> 		
16	Units 5A-5G - Industrial Unit, Unit 5B - Bourne End Ln	SOLD
<p>Hemel Hempstead, HP1 2UJ Hertfordshire County</p> <p>Sale Date: 05/02/2017 Unit Type: 3,000 SF Industrial Unit Sale Price: £466,500 - Confirmed Year Built/Age: Built 2017 Price/SF: £155.50 NIA: 3,000 SF</p> <p>Reversionary Yield: - Net Initial Yield: - Comp ID: 3870369 Sale Conditions: - Research Status: Confirmed</p> 		
17	Units 5A-5G - Industrial Unit, Unit 5A - Bourne End Ln	SOLD
<p>Hemel Hempstead, HP1 2UJ Hertfordshire County</p> <p>Sale Date: 05/02/2017 Unit Type: 3,000 SF Industrial Unit Sale Price: £465,000 - Confirmed Year Built/Age: Built 2017 Price/SF: £155.00 NIA: 3,000 SF</p> <p>Reversionary Yield: - Net Initial Yield: - Comp ID: 3870364 Sale Conditions: - Research Status: Confirmed</p> 		
18	Units 5A-5G - Industrial Unit, Unit 5D - Bourne End Ln	SOLD
<p>Hemel Hempstead, HP1 2UJ Hertfordshire County</p> <p>Sale Date: 05/02/2017 Unit Type: 3,000 SF Industrial Unit Sale Price: £465,000 - Confirmed Year Built/Age: Built 2017 Price/SF: £155.00 NIA: 3,000 SF</p> <p>Reversionary Yield: - Net Initial Yield: - Comp ID: 3870381 Sale Conditions: - Research Status: Confirmed</p> 		

19	Units 5A-5G - Industrial Unit, Unit 5F - Bourne End Ln	SOLD
<p>Hemel Hempstead, HP1 2UJ Hertfordshire County</p> <p>Sale Date: 05/02/2017 Unit Type: 2,000 SF Industrial Unit Sale Price: £465,000 - Confirmed Year Built/Age: Built 2017 Price/SF: £232.50 NIA: 2,000 SF</p> <p>Reversionary Yield: - Net Initial Yield: - Comp ID: 3870399 Sale Conditions: - Research Status: Confirmed</p> 		
20	Units 5A-5G - Industrial Unit, Unit 5G - Bourne End Ln	SOLD
<p>Hemel Hempstead, HP1 2UJ Hertfordshire County</p> <p>Sale Date: 05/02/2017 Unit Type: 3,000 SF Industrial Unit Sale Price: £465,000 - Confirmed Year Built/Age: Built 2017 Price/SF: £155.00 NIA: 3,000 SF</p> <p>Reversionary Yield: - Net Initial Yield: - Comp ID: 3870407 Sale Conditions: - Research Status: Confirmed</p> 		
21	Units 2A-2B - Industrial Unit, Unit 2B - Bourne End Ln	SOLD
<p>Hemel Hempstead, HP1 2UJ Hertfordshire County</p> <p>Sale Date: 05/02/2017 Unit Type: 2,582 SF Industrial Unit Sale Price: £400,000 - Confirmed Year Built/Age: Built 2017 Price/SF: £154.92 NIA: 2,582 SF</p> <p>Reversionary Yield: - Net Initial Yield: - Comp ID: 3870190 Sale Conditions: - Research Status: Confirmed</p> 		
22	Units 5A-5G - Industrial Unit, Unit 5C - Bourne End Ln	SOLD
<p>Hemel Hempstead, HP1 2UJ Hertfordshire County</p> <p>Sale Date: 05/02/2017 Unit Type: 2,000 SF Industrial Unit Sale Price: £326,500 - Confirmed Year Built/Age: Built 2017 Price/SF: £163.25 NIA: 2,000 SF</p> <p>Reversionary Yield: - Net Initial Yield: - Comp ID: 3870376 Sale Conditions: - Research Status: Confirmed</p> 		
23	Units 5A-5G - Industrial Unit, Unit 5E - Bourne End Ln	SOLD
<p>Hemel Hempstead, HP1 2UJ Hertfordshire County</p> <p>Sale Date: 05/02/2017 Unit Type: 2,080 SF Industrial Unit Sale Price: £323,000 - Confirmed Year Built/Age: Built 2017 Price/SF: £155.29 NIA: 2,080 SF</p> <p>Reversionary Yield: - Net Initial Yield: - Comp ID: 3870385 Sale Conditions: - Research Status: Confirmed</p> 		
24	10-16 - Industrial Unit, Unit 13 - Cleveland Way	SOLD
<p>Hemel Hempstead, HP2 7DA Hertfordshire County</p> <p>Sale Date: 01/03/2016 Unit Type: 2,416 SF Industrial Unit Sale Price: £315,000 - Confirmed Year Built/Age: Built 1997 Age: 19 Price/SF: £130.38 NIA: 2,416 SF</p> <p>Reversionary Yield: - Net Initial Yield: - Comp ID: 3572782 Sale Conditions: - Research Status: Confirmed</p> 		

25	10-16 - Industrial Unit, Unit 16 - Cleveland Way	SOLD
<p>Hemel Hempstead, HP2 7DA Hertfordshire County</p> <p>Sale Date: 01/03/2016 Unit Type: 1,730 SF Industrial Unit Sale Price: £300,000 - Confirmed Year Built/Age: Built 1997 Age: 19 Price/SF: £173.41 NIA: 1,730 SF</p> <p>Reversionary Yield: - Net Initial Yield: - Comp ID: 3554157 Sale Conditions: - Research Status: Confirmed</p>		
		
26	6-12 - Industrial Unit, Unit 9 - Eastman Way	SOLD
<p>Hemel Hempstead, HP2 7FW Hertfordshire County</p> <p>Sale Date: 18/06/2017 (265 days on mkt) Unit Type: 8,487 SF Industrial Unit Sale Price: £795,000 - Confirmed Year Built/Age: Built 1982 Age: 35 Price/SF: £93.67 NIA: 8,487 SF</p> <p>Reversionary Yield: - Net Initial Yield: - Comp ID: 3932182 Sale Conditions: - Research Status: Confirmed</p>		
		
27	Units 1-5 - Industrial Unit, Unit 5 - Eastman Way	SOLD
<p>Hemel Hempstead, HP2 7FW Hertfordshire County</p> <p>Sale Date: 31/12/2015 (63 days on mkt) Unit Type: 1,951 SF Industrial Unit Sale Price: £290,000 - Confirmed Year Built/Age: Built 2007 Age: 8 Price/SF: £148.64 NIA: 1,951 SF</p> <p>Reversionary Yield: - Net Initial Yield: - Comp ID: 3481407 Sale Conditions: - Research Status: Confirmed</p>		
		
28	2 Eastman Way	SOLD
<p>Hemel Hempstead, HP2 7DU Hertfordshire County</p> <p>Sale Date: 25/07/2018 (110 days on mkt) Bldg Type: Light Industrial/Light Manufacturing Sale Price: £7,900,000 - Confirmed Year Built/Age: Built 1994 Age: 23 Price/SF: £191.32 NIA: 41,292 SF</p> <p>Reversionary Yield: - Net Initial Yield: 4.91% Comp ID: 4461780 Sale Conditions: - Research Status: Confirmed</p>		
		
29	12 Fernville Ln	SOLD
<p>Hemel Hempstead, HP2 4AL Hertfordshire County</p> <p>Sale Date: 25/06/2018 (96 days on mkt) Bldg Type: Light Industrial Sale Price: £250,000 Year Built/Age: Built 1962 Age: 55 Price/SF: £210.44 NIA: 1,188 SF</p> <p>Reversionary Yield: - Net Initial Yield: - Comp ID: 4322895 Sale Conditions: - Research Status: Research Complete</p>		
		
30	12 Fernville Ln	SOLD
<p>Hemel Hempstead, HP2 4AL Hertfordshire County</p> <p>Sale Date: 02/02/2015 (185 days on mkt) Bldg Type: Light Industrial Sale Price: £190,000 - Confirmed Year Built/Age: Built 1962 Age: 52 Price/SF: £159.93 NIA: 1,188 SF</p> <p>Reversionary Yield: - Net Initial Yield: - Comp ID: 3224277 Sale Conditions: - Research Status: Confirmed</p>		
		

31	Units 1-6 - Industrial Unit, Unit 6 - Icknield Way	SOLD
Tring, HP23 4JZ	Hertfordshire County	
Sale Date: 15/01/2016 (78 days on mkt)	Unit Type: 1,960 SF Industrial Unit	
Sale Price: £325,000 - Confirmed	Year Built/Age: Built 2000 Age: 15	
Price/SF: £165.82	NIA: 1,960 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 3495093	Sale Conditions: -	
Research Status: Confirmed		
32	Industrial Unit, Unit 10 - 10 Maxted Park	SOLD
Hemel Hempstead, HP2 7EP	Hertfordshire County	
Sale Date: 23/08/2016 (195 days on mkt)	Unit Type: 5,826 SF Industrial Unit	
Sale Price: £810,000 - Confirmed	Year Built/Age: Built 2008 Age: 7	
Price/SF: £139.03	NIA: 5,826 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 3686428	Sale Conditions: -	
Research Status: Confirmed		
33	Greenshields JCB - Maxted Rd	SOLD
Hemel Hempstead, HP2 7DX	Hertfordshire County	
Sale Date: 03/07/2017 (433 days on mkt)	Bldg Type: Industrial Warehouse	
Sale Price: £1,800,000 - Confirmed	Year Built/Age: Built 1978 Age: 39	
Price/SF: £105.41	NIA: 17,076 SF	
Reversionary Yield: -		
Net Initial Yield: 4.79%		
Comp ID: 3955982	Sale Conditions: -	
Research Status: Confirmed		
34	Industrial Unit, Unit 9 - 9-10 Maxted Rd	SOLD
Hemel Hempstead, HP2 7DX	Hertfordshire County	
Sale Date: 31/05/2018 (127 days on mkt)	Unit Type: 13,464 SF Industrial Unit	
Sale Price: £1,950,000 - Confirmed	Year Built/Age: Built 2007 Age: 10	
Price/SF: £144.83	NIA: 13,464 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 4281077	Sale Conditions: Distress Sale	
Research Status: Confirmed		
35	Maxted House - 13 Maxted Rd	SOLD
Hemel Hempstead, HP2 7DX	Hertfordshire County	
Sale Date: 01/02/2016	Bldg Type: Light Industrial	
Sale Price: £2,940,000 - Confirmed	Year Built/Age: Built 1986 Age: 29	
Price/SF: £107.40	NIA: 27,374 SF	
Reversionary Yield: -		
Net Initial Yield: 9.00%		
Comp ID: 3580273	Sale Conditions: -	
Research Status: Confirmed		
36	Site 13A NorthBridge Rd	SOLD
Berkhamsted, HP4 1EH	Hertfordshire County	
Sale Date: 07/08/2017	Bldg Type: Industrial Service	
Sale Price: £425,000 - Confirmed	Year Built/Age: -	
Price/SF: £64.35	NIA: 6,605 SF	
Reversionary Yield: -		
Net Initial Yield: -		
Comp ID: 4043145	Sale Conditions: -	
Research Status: Confirmed		

37 ITAB House - Swallowdale Ln**SOLD**

Hemel Hempstead, HP2 7EA Hertfordshire County
Sale Date: 01/05/2016 Bldg Type: IndustrialWarehouse
Sale Price: £8,279,000 - Confirmed Year Built/Age: Built 1980 Age: 36
Price/SF: £92.77 NIA: 89,247 SF



Reversionary Yield: -
Net Initial Yield: 6.41%
Comp ID: 3658815 Sale Conditions: -
Research Status: Confirmed

38 Units 17 - 22 - Chancerygate Business Centre - Whiteleaf Rd**SOLD**

Hemel Hempstead, HP3 9PD Hertfordshire County
Sale Date: 30/06/2017 Bldg Type: IndustrialWarehouse
Sale Price: £447,150 - Confirmed Year Built/Age: Built 2007 Age: 10
Price/SF: £32.07 NIA: 13,945 SF



Reversionary Yield: -
Net Initial Yield: -
Comp ID: 3963926 Sale Conditions: -
Research Status: Confirmed

39 Units 1 - 10 - Industrial Unit, Unit 8 - Whiteleaf Rd**SOLD**

Hemel Hempstead, HP3 9PH Hertfordshire County
Sale Date: 01/02/2017 (285 days on mkt) Unit Type: 3,392 SF Industrial Unit
Sale Price: £425,000 - Confirmed Year Built/Age: Built 2007 Age: 9
Price/SF: £125.29 NIA: 3,392 SF



Reversionary Yield: -
Net Initial Yield: -
Comp ID: 3840126 Sale Conditions: -
Research Status: Confirmed

Quick Stats Report

Comps Statistics					
	Low	Average	Median	High	Count
Light Industrial					
Sale Price	£190,000	£2,490,000	£1,600,000	£7,900,000	6
NIA	1,188 SF	22,615 SF	15,070 SF	61,883 SF	6
Price per SF	£54.94	£110.10	£133.67	£210.44	6
Net Initial Yield	4.91%	6.96%	6.96%	9.00%	2
Days on Market	36	107	103	185	4
Sale Price to Asking Price Ratio	85.00%	95.16%	93.18%	109.27%	4
Industrial					
Sale Price	£125,000	£1,236,755	£465,000	£8,279,000	32
NIA	1,658 SF	10,899 SF	3,196 SF	89,247 SF	32
Price per SF	£32.07	£113.47	£141.93	£232.50	32
Net Initial Yield	4.79%	5.82%	6.27%	6.41%	3
Days on Market	63	252	195	558	11
Sale Price to Asking Price Ratio	90.43%	96.58%	96.93%	101.89%	12
Mixed					
Sale Price	£8,160,000	£8,160,000	£8,160,000	£8,160,000	1
NIA	-	-	-	-	-
Price per SF	-	-	-	-	-
Net Initial Yield	-	-	-	-	-
Days on Market	206	206	206	206	1
Sale Price to Asking Price Ratio	-	-	-	-	-
Totals					
Sold Transactions	Total Sales Volume:	£62,676,150	Total Sales Transactions:		39
Survey Criteria					
<p>basic criteria: Type of Property - Industrial, Light Industrial; Sale Date - from 01/01/2014; Sale Status - Sold; Return and Search on Portfolio Sales as Individual Properties - No; Exclude Non-Arms Length Comps - Yes</p> <p>geography criteria: Submarket - Dacorum (Hertfordshire)</p>					

Sale Distribution by Price

4Q15: 01/10/2015-31/12/2015				
	# of Records	% of Records	GBP Volume	% of GBP Volume
Less than £500k	1	100.0%	£290,000	100.0%
£500k - £1.49M	0	0.0%	£0	0.0%
£1.5M - £4.9M	0	0.0%	£0	0.0%
£5M - £9.9M	0	0.0%	£0	0.0%
£10M and above	0	0.0%	£0	0.0%
Totals	1	100.0%	£290,000	100.0%
1Q16: 01/01/2016-31/03/2016				
	# of Records	% of Records	GBP Volume	% of GBP Volume
Less than £500k	3	75.0%	£940,000	24.2%
£500k - £1.49M	0	0.0%	£0	0.0%
£1.5M - £4.9M	1	25.0%	£2,940,000	75.8%
£5M - £9.9M	0	0.0%	£0	0.0%
£10M and above	0	0.0%	£0	0.0%
Totals	4	100.0%	£3,880,000	100.0%
2Q16: 01/04/2016-30/06/2016				
	# of Records	% of Records	GBP Volume	% of GBP Volume
Less than £500k	0	0.0%	£0	0.0%
£500k - £1.49M	0	0.0%	£0	0.0%
£1.5M - £4.9M	0	0.0%	£0	0.0%
£5M - £9.9M	2	100.0%	£15,779,000	100.0%
£10M and above	0	0.0%	£0	0.0%
Totals	2	100.0%	£15,779,000	100.0%
3Q16: 01/07/2016-30/09/2016				
	# of Records	% of Records	GBP Volume	% of GBP Volume
Less than £500k	1	50.0%	£260,000	24.3%
£500k - £1.49M	1	50.0%	£810,000	75.7%
£1.5M - £4.9M	0	0.0%	£0	0.0%
£5M - £9.9M	0	0.0%	£0	0.0%
£10M and above	0	0.0%	£0	0.0%
Totals	2	100.0%	£1,070,000	100.0%
4Q16: 01/10/2016-31/12/2016				
No Data				

Sale Distribution by Price

1Q17: 01/01/2017-31/03/2017				
	# of Records	% of Records	GBP Volume	% of GBP Volume
Less than £500k	9	69.2%	£3,801,000	32.7%
£500k - £1.49M	3	23.1%	£2,838,000	24.4%
£1.5M - £4.9M	1	7.7%	£4,980,000	42.9%
£5M - £9.9M	0	0.0%	£0	0.0%
£10M and above	0	0.0%	£0	0.0%
Totals	13	100.0%	£11,619,000	100.0%

2Q17: 01/04/2017-30/06/2017				
	# of Records	% of Records	GBP Volume	% of GBP Volume
Less than £500k	0	0.0%	£0	0.0%
£500k - £1.49M	1	100.0%	£795,000	100.0%
£1.5M - £4.9M	0	0.0%	£0	0.0%
£5M - £9.9M	0	0.0%	£0	0.0%
£10M and above	0	0.0%	£0	0.0%
Totals	1	100.0%	£795,000	100.0%

3Q17: 01/07/2017-30/09/2017				
	# of Records	% of Records	GBP Volume	% of GBP Volume
Less than £500k	0	0.0%	£0	0.0%
£500k - £1.49M	1	50.0%	£1,360,000	43.0%
£1.5M - £4.9M	1	50.0%	£1,800,000	57.0%
£5M - £9.9M	0	0.0%	£0	0.0%
£10M and above	0	0.0%	£0	0.0%
Totals	2	100.0%	£3,160,000	100.0%

4Q17: 01/10/2017-31/12/2017				
	# of Records	% of Records	GBP Volume	% of GBP Volume
Less than £500k	0	0.0%	£0	0.0%
£500k - £1.49M	0	0.0%	£0	0.0%
£1.5M - £4.9M	1	100.0%	£1,625,000	100.0%
£5M - £9.9M	0	0.0%	£0	0.0%
£10M and above	0	0.0%	£0	0.0%
Totals	1	100.0%	£1,625,000	100.0%

1Q18: 01/01/2018-31/03/2018				
	# of Records	% of Records	GBP Volume	% of GBP Volume
Less than £500k	0	0.0%	£0	0.0%
£500k - £1.49M	0	0.0%	£0	0.0%
£1.5M - £4.9M	0	0.0%	£0	0.0%
£5M - £9.9M	1	100.0%	£8,160,000	100.0%
£10M and above	0	0.0%	£0	0.0%
Totals	1	100.0%	£8,160,000	100.0%

Sale Distribution by Price

2Q18: 01/04/2018-30/06/2018				
	# of Records	% of Records	GBP Volume	% of GBP Volume
Less than £500k	1	50.0%	£250,000	11.4%
£500k - £1.49M	0	0.0%	£0	0.0%
£1.5M - £4.9M	1	50.0%	£1,950,000	88.6%
£5M - £9.9M	0	0.0%	£0	0.0%
£10M and above	0	0.0%	£0	0.0%
Totals	2	100.0%	£2,200,000	100.0%

3Q18: 01/07/2018-30/09/2018				
	# of Records	% of Records	GBP Volume	% of GBP Volume
Less than £500k	0	0.0%	£0	0.0%
£500k - £1.49M	0	0.0%	£0	0.0%
£1.5M - £4.9M	0	0.0%	£0	0.0%
£5M - £9.9M	1	100.0%	£7,900,000	100.0%
£10M and above	0	0.0%	£0	0.0%
Totals	1	100.0%	£7,900,000	100.0%

Total				
	# of Records	% of Records	GBP Volume	% of GBP Volume
Less than £500k	15	50.0%	£5,541,000	9.8%
£500k - £1.49M	6	20.0%	£5,803,000	10.3%
£1.5M - £4.9M	5	16.7%	£13,295,000	23.5%
£5M - £9.9M	4	13.3%	£31,839,000	56.4%
£10M and above	0	0.0%	£0	0.0%
Totals	30	100.0%	£56,478,000	100.0%

Survey Criteria

basic criteria: Type of Property - Industrial, Light Industrial; Sale Date - from 01/01/2014; Sale Status - Sold; Return and Search on Portfolio Sales as Individual Properties - No; Exclude Non-Arms Length Comps - Yes
 geography criteria: Submarket - Dacorum (Hertfordshire)

Appendix 6 – Land Registry Development Land Data

PP Ref	Site	Units		Affordable		Size ha	Price Paid			Land Registry Data				DBC Comments
		All	Aff	Target	Agreed		Site	£/ha	£/unit	Land Registry Number	Date	Price Paid	Notes	
4/00434/14/MFA	FORMER EGG PACKING FACILITY, LUKES LANE, GUBBLECOTE, TRING, HP23 4FA	21	7	35	33%	1.30	£4,756,982	£3,659,217	£226,523	HD 542234	6.2.15	£4,225,000 plus HD 531982		s106. Now complete. 7 affordable housing units (3x3-bed dwelling and 4x2-bed dwellings) comprising 75% affordable rented and 25% to be shared ownership. 4 x small commercial units (382sqm).
4/00545/17/MFA	GARAGE COURT ADJ 83, TURNERS HILL, HEMEL HEMPSTEAD	14	0	35	0%	0.11	£620,000	£5,511,111	£44,286	HD561222	19.1.17	£620,000		s106. 14 flats. Affordable Housing commuted sum of £167,000. The Councils Strategic Housing Team has been consulted, and given problems securing registered social housing providers, and following a review of recent and local sales and marketing data in the area, they are satisfied with a commuted sum and the figure put forward.
4/00644/17/MFA	BRYANSTON COURT, SELDEN HILL, HEMEL HEMPSTEAD, HP2 4TN	109	6	n/a	6%	0.34	£5,750,000	£16,911,765	£52,752	HD229186 and HD287966	14.1.16	£5,750,000		s106. Office conversion via prior approvals process, so not straightforward to assume affordable housing contribution. Reduced level agreed at application stage, including £40k contribution.

4/01173/11/MFA	LAND AT HICKS ROAD, MARKYATE, AL3 8LH	75	19	35	25%	1.90	£5,742,000	£3,022,105	£76,560	HD522800 and HD455443	22.1.13	£5,742,000		s106. Redevelopment of employment site. 19 affordable homes. Lower level of affordable housing negotiated.
4/01198/18/MFA	LAND AT APSLEY MILLS, ADJ. THE COTTAGE, LONDON ROAD, APSLEY	29	29	35	100%	0.33	£1,100,000	£3,333,333	£37,931	HD282093	22.11.13	£1,100,000	owned by council	s106. DBC owned site. 100% affordable housing secured (social rented).
4/01519/17/MFA	WESTWICK FARM, WESTWICK ROW, LEVERSTOCK GREEN, HP2 4UD	25	9	35	36%	1.02	£4,100,000	£4,019,608	£164,000	HD480121	8.11.17	£4,100,000		s.106. Greenfield development. 9 affordable housing units secured (2x flats, 5x 2-bed and 2X 3-bed).
4/01630/17/MFA	MARTINDALE JMI SCHOOL, BOXTED ROAD, HEMEL HEMPSTEAD, HP1 2QS	65	32	35	49%	1.43	£4,090,000	£2,860,140	£62,923	HD484636	13.5.15	£4,090,000	owned by council	s106. DBC owned site. 50% affordable housing secured (8 x 2 bedroom houses, 5 x 3 bedroom houses, 15 x 1 bedroom flats and 4 x 2 bedroom flats).
4/01655/17/MFA	188-190 MARLOWES, HEMEL HEMPSTEAD, HP1 1BH	10	0	n/a	0%	0.04	£960,000	£22,222,222	£96,000	HD218973	24.11.16	£960,000		No affordable housing secured. The Affordable Housing SPD – Clarification Note, published in July 2016 clarifies that a waiver applies to developments of 10 units and below with a combined gross internal floor space of no more than 1,000 sqm which are located outside the defined 'rural area'.
4/02672/14/MFA	1st floor, 162 MARLOWES, HEMEL HEMPSTEAD, HP1 1BA	10	0	n/a	0%	0.06	£620,000	£10,333,333	£62,000	HD208653	20.12.13	£620,000		The number of units proposed has been reduced from 15 to 10 and the total combined floor space would not exceed 1,000 sqm; therefore, the proposal does not give rise to a

														requirement for affordable housing.
4/02062/17/MFA	NEW GROUND FARM, NEW GROUND ROAD, ALDBURY, TRING,, HP23 5RD	10	0	35	0%	0.30	£1,800,000	£6,000,000	£180,000	HD333898	31.7.18	£1,800,000		s106. Part demolition and part conversion of existing former agricultural buildings and new build development in order to create a total of 10 dwellings. Council has accepted viability arguments. Commuted sum required (£276,317) in lieu and is to be secured by a S.106 agreement.
4/02269/17/MFA	LAND NORTH EAST OF 25, GOLDCROFT,, HEMEL HEMPSTEAD, HP3 8ET	11	11	35	100%	0.12	£850,000	£6,995,885	£77,273	HD561817	10.2.17	£850,000		s106. Being delivered by a registered provider. 11x social rented.
4/02351/13/RES	LAND AT NE HEMEL HEMPSTEAD, (ADJ. NICKY LINE), THREE CHERRY TREES LANE, HEMEL HEMPSTEAD	357	142	40	40%		Incomplete	#VALUE!	#VALUE!	HD400063 and HD545741	no date/ 7.8.15	no price/ £18,870,000 plus £3,734,000vat	lease to BDW	s106. Large greenfield development. Under construction. 40% affordable housing.
4/02419/04/FUL	LAND ADJ. THE MANOR ESTATE, APSLEY, HEMEL HEMPSTEAD	325	115	40	35%	48.24	£30,250,000	£627,073	£93,077	HD150275	2.7.10	£30,250,000 exc vat		Major greenfield scheme. S106. 58 affordable units (20 complete). Under construction. Lower level agreed given need to provide other big ticket infrastructure (new bridge across railway line).

4/02607/17/ROC	LIDL - LAND FORMERLY ROY CHAPMAN LTD AND DAVIS AND SAMSON, GOSSOMS END, BERKHAMSTED, HP4 3LP	32	11	35	34%		£4,125,000	#DIV/0!	£128,906	HD407156/ HD300719	14.2.14/ 14.2.14	£1,625,000/ £2,500,000 plus vat		s.106. Original permission is 4/01317/14. Retail-led mixed use development. 11 affordable housing units secured (5x 1-bed and 6X 2-bed).
4/02647/17/FUL	GARAGES, ADJ STORNOWAY, NORTHEMEND, HEMEL HEMPSTEAD	6	6	n/a	100%	0.08	No PPD	#VALUE!	#VALUE!	HD484772	no date/	no price		DBC owned site. No s106. 6 affordable flats (4x1-bed and 2x 2-bed).
4/02649/17/FUL	GARAGE SITE ON CORNER OF, TEESDALE AND, WESTERDALE, HEMEL HEMPSTEAD	6	6	n/a	100%	0.08	No PPD	#VALUE!	#VALUE!	HD37464	no date/	No price		DBC owned site. No s106. 6 affordable flats (6 x 2-bed flats).
4/02772/15/MFA	VIKING HOUSE,, SWALLOWDALE LANE, HEMEL HEMPSTEAD, HP2 7EA	87	87	35	100%	0.81	£2,280,000	£2,814,815	£26,207	HD491639/	30.9.14	£2,280,000		s106. Being delivered by a registered provider. Under construction. 4 x blocks of 1 and 2-bed apartments. 100% affordable housing.
4/03167/17/MFA	CONVENT OF ST FRANCIS DE SALES PREPARATORY SCHOOL, AYLESBURY ROAD, TRING, HP23 4DL	31	10	35	32%	1.34	£5,800,000	£4,328,358	£187,097	HD42605	31.3.16	£5,800,000	inc HD317420	s106. 11 affordable homes (35%).
4/03241/14/MFA	LAND AT JUNCTION OF, DURRANTS LANE &, SHOOTERSWAY, BERKHAMSTED	92	24	92	26%	11.14	Incomplete	#VALUE!	#VALUE!	HD220657	19.6.15	over £1,000,000		s106. Large greenfield development. Now complete. Covenant affecting the site limiting new development to detached homes. Affordable Housing provision of 24 social rent dwellings, including a contribution of £1,042,173.91 in lieu of 8 shared ownership dwellings.

4/03252/15/MFA	WOOD HOUSE, MAYLANDS AVENUE, HEMEL HEMPSTEAD, HP2 7DE	79	79	35	100%	0.49	£1,550,000	£3,163,265	£19,620	HD531759	23.12.13	£1,550,000 plus vat	s106. DBC owned site. Under construction. Flatted development. The 79 residential flats are all to be affordable housing: 39 shared ownership flats comprising 18 x 1- Bed and 21 x 2-Bed flats; 40 social rented flats comprising 22 x 1-Bed and 18 - 2-Bed. Small element of office floorspace at ground floor (550sqm).
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Appendix 7 – Residential Appraisals

The pages in this appendix are not numbered.

Sites Cover



Dacorum Post-consultation - V3

19/11/2019
16:38

Sites
Site make up



Number 1 Units NET Area Density erage Unit Size Developed Density Total Cost Rate
£/m2

South Berkhamsted 667 19.06 34.99 91 60,693 3,184 86,111,697 1,418.81

Locality een/ Brown .lternative Use

Berkhamste Green Agricultural

Area	Gross	38.120
	Net	19.060

	Beds	No	m2	Total		BCIS	COST
Market							0
Flat	1	22	45.00	990.00	10%	1,478	1,609,542
	2	0	65.00	0.00	10%	1,478	0
Terrace	2	43	75.00	3,225.00		1,339	4,318,275
	3	87	95.00	8,265.00		1,339	11,066,835
Semi	2	65	85.00	5,525.00		1,317	7,276,425
	3	108	107.00	11,556.00		1,317	15,219,252
Det	3	0	112.00	0.00		1,541	0
	4	66	135.00	8,910.00		1,541	13,730,310
	5	43	150.00	6,450.00		1,541	9,939,450
Flat 1 High*	1	0	45.00	0.00	10%	1,895	0
Flat 2 High*	2	0	65.00	0.00	10%	1,895	0
Flat 3 High*	3	0	75.00	0.00	10%	1,895	0
Affordable							
Flat	1	70	40.00	2,800.00	10%	1,478	4,552,240
	2	35	61.00	2,135.00	10%	1,478	3,471,083
Terrace	2	35	70.00	2,450.00		1,339	3,280,550
	3	47	84.00	3,948.00		1,339	5,286,372
Semi	2	0	79.00	0.00		1,317	0
	3	23	93.00	2,139.00		1,317	2,817,063
Det	3	0	93.00	0.00		1,541	0
	4	23	100.00	2,300.00		1,541	3,544,300
	5	0	110.00	0.00		1,541	0
Flat 1 High*	1	0	40.00	0.00	10%	1,895	0
Flat 2 High*	2	0	61.00	0.00	10%	1,895	0
Flat 3 High*	3	0	74.00	0.00	10%	1,895	0

Number 2 Units Area Density erage Unit Size Developed Density Total Cost Rate
£/m2

East of Darrs Lane 398 11.37 35.00 91 36,310 3,193 51,491,251 1,418.10

Locality een/Brown .lternative Use

Berkhamste Green Agricultural

Area	Gross	22.730
	Net	11.370

	Beds	No	m2	Total		BCIS	COST
Market							0
Flat	1	12	45.00	540.00	10%	1,478	877,932
	2	0	65.00	0.00	10%	1,478	0
Terrace	2	26	75.00	1,950.00		1,339	2,611,050
	3	52	95.00	4,940.00		1,339	6,614,660
Semi	2	39	85.00	3,315.00		1,317	4,365,855
	3	65	107.00	6,955.00		1,317	9,159,735
Det	3	0	112.00	0.00		1,541	0
	4	39	135.00	5,265.00		1,541	8,113,365
	5	26	150.00	3,900.00		1,541	6,009,900
Flat 1 High*	1	0	45.00	0.00	10%	1,895	0
Flat 2 High*	2	0	65.00	0.00	10%	1,895	0
Flat 3 High*	3	0	75.00	0.00	10%	1,895	0
Affordable							
Flat	1	41	40.00	1,640.00	10%	1,478	2,666,312
	2	21	61.00	1,281.00	10%	1,478	2,082,650
Terrace	2	21	70.00	1,470.00		1,339	1,968,330
	3	28	84.00	2,352.00		1,339	3,149,328
Semi	2	0	79.00	0.00		1,317	0
	3	14	93.00	1,302.00		1,317	1,714,734
Det	3	0	93.00	0.00		1,541	0
	4	14	100.00	1,400.00		1,541	2,157,400
	5	0	110.00	0.00		1,541	0
Flat 1 High*	1	0	40.00	0.00	10%	1,895	0
Flat 2 High*	2	0	61.00	0.00	10%	1,895	0
Flat 3 High*	3	0	74.00	0.00	10%	1,895	0

Sites
Site make up



Number 3 Units Area ha Density erage Units/ha Unit Size m2 Developed m2 Density m2/ha Total Cost Rate £/m2
Shendish Manor & Fairfields 554 15.83 35.00 91 50,392 3,183 71,475,387 1,418.39

Locality een/Brown .lternative Use

H Hempste: Green Agricultural

Area	Gross	31.670
	Net	15.830

	Beds	No	m2	Total	BCIS	COST
Market						0
Flat	1	18	45.00	810.00	10%	1,316,898
	2	0	65.00	0.00	10%	1,478
Terrace	2	36	75.00	2,700.00	1,339	3,615,300
	3	72	95.00	6,840.00	1,339	9,158,760
Semi	2	54	85.00	4,590.00	1,317	6,045,030
	3	90	107.00	9,630.00	1,317	12,682,710
Det	3	0	112.00	0.00	1,541	0
	4	54	135.00	7,290.00	1,541	11,233,890
	5	36	150.00	5,400.00	1,541	8,321,400
Flat 1 High*	6	0	45.00	0.00	1,895	0
Flat 2 High*	2	0	65.00	0.00	1,895	0
Flat 3 High*	3	0	75.00	0.00	1,895	0
Affordable						
Flat	1	58	40.00	2,320.00	10%	1,478
	2	29	61.00	1,769.00	10%	1,478
Terrace	2	30	70.00	2,100.00	1,339	2,811,900
	3	39	84.00	3,276.00	1,339	4,386,564
Semi	2	0	79.00	0.00	1,317	0
	3	19	93.00	1,767.00	1,317	2,327,139
Det	3	0	93.00	0.00	1,541	0
	4	19	100.00	1,900.00	1,541	2,927,900
	5	0	110.00	0.00	1,541	0
Flat 1 High*	1	0	40.00	0.00	1,895	0
Flat 2 High*	2	0	61.00	0.00	1,895	0
Flat 3 High*	3	0	74.00	0.00	1,895	0

Number 4 Units Area ha Density erage Units/ha Unit Size m2 Developed m2 Density m2/ha Total Cost Rate £/m2
East of Tring 2,084 59.55 35.00 91 189,640 3,185 269,026,075 1,418.61

Locality een/Brown .lternative Use

Tring Green Agricultural

Area	Gross	119.110
	Net	59.550

	Beds	No	m2	Total	BCIS	COST
Market						0
Flat	1	68	45.00	3,060.00	10%	1,478
	2	0	65.00	0.00	10%	1,478
Terrace	2	135	75.00	10,125.00	1,339	13,557,375
	3	271	95.00	25,745.00	1,339	34,472,555
Semi	2	203	85.00	17,255.00	1,317	22,724,835
	3	339	107.00	36,273.00	1,317	47,771,541
Det	3	0	112.00	0.00	1,541	0
	4	204	135.00	27,540.00	1,541	42,439,140
	5	135	150.00	20,250.00	1,541	31,205,250
Flat 1 High*	1	0	45.00	0.00	1,895	0
Flat 2 High*	2	0	65.00	0.00	1,895	0
Flat 3 High*	3	0	75.00	0.00	1,895	0
Affordable						
Flat	1	219	40.00	8,760.00	10%	1,478
	2	109	61.00	6,649.00	10%	1,478
Terrace	2	109	70.00	7,630.00	1,339	10,216,570
	3	146	84.00	12,264.00	1,339	16,421,496
Semi	2	0	79.00	0.00	1,317	0
	3	73	93.00	6,789.00	1,317	8,941,113
Det	3	0	93.00	0.00	1,541	0
	4	73	100.00	7,300.00	1,541	11,249,300
	5	0	110.00	0.00	1,541	0
Flat 1 High*	1	0	40.00	0.00	1,895	0
Flat 2 High*	2	0	61.00	0.00	1,895	0
Flat 3 High*	3	0	74.00	0.00	1,895	0

Sites
Site make up



Number 5 Units Area ha Density erage Units/ha Unit Size m2 Developed m2 Density m2/ha Total Cost Rate £/m2

New Mill 367 7.35 49.93 91 33,497 4,557 47,499,148 1,418.01

Locality een/Brown .lternative Use

Tring Green Agricultural

Area	Gross	14,700
	Net	7,350

	Beds	No	m2	Total		BCIS	COST
Market							0
Flat	1	11	45.00	495.00	10%	1,478	804,771
	2	0	65.00	0.00	10%	1,478	0
Terrace	2	24	75.00	1,800.00		1,339	2,410,200
	3	48	95.00	4,560.00		1,339	6,105,840
Semi	2	36	85.00	3,060.00		1,317	4,030,020
	3	60	107.00	6,420.00		1,317	8,455,140
Det	3	0	112.00	0.00		1,541	0
	4	36	135.00	4,860.00		1,541	7,489,260
	5	24	150.00	3,600.00		1,541	5,547,600
Flat 1 High*	1	0	45.00	0.00	10%	1,895	0
Flat 2 High*	2	0	65.00	0.00	10%	1,895	0
Flat 3 High*	3	0	75.00	0.00	10%	1,895	0
Affordable							
Flat	1	38	40.00	1,520.00	10%	1,478	2,471,216
	2	19	61.00	1,159.00	10%	1,478	1,884,302
Terrace	2	19	70.00	1,330.00		1,339	1,780,870
	3	26	84.00	2,184.00		1,339	2,924,376
Semi	2	0	79.00	0.00		1,317	0
	3	13	93.00	1,209.00		1,317	1,592,253
Det	3	0	93.00	0.00		1,541	0
	4	13	100.00	1,300.00		1,541	2,003,300
	5	0	110.00	0.00		1,541	0
Flat 1 High*	1	0	40.00	0.00	10%	1,895	0
Flat 2 High*	2	0	61.00	0.00	10%	1,895	0
Flat 3 High*	3	0	74.00	0.00	10%	1,895	0

Number 6 Units Area ha Density erage Units/ha Unit Size m2 Developed m2 Density m2/ha Total Cost Rate £/m2

East of Berkhamsted 1,240 35.44 34.99 91 112,876 3,185 160,118,540 1,418.53

Locality een/Brown .lternative Use

Berkhamste Green Agricultural

Area	Gross	70,870
	Net	35,440

	Beds	No	m2	Total		BCIS	COST
Market							0
Flat	1	40	45.00	1,800.00	10%	1,478	2,926,440
	2	0	65.00	0.00	10%	1,478	0
Terrace	2	81	75.00	6,075.00		1,339	8,134,425
	3	161	95.00	15,295.00		1,339	20,480,005
Semi	2	121	85.00	10,285.00		1,317	13,545,345
	3	202	107.00	21,614.00		1,317	28,465,638
Det	3	0	112.00	0.00		1,541	0
	4	121	135.00	16,335.00		1,541	25,172,235
	5	81	150.00	12,150.00		1,541	18,723,150
Flat 1 High*	1	0	45.00	0.00	10%	1,895	0
Flat 2 High*	2	0	65.00	0.00	10%	1,895	0
Flat 3 High*	3	0	75.00	0.00	10%	1,895	0
Affordable							
Flat	1	130	40.00	5,200.00	10%	1,478	8,454,160
	2	65	61.00	3,965.00	10%	1,478	6,446,297
Terrace	2	65	70.00	4,550.00		1,339	6,092,450
	3	87	84.00	7,308.00		1,339	9,785,412
Semi	2	0	79.00	0.00		1,317	0
	3	43	93.00	3,999.00		1,317	5,266,683
Det	3	0	93.00	0.00		1,541	0
	4	43	100.00	4,300.00		1,541	6,626,300
	5	0	110.00	0.00		1,541	0
Flat 1 High*	1	0	40.00	0.00	10%	1,895	0
Flat 2 High*	2	0	61.00	0.00	10%	1,895	0
Flat 3 High*	3	0	74.00	0.00	10%	1,895	0

Sites
Site make up



Number 7 Units Area ha Density erage Units/ha Unit Size m2 Developed m2 Density m2/ha Total Cost Rate £/m2

N & NE Hempstead 5,095 145.57 35.00 91 463,560 3,184 657,593,268 1,418.57

Locality een/Brown .lternative Use

H Hempste: Green Agricultural

Area	Gross	291.140
	Net	145.570

	Beds	No	m2	Total	BCIS	COST
Market						0
Flat	1	166	45.00	7,470.00	10%	1,478
	2	0	65.00	0.00	10%	1,478
Terrace	2	331	75.00	24,825.00	1,339	33,240,675
	3	662	95.00	62,890.00	1,339	84,209,710
Semi	2	497	85.00	42,245.00	1,317	55,636,665
	3	828	107.00	88,596.00	1,317	116,680,932
Det	3	0	112.00	0.00	1,541	0
	4	497	135.00	67,095.00	1,541	103,393,395
	5	331	150.00	49,650.00	1,541	76,510,650
Flat 1 High*	1	0	45.00	0.00	10%	1,895
Flat 2 High*	2	0	65.00	0.00	10%	1,895
Flat 3 High*	3	0	75.00	0.00	10%	1,895
Affordable						0
Flat	1	535	40.00	21,400.00	10%	1,478
	2	267	61.00	16,287.00	10%	1,478
Terrace	2	268	70.00	18,760.00	1,339	25,119,640
	3	357	84.00	29,988.00	1,339	40,153,932
Semi	2	0	79.00	0.00	1,317	0
	3	178	93.00	16,554.00	1,317	21,801,618
Det	3	0	93.00	0.00	1,541	0
	4	178	100.00	17,800.00	1,541	27,429,800
	5	0	110.00	0.00	1,541	0
Flat 1 High*	1	0	40.00	0.00	10%	1,895
Flat 2 High*	2	0	61.00	0.00	10%	1,895
Flat 3 High*	3	0	74.00	0.00	10%	1,895

Number 8 Units Area ha Density erage Units/ha Unit Size m2 Developed m2 Density m2/ha Total Cost Rate £/m2

Polehanger Lane 824 23.55 34.99 91 75,010 3,185 106,404,950 1,418.54

Locality een/ Brown .lternative Use

H Hempste: Green Agricultural

Area	Gross	47.100
	Net	23.550

	Beds	No	m2	Total	BCIS	COST
Market						0
Flat	1	27	45.00	1,215.00	10%	1,478
	2	0	65.00	0.00	10%	1,478
Terrace	2	54	75.00	4,050.00	1,339	5,422,950
	3	107	95.00	10,165.00	1,339	13,610,935
Semi	2	80	85.00	6,800.00	1,317	8,955,600
	3	134	107.00	14,338.00	1,317	18,883,146
Det	3	0	112.00	0.00	1,541	0
	4	80	135.00	10,800.00	1,541	16,642,800
	5	54	150.00	8,100.00	1,541	12,482,100
Flat 1 High*	1	0	45.00	0.00	10%	1,895
Flat 2 High*	2	0	65.00	0.00	10%	1,895
Flat 3 High*	3	0	75.00	0.00	10%	1,895
Affordable						0
Flat	1	86	40.00	3,440.00	10%	1,478
	2	43	61.00	2,623.00	10%	1,478
Terrace	2	43	70.00	3,010.00	1,339	4,030,390
	3	58	84.00	4,872.00	1,339	6,523,608
Semi	2	0	79.00	0.00	1,317	0
	3	29	93.00	2,697.00	1,317	3,551,949
Det	3	0	93.00	0.00	1,541	0
	4	29	100.00	2,900.00	1,541	4,468,900
	5	0	110.00	0.00	1,541	0
Flat 1 High*	1	0	40.00	0.00	10%	1,895
Flat 2 High*	2	0	61.00	0.00	10%	1,895
Flat 3 High*	3	0	74.00	0.00	10%	1,895

Sites
Site make up



Number 9 Units Area ha Density erage Units/ha Unit Size m2 Developed m2 Density m2/ha Total Cost Rate £/m2
Pouchen End Lane 360 7.20 50.00 91 32,771 4,552 46,475,122 1,418.18

Locality een/Brown .lternative Use

H Hempste: Green Agricultural

Area	Gross	14.400
	Net	7.200

	Beds	No	m2	Total	BCIS	COST
Market						0
Flat	1	12	45.00	540.00	10%	1,478
	2	0	65.00	0.00	10%	1,478
Terrace	2	23	75.00	1,725.00		1,339
	3	47	95.00	4,465.00		1,339
Semi	2	35	85.00	2,975.00		1,317
	3	59	107.00	6,313.00		1,317
Det	3	0	112.00	0.00		1,541
	4	35	135.00	4,725.00		1,541
	5	23	150.00	3,450.00		1,541
Flat 1 High*	1	0	45.00	0.00	10%	1,895
Flat 2 High*	2	0	65.00	0.00	10%	1,895
Flat 3 High*	3	0	75.00	0.00	10%	1,895
Affordable						0
Flat	1	37	40.00	1,480.00	10%	1,478
	2	19	61.00	1,159.00	10%	1,478
Terrace	2	19	70.00	1,330.00		1,339
	3	25	84.00	2,100.00		1,339
Semi	2	0	79.00	0.00		1,317
	3	13	93.00	1,209.00		1,317
Det	3	0	93.00	0.00		1,541
	4	13	100.00	1,300.00		1,541
	5	0	110.00	0.00		1,541
Flat 1 High*	1	0	40.00	0.00	10%	1,895
Flat 2 High*	2	0	61.00	0.00	10%	1,895
Flat 3 High*	3	0	74.00	0.00	10%	1,895

Number 10 Units Area ha Density erage Units/ha Unit Size m2 Developed m2 Density m2/ha Total Cost Rate £/m2
Wayside Fm, Middle Fm & A4251 684 19.55 34.99 91 62,222 3,183 88,264,389 1,418.54

Locality een/Brown .lternative Use

Tring Green Agricultural

Area	Gross	39.100
	Net	19.550

	Beds	No	m2	Total	BCIS	COST
Market						0
Flat	1	22	45.00	990.00	10%	1,478
	2	0	65.00	0.00	10%	1,478
Terrace	2	44	75.00	3,300.00		1,339
	3	89	95.00	8,455.00		1,339
Semi	2	67	85.00	5,695.00		1,317
	3	111	107.00	11,877.00		1,317
Det	3	0	112.00	0.00		1,541
	4	67	135.00	9,045.00		1,541
	5	44	150.00	6,600.00		1,541
Flat 1 High*	1	0	45.00	0.00	10%	1,895
Flat 2 High*	2	0	65.00	0.00	10%	1,895
Flat 3 High*	3	0	75.00	0.00	10%	1,895
Affordable						0
Flat	1	72	40.00	2,880.00	10%	1,478
	2	36	61.00	2,196.00	10%	1,478
Terrace	2	36	70.00	2,520.00		1,339
	3	48	84.00	4,032.00		1,339
Semi	2	0	79.00	0.00		1,317
	3	24	93.00	2,232.00		1,317
Det	3	0	93.00	0.00		1,541
	4	24	100.00	2,400.00		1,541
	5	0	110.00	0.00		1,541
Flat 1 High*	1	0	40.00	0.00	10%	1,895
Flat 2 High*	2	0	61.00	0.00	10%	1,895
Flat 3 High*	3	0	74.00	0.00	10%	1,895

Sites
For Apps



			Site 1	Site 2	Site 3	Site 4	Site 5	Site 6	Site 7	Site 8	Site 9	Site 10
			South Berkhamsted	East of Darrs Lane	Shendish Manor & Fairfields	East of Tring	New Mill	East of Berkhamsted	N & NE H Hempstead	Polehanger Lane	Pouchen End Lane	Wayside Fm, Middle Fm & A4251 Green
Green/brown field Use Locality			Agricultural Berkhamsted	Green Berkhamsted	Green H Hempstead	Green Tring	Green Tring	Green Berkhamsted	Green H Hempstead	Green H Hempstead	Green H Hempstead	Agricultural Tring
Site Area	Gross	ha	38.12	22.73	31.67	119.11	14.70	70.87	291.14	47.10	14.40	39.10
	Net	ha	19.06	11.37	15.83	59.55	7.35	35.44	145.57	23.55	7.20	19.55
Units			667	398	554	2,084	367	1,240	5,095	824	360	684
Average Unit Size		m2	90.99	91.23	90.96	91.00	91.27	91.03	90.98	91.03	91.03	90.97
Mix	Intermediate to Buy		8.75%	8.75%	8.75%	8.75%	8.75%	8.75%	8.75%	8.75%	8.75%	8.75%
	Affordable Rent		26.25%	26.25%	26.25%	26.25%	26.25%	26.25%	26.25%	26.25%	26.25%	26.25%
	Social Rent		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Price	Market	£/m2	5,700	5,700	4,600	4,450	4,450	5,700	4,600	4,600	4,600	4,450
	Intermediate to Buy	£/m2	3,990	3,990	3,220	3,115	3,115	3,990	3,220	3,220	3,220	3,115
	Affordable Rent	£/m2	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700
	Social Rent	£/m2		0	0	0	0	0	0	0	0	0
Grant and Subsidies	Intermediate to Buy	£/unit										
	Affordable Rent	£/unit										
	Social Rent	£/unit										
Sales per Quarter												
Unit Build Time			3	3	3	3	3	3	3	3	3	3
Alternative Use Value		£/ha	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Up Lift %		%										
Additional Uplift		£/ha	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000
Easements etc		£	0	0	0	0	0	0	0	0	0	0
Legals / Acquisition		% land	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
Planning Fee	<50	£/unit	462	462	462	462	462	462	462	462	462	462
	>50	£/unit	138	138	138	138	138	138	138	138	138	138
Architects		%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
QS / PM		%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
Planning Consultants		%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Other Professional		%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
BCIS		£/m2	1,419	1,418	1,418	1,419	1,418	1,419	1,419	1,419	1,418	1,419
CFSH		%										
Energy		£/m2		0	0	0	0	0	0	0	0	0
Design		£/m2		0	0	0	0	0	0	0	0	0
Acc & Adpt		£/m2	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0
Water		£/m2	1	1	1	1	1	1	1	1	1	1
Small Sites		%										
Site Costs		%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
Pre CIL s106		£/Unit	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Post CIL s106		£/Unit	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
		£/m2	250.00	250.00	100.00	150.00	150.00	250.00	100.00	100.00	100.00	150.00
LIT		%		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Contingency		%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Abnormals		%										
		£/site										
FINANCE	Fees	£	0	0	0	0	0	0	0	0	0	0
	Interest	%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
	Legal and Valuation	£										
SALES	Agents	%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
	Legals	%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
	Misc.	£		0	0	0	0	0	0	0	0	0
Developers Profit	% GDV		17.50%	17.50%	17.50%	17.50%	17.50%	17.50%	17.50%	17.50%	17.50%	17.50%
	% Costs		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

		Site 1	Site 2	Site 3	Site 4	Site 5	Site 6	Site 7	Site 8	Site 9	Site 10
		South Berkhamsted	East of Darrs Lane	Shendish Manor & Fairfields	East of Tring	New Mill	East of Berkhamsted	N & NE H Hempstead	Polehanger Lane	Pouchen End Lane	Wayside Fm, Middle Fm & A4251
Green/brown field	Use	Green Agricultural	Green Agricultural	Green Agricultural	Green Agricultural	Green Agricultural	Green Agricultural	Green Agricultural	Green Agricultural	Green Agricultural	Green Agricultural
Site Are Gross	ha	38.12	22.73	31.67	119.11	14.70	70.87	291.14	47.10	14.40	39.10
Net	ha	19.06	11.37	15.83	59.55	7.35	35.44	145.57	23.55	7.20	19.55
Units		667	398	554	2084	367	1240	5095	824	360	684
Mix	Market	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%
	Intermediate to Buy	8.75%	8.75%	8.75%	8.75%	8.75%	8.75%	8.75%	8.75%	8.75%	8.75%
	Affordable Rent	26.25%	26.25%	26.25%	26.25%	26.25%	26.25%	26.25%	26.25%	26.25%	26.25%
	Social Rent	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Alternative Land Value	£/ha	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
	£ site	953,000	568,250	791,750	2,977,750	367,500	1,771,750	7,278,500	1,177,500	360,000	977,500
Uplift	£/ha	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000
	£ site	22,872,000	13,638,000	19,002,000	71,466,000	8,820,000	42,522,000	174,684,000	28,260,000	8,640,000	23,460,000
Viability Threshold	£/ha	625,000	625,000	625,000	625,000	625,000	625,000	625,000	625,000	625,000	625,000
	£ site	23,825,000	14,206,250	19,793,750	74,443,750	9,187,500	44,293,750	181,962,500	29,437,500	9,000,000	24,437,500
Residua Gross	£/ha	2,264,175	2,222,927	1,580,346	1,190,565	2,002,204	2,128,634	1,178,957	1,487,530	2,240,831	1,367,796
Net	£/ha	4,528,350	4,443,899	3,161,689	2,381,329	4,004,409	4,256,668	2,357,914	2,975,061	4,481,662	2,735,592
	£ site	86,310,360	50,527,129	50,049,544	141,808,139	29,432,405	150,856,316	343,241,588	70,062,684	32,267,965	53,480,819
Additional Profit	£ site	95,623,005	58,226,612	46,227,721	140,095,533	32,941,702	173,918,925	347,704,813	67,369,494	35,453,823	50,792,770
	£/m2	2,131	2,170	1,240	999	1,331	2,084	1,014	1,215	1,465	1,104



Sites
Site 1

SITE NAME Site 1 South Berkhamsted

INCOME	Av Size m2	%	Number	Price £/m2	GDV £	GIA m2
Market Housing	103.5	65%	434	5,700	255,784,211	44,874
Shared Ownership	67.7	9%	58	3,990	15,782,955	3,951
Affordable Rent	67.7	26%	175	2,700	31,999,983	11,852
Social Rent	67.7	0%	0	0	0	0
Grant and Subsidy	Shared Ownership Affordable Rent Social Rent			0	0	0
SITE AREA - Net	19.06 ha		35	/ha	303,547,149	60,677
SITE AREA - Gross	38.12 ha		17	/ha		

Sales per Quarter	0
Unit Build Time	3 Quarters

	Whole Site	Per ha NET	Per ha GROSS
Residual Land Value	86,310,360	4,528,350	2,264,175
Alternative Use Value	953,000		25,000
Uplift	0%	0	0
Plus /ha	600,000	22,872,000	600,000
Viability Threshold	23,825,000		625,000

Additional Profit	95,623,005	2,131
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RUN Residual MACRO ctrl+r
Closing balance = 0

RUN CIL MACRO ctrl+l
Closing balance = 0

Check on phasing dwgs nos
correct

DEVELOPMENT COSTS			
LAND	Unit or m2	Total	
Land	129,401	86,310,360	
Stamp Duty		4,305,018	
Easements etc.		0	
Legals Acquisition	1.50%	1,294,655	5,599,673
PLANNING			
Planning Fee		108,246	
Architects	4.00%	4,764,139	
QS / PM	0.50%	595,517	
Planning Consultants	1.00%	1,191,035	
Other Professional	2.50%	2,977,587	9,636,524
CONSTRUCTION			
Build Cost - BCIS Based	1,719	104,277,428	
s106 / CIL		12,219,106	
Contingency	2.50%	2,606,936	
Abnormals		0	119,103,469
FINANCE			
Finance Fees		0	
Interest	6.00%	0	
Legal and Valuation		0	0
SALES			
Agents	3.0%	9,106,414	
Legals	0.5%	1,517,736	
Misc.		0	10,624,150
			231,274,176
Developers Profit			
% GDV	17.50%		53,120,751
% Costs	0.00%		0

Planning fee calc			
Planning app fee	dwgs	rate	
No dwgs	667		23,100
No dwgs under	50	462	85,146
No dwgs over 5l	617	138	108,246
Total			216,492

Stamp duty calc - Residual	
Land payment	Total
	86,310,360
	4,305,018

Stamp duty calc - Add Profit			
Land payment	0%	1%	
125,000			125,000
250,000			250,000
500,000			500,000
1,000,000			1,000,000
above			1,191,250
Total			2,382,500

Pre CIL s106	1,500	£/ Unit (all)	1,000,500
Total			1,000,500

Post CIL s106	1,500	£/ Unit (all)	1,000,500
CIL	250	£/m2	11,218,606
Total			12,219,106

Build Cost		/m2	
BCIS	1,419		
CFSH	0		0.00%
Energy	0		
Design	0		
Acc & Adpt	15		
Water	1		
Small Sites	0		0%
Site Costs	284		20%
Total		1,719	

LIT	% GDV	0.00%	0
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RESIDUAL CASH FLOW FOR INTEREST

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24
INCOME																								
UNITS Started	50	100	150	150	150	67																		
Market Housing	19,174,229	38,348,457	57,522,686	57,522,686	57,522,686	25,693,466	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Shared Ownership	1,181,631	2,363,262	3,544,892	3,544,892	3,544,892	1,583,385	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Affordable Rent	2,398,799	4,797,599	7,196,398	7,196,398	7,196,398	3,214,391	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Social Rent	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Grant and Subsidy	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
INCOME	0	22,754,659	45,509,318	68,263,977	68,263,977	30,491,243	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
EXPENDITURE																								
Stamp Duty	4,305,018																							
Easements etc.	0																							
Legals Acquisition	1,294,655																							
Planning Fee	108,246																							
Architects	4,764,139		0																					
QS	595,517		0																					
Planning Consultants	1,191,035		0																					
Other Professional	2,977,587		0																					
Build Cost - BCIS Base		7,816,899	15,633,797	23,450,696	23,450,696	23,450,696	10,474,644	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
s106/CIL	75,000	150,000	225,000	225,000	225,000	100,500	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Contingency	195,422	390,845	586,267	586,267	586,267	261,866	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Abnormals	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Finance Fees	0																							
Legal and Valuation	0																							
Agents	0	682,640	1,365,280	2,047,919	2,047,919	914,737	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Legals	0	113,773	227,547	341,320	341,320	152,456	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Misc.	0																							
COSTS BEFORE LAND INT AND PROFIT	15,236,197	8,883,734	17,767,468	37,869,808	26,651,202	26,651,202	11,904,204	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
For Residual Valuation																								
Land	86,310,360																							
Interest		6,092,793	5,626,106	4,299,161	2,733,460	400,702	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Profit on Costs																								
Profit on GDV																								53,120,751
Cash Flow	-101,546,557	7,778,131	22,115,744	26,095,007	38,879,314	41,212,072	18,587,039	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-53,120,751
Opening Balance	0																							
Closing Balance	-101,546,557	-93,768,425	-71,652,681	-45,557,674	-6,678,360	34,533,712	53,120,751	53,120,751	53,120,751	53,120,751	53,120,751	53,120,751	53,120,751	53,120,751	53,120,751	53,120,751	53,120,751	53,120,751	53,120,751	53,120,751	53,120,751	53,120,751	53,120,751	53,120,751

CASH FLOW FOR CIL ADDITIONAL PROFIT

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24
INCOME																								
As Above																								
INCOME	0	22,754,659	45,509,318	68,263,977	68,263,977	30,491,243	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
EXPENDITURE																								
Land	23,825,000																							
Stamp Duty	1,191,250	0	0																					



Sites Site 2

SITE NAME Site 2 East of Darrs Lane

Table with columns: INCOME, Av Size m2, %, Number, Price £/m2, GDV £, GIA m2. Rows include Market Housing, Shared Ownership, Affordable Rent, Social Rent, Grant and Subsidy.

Table with columns: Sales per Quarter, Unit Build Time, Quarters. Values: 0, 3, Quarters.

Table with columns: Whole Site, Per ha NET, Per ha GROSS. Rows: Residual Land Value, Alternative Use Value, Uplift, Plus /ha, Viability Threshold.

Table with columns: Additional Profit, £/m2. Values: 56,226.612, 2,170.

RUN Residual MACRO ctrl+r Closing balance = 0

RUN CIL MACRO ctrl+h Closing balance = 0

Check on phasing dwgs nos correct

Table with columns: DEVELOPMENT COSTS, LAND, PLANNING, CONSTRUCTION, FINANCE, SALES, Developers Profit. Includes sub-headers like Land, Stamp Duty, Planning Fee, etc.

Table: Planning fee calc. Columns: Planning app fee, dwgs, rate. Rows: No dwgs, No dwgs under 50, No dwgs over 50.

Table: Stamp duty calc - Residual. Columns: Land payment, Total. Value: 50,527,129.

Table: Stamp duty calc - Add Profit. Columns: Land payment, Total. Value: 14,206,250.

Table: Pre CIL s106. Columns: 1,500 £/Unit (all), Total. Value: 597,000.

Table: Post CIL s106. Columns: 1,500 £/Unit (all), 250 £/m2, Total. Value: 597,000, 6,708,471, 7,305,471.

Table: Build Cost /m2. Columns: BCIS, CISH, Energy, Design, Acc & Adpt, Water, Small Sites, Site Costs. Values: 1,418, 0, 0, 0, 15, 1, 0, 284, 1,718.

Table: LIT % GDV. Value: 0.00%, 0.

RESIDUAL CASH FLOW FOR INTEREST

Large table with columns: Year 1 to Year 24. Rows: INCOME (UNITS Started, Market Housing, Shared Ownership, Affordable Rent, Social Rent, Grant and Subsidy), EXPENDITURE (Stamp Duty, Easements etc., Legals Acquisition, Planning Fee, Architects, QS, Planning Consultants, Other Professional, Build Cost - BCIS Base, s106/CIL, Contingency, Abnormals, Finance Fees, Legal and Valuation, Agents, Legals, Misc.), COSTS BEFORE LAND INT AND PROFIT, For Residual Valuation (Land, Interest, Profit on Costs, Profit on GDV), Cash Flow (Opening Balance, Closing Balance).

CASH FLOW FOR CIL ADDITIONAL PROFIT

Large table with columns: Year 1 to Year 24. Rows: INCOME (As Above), EXPENDITURE (Land, Stamp Duty, Easements etc., Legals Acquisition, Planning Fee, Architects, QS, Planning Consultants, Other Professional, Build Cost - BCIS Base), POTENTIAL CIL, Post CIL s106, Contingency, Abnormals, Finance Fees, Legal and Valuation, Agents, Legals, Misc., COSTS BEFORE LAND INT AND PROFIT, For CIL calculation (Interest, Profit on cost, Profit on GDV), Cash Flow (Opening Balance, Closing Balance).



Sites Site 4

Table with columns: Av Size, %, Number, Price, GDV, GIA. Rows include Market Housing, Shared Ownership, Affordable Rent, Social Rent, Grant and Subsidy.

Table with columns: Sales per Quarter, Unit Build Time, Quarters.

Table with columns: Whole Site, Per ha NET, Per ha GROSS. Rows include Residual Land Value, Alternative Use Value, Uplift, Viability Threshold.

Table with columns: Additional Profit, E/m2.

RUN Residual MACRO ctrl+r Closing balance = 0

RUN CIL MACRO ctrl+l Closing balance = 0

Check on phasing dwgs nos correct

Table with columns: DEVELOPMENT COSTS, LAND, PLANNING, CONSTRUCTION, FINANCE, SALES, Developers Profit. Includes sub-rows for various cost categories and their unit/m2 and total values.

Table: Planning fee calc. Columns: Planning app fee, dwgs, rate. Rows: No dwgs, No dwgs under 50, No dwgs over 50.

Table: Stamp duty calc - Residual. Columns: Land payment, Total. Value: 141,808,139.

Table: Stamp duty calc - Add Profit. Columns: Land payment, Total. Value: 74,443,750.

Table: Pre CIL s106. Columns: 1,500 E/ Unit (all), Total. Value: 3,126,000.

Table: Post CIL s106. Columns: 1,500 E/ Unit (all), CIL, Total. Value: 3,126,000.

Table: Build Cost. Columns: /m2. Rows: BCIS, CFSH, Energy, Design, Acc & Adpt, Water, Small Sites, Site Costs.

Table: LIT % GDV. Value: 0.00%.

RESIDUAL CASH FLOW FOR INTEREST

Large table with columns: Year 1 to Year 24. Rows include INCOME (Units Started, Market Housing, Shared Ownership, Affordable Rent, Social Rent, Grant and Subsidy), EXPENDITURE (Stamp Duty, Easements etc., Legals Acquisition, Planning Fee, Architects, QS, Planning Consultants, Other Professional, Build Cost - BCIS Base, s106/CIL, Contingency, Abnormals, Finance Fees, Legal and Valuation, Agents, Legals, Misc.), COSTS BEFORE LAND INT AND PROFIT, For Residual Valuation (Land, Interest, Profit on Costs, Profit on GDV), Cash Flow, Opening Balance, Closing Balance.

CASH FLOW FOR CIL ADDITIONAL PROFIT

Large table with columns: Year 1 to Year 24. Rows include INCOME (As Above), EXPENDITURE (Land, Stamp Duty, Easements etc., Legals Acquisition, Planning Fee, Architects, QS, Planning Consultants, Other Professional, Build Cost - BCIS Base), POTENTIAL CIL, Post CIL s106, Contingency, Abnormals, Finance Fees, Legal and Valuation, Agents, Legals, Misc., COSTS BEFORE LAND INT AND PROFIT, For CIL calculation (Interest, Profit on cost, Profit on GDV), Cash Flow, Opening Balance, Closing Balance.



Sites Site 5

Table with columns: Av Size m2, %, Number, Price £/m2, GDV £, GIA m2. Rows include Market Housing, Shared Ownership, Affordable Rent, Social Rent, Grant and Subsidy.

Table with columns: Sales per Quarter, Unit Build Time, Quarters.

Table with columns: Whole Site, Per ha NET, Per ha GROSS. Rows include Residual Land Value, Alternative Use Value, Uplift, Plus /ha, Viability Threshold.

Table with columns: Additional Profit, £/m2.

RUN Residual MACRO ctrl+r Closing balance = 0

RUN CIL MACRO ctrl+l Closing balance = 0

Check on phasing dwgs nos correct

Table with columns: Category, Unit or m2, Total. Rows include LAND, PLANNING, CONSTRUCTION, FINANCE, SALES, Developers Profit.

Table with columns: Planning fee calc, dwgs, rate. Rows include Planning app fee, No dwgs, No dwgs under 5l, No dwgs over 5l.

Table with columns: Stamp duty calc - Residual, Land payment, Total.

Table with columns: Stamp duty calc - Add Profit, Land payment, Total.

Table with columns: Pre CIL s106, E/ Unit (all), Total.

Table with columns: Post CIL s106, CIL, E/ Unit (all), £/m2, Total.

Table with columns: Build Cost, /m2. Rows include BCIS, CISH, Energy, Design, Acc & Adpt, Water, Small Sites, Site Costs.

Table with columns: LIT, % GDV.

RESIDUAL CASH FLOW FOR INTEREST

Large table with columns: Year 1 to Year 24. Rows include INCOME, EXPENDITURE, COSTS BEFORE LAND INT AND PROFIT, For Residual Valuation, Cash Flow, Opening Balance, Closing Balance.

CASH FLOW FOR CIL ADDITIONAL PROFIT

Large table with columns: Year 1 to Year 24. Rows include INCOME, EXPENDITURE, POTENTIAL CIL, COSTS BEFORE LAND INT AND PROFIT, For CIL calculation, Cash Flow, Opening Balance, Closing Balance.



Sites Site 6

SITE NAME Site 6 East of Berkhamsted

Table with columns: INCOME, Av Size m2, %, Number, Price £/m2, GDV £, GIA m2. Rows include Market Housing, Shared Ownership, Affordable Rent, Social Rent, Grant and Subsidy.

Table with columns: Sales per Quarter, Unit Build Time, Quarters.

Table with columns: Whole Site, Per ha NET, Per ha GROSS. Rows include Residual Land Value, Alternative Use Value, Uplift, Viability Threshold.

Table with columns: Additional Profit, £/m2.

RUN Residual MACRO ctrl+r Closing balance = 0

RUN CIL MACRO ctrl+h Closing balance = 0

Check on phasing dwgs nos correct

Table with columns: DEVELOPMENT COSTS, LAND, PLANNING, CONSTRUCTION, FINANCE, SALES, Developers Profit. Includes sub-totals and totals for each category.

Table: Planning fee calc. Columns: Planning app fee, dwgs, rate. Rows: No dwgs, No dwgs under 50, No dwgs over 50.

Table: Stamp duty calc - Residual. Columns: Land payment, Total. Total: 150,856,316.

Table: Stamp duty calc - Add Profit. Columns: Land payment, Total. Total: 44,293,750.

Table: Pre CIL s106. Columns: 1,500 £/Unit (all), Total. Total: 1,860,000.

Table: Post CIL s106. Columns: 1,500 £/Unit (all), 250 £/m2, Total. Total: 22,722,616.

Table: Build Cost /m2. Rows: BCIS, CISH, Energy, Design, Acc & Adpt, Water, Small Sites, Site Costs.

Table: LIT % GDV. Value: 0.00%.

RESIDUAL CASH FLOW FOR INTEREST

Large table showing cash flow for interest from Year 1 to Year 24. Includes INCOME, EXPENDITURE, and COSTS BEFORE LAND INT AND PROFIT.

CASH FLOW FOR CIL ADDITIONAL PROFIT

Large table showing cash flow for CIL additional profit from Year 1 to Year 24. Includes INCOME, EXPENDITURE, and COSTS BEFORE LAND INT AND PROFIT.



Sites Site 7

Table with columns: SITE NAME, Av Size m2, %, Number, Price £/m2, GDV £, GIA m2. Rows include Market Housing, Shared Ownership, Affordable Rent, Social Rent, Grant and Subsidy.

Table with columns: Sales per Quarter, Unit Build Time, Quarters.

Table with columns: Whole Site, Per ha NET, Per ha GROSS. Rows include Residual Land Value, Alternative Use Value, Uplift, Plus /ha, Viability Threshold.

Table with columns: E/m2. Rows include Additional Profit.

RUN Residual MACRO ctrl+r Closing balance = 0

RUN CIL MACRO ctrl+h Closing balance = 0

Check on phasing dwgs nos correct

Table with columns: DEVELOPMENT COSTS, LAND, PLANNING, CONSTRUCTION, FINANCE, SALES, Developers Profit. Rows include Land, Stamp Duty, Planning Fee, Architects, etc.

Table with columns: Planning fee calc, dwgs, rate. Rows include No dwgs, No dwgs under 50, No dwgs over 50.

Table with columns: Stamp duty calc - Residual, Land payment. Row includes Total 17,151,579.

Table with columns: Stamp duty calc - Add Profit, Land payment. Rows include 125,000, 250,000, 500,000, 1,000,000, above.

Table with columns: Pre CIL s106, E/ Unit (all), Total. Row includes Total 7,642,500.

Table with columns: Post CIL s106, E/ Unit (all), CIL, E/m2, Total. Row includes Total 41,917,013.

Table with columns: Build Cost /m2, BCIS, CISH, Energy, Design, Acc & Adpt, Water, Small Sites, Site Costs. Row includes Total 1,718.

Table with columns: LIT, % GDV. Row includes 0.00% 0.

RESIDUAL CASH FLOW FOR INTEREST

Large table with columns: Year 1 to Year 24. Rows include INCOME, EXPENDITURE, COSTS BEFORE LAND INT AND PROFIT, For Residual Valuation, Cash Flow Opening Balance, Closing Balance.

CASH FLOW FOR CIL ADDITIONAL PROFIT

Large table with columns: Year 1 to Year 24. Rows include INCOME, EXPENDITURE, POTENTIAL CIL, Post CIL s106, Contingency, Abnormals, Finance Fees, Legal and Valuation, Agents, Legals, Misc., COSTS BEFORE LAND INT AND PROFIT, For CIL calculation, Cash Flow Opening Balance, Closing Balance.



Sites Site 8

Table with columns: SITE NAME, Av Size, %, Number, Price, GDV, GIA. Rows include Market Housing, Shared Ownership, Affordable Rent, Social Rent, Grant and Subsidy, and SITE AREA - Net/Gross.

Table with columns: DEVELOPMENT COSTS, LAND, PLANNING, CONSTRUCTION, FINANCE, SALES, Developers Profit. Rows include Land, Stamp Duty, Esasements etc., Legals Acquisition, Planning Fee, Architects, QS / PM, etc.

Table: Planning fee calc. Columns: Planning app fee, dwgs, rate. Rows: No dwgs, No dwgs under, No dwgs over 5t.

Table: Build Cost. Columns: /m2, 0.00%, 0%, 20%. Rows: BCIS, CISH, Energy, Design, Acc & Adpt, Water, Small Sites, Site Costs.

Table: Stamp duty calc - Residual. Columns: Land payment, Total. Row: Land payment.

Table: Stamp duty calc - Add Profit. Columns: Land payment, 0%, 1%, 250,000, 1%, 500,000, 3%, 1,000,000, 4%, above, 5%, Total.

Table: Pre CIL s106. Columns: 1,500, E/ Unit (all), Total, 1,236,000.

Table: LIT. Columns: % GDV, 0.00%, 0.

Table: Post CIL s106. Columns: 1,500, E/ Unit (all), 1,236,000, 100, E/m2, 5,542,661, Total, 6,778,661.

Table: Sales per Quarter, Unit Build Time, 3 Quarters.

Table: Residual Land Value, Alternative Use Value, Uplift, Plus /ha, Viability Threshold.

RUN Residual MACRO ctrl+r Closing balance = 0
RUN CIL MACRO ctrl+l Closing balance = 0
Check on phasing dwgs nos correct

Table: Additional Profit, 67,369,494, 1,215.

RESIDUAL CASH FLOW FOR INTEREST

Large table with columns: Year 1 to Year 24. Rows include INCOME (UNITS Started, Market Housing, Shared Ownership, Affordable Rent, Social Rent, Grant and Subsidy), EXPENDITURE (Stamp Duty, Esasements etc., Legals Acquisition, Planning Fee, Architects, QS, Planning Consultants, Other Professional, Build Cost - BCIS Base, s106/CIL, Contingency, Abnormals, Finance Fees, Legal and Valuation, Agents, Legals, Misc.), COSTS BEFORE LAND INT AND PROFIT, For Residual Valuation (Land, Interest, Profit on Costs, Profit on GDV), Cash Flow (Opening Balance, Closing Balance).

CASH FLOW FOR CIL ADDITIONAL PROFIT

Large table with columns: Year 1 to Year 24. Rows include INCOME (As Above), EXPENDITURE (Land, Stamp Duty, Esasements etc., Legals Acquisition, Planning Fee, Architects, QS, Planning Consultants, Other Professional, Build Cost - BCIS Base), POTENTIAL CIL (Post CIL s106, Contingency, Abnormals, Finance Fees, Legal and Valuation, Agents, Legals, Misc.), COSTS BEFORE LAND INT AND PROFIT, For CIL calculation (Interest, Profit on cost, Profit on GDV), Cash Flow (Opening Balance, Closing Balance).



Sites Site 9

Table with columns: Av Size, %, Number, Price, GDV, GIA. Rows include Market Housing, Shared Ownership, Affordable Rent, Social Rent, Grant and Subsidy.

Table with columns: Sales per Quarter, Unit Build Time, Quarters.

Table with columns: Whole Site, Per ha NET, Per ha GROSS. Rows include Residual Land Value, Alternative Use Value, Uplift, Plus /ha, Viability Threshold.

Table with columns: Additional Profit, E/m2.

RUN Residual MACRO ctrl+r Closing balance = 0

RUN CIL MACRO ctrl+h Closing balance = 0

Check on phasing dwgs nos correct

Table with columns: Unit or m2, Total. Rows include LAND (Stamp Duty, Legals Acquisition), PLANNING (Planning Fee, Architects, QS / PM, etc.), CONSTRUCTION (Build Cost - BCIS Based, etc.), FINANCE (Fees, Interest, Legal and Valuation), SALES (Agents, Legals, Misc.), Developers Profit.

Table with columns: Planning app fee, dwgs, rate. Rows include No dwgs, No dwgs under, No dwgs over 5l.

Table with columns: Stamp duty calc - Residual, Land payment, Total.

Table with columns: Stamp duty calc - Add Profit, Land payment, Total.

Table with columns: Pre CIL s106, E/ Unit (all), Total.

Table with columns: Post CIL s106, E/ Unit (all), CIL, E/m2, Total.

Table with columns: Build Cost, /m2. Rows include BCIS, CISH, Energy, Design, Acc & Adpt, Water, Small Sites, Site Costs.

Table with columns: LIT, % GDV.

RESIDUAL CASH FLOW FOR INTEREST

Large table with columns: Year 1 to Year 24. Rows include INCOME (UNITS Started, Market Housing, Shared Ownership, etc.), EXPENDITURE (Stamp Duty, Legals Acquisition, etc.), COSTS BEFORE LAND INT AND PROFIT, For Residual Valuation, Cash Flow, Opening Balance, Closing Balance.

CASH FLOW FOR CIL ADDITIONAL PROFIT

Large table with columns: Year 1 to Year 24. Rows include INCOME (As Above), EXPENDITURE (Land, Stamp Duty, Legals Acquisition, etc.), POTENTIAL CIL, Post CIL s106, Contingency, Abnormals, Finance Fees, Legal and Valuation, Agents, Legals, Misc., COSTS BEFORE LAND INT AND PROFIT, For CIL calculation, Cash Flow, Opening Balance, Closing Balance.



Sites Site 10

SITE NAME Site 10 Wayside Fm, Middle Fm & A4251

Table with columns: INCOME, Av Size m2, %, Number, Price £/m2, GDV £, GIA m2. Rows include Market Housing, Shared Ownership, Affordable Rent, Social Rent, Grant and Subsidy.

Table with columns: Sales per Quarter, Unit Build Time, Quarters. Values: 0, 3, Quarters.

Table with columns: Whole Site, Per ha NET, Per ha GROSS. Rows: Residual Land Value, Alternative Use Value, Uplift, Plus /ha, Viability Threshold.

Table with columns: Additional Profit, £/m2. Values: 50,792,770, 1,104.

RUN Residual MACRO ctrl+r Closing balance = 0

RUN CIL MACRO ctrl+l Closing balance = 0

Check on phasing dwgs nos correct

Table with columns: DEVELOPMENT COSTS, LAND, PLANNING, CONSTRUCTION, FINANCE, SALES, Developers Profit. Includes sub-headers like Unit or m2, Total.

Table: Planning fee calc. Columns: Planning app fee, dwgs, rate. Rows: No dwgs, No dwgs under, No dwgs over 5l.

Table: Stamp duty calc - Residual. Columns: Land payment, Total. Value: 53,480,819.

Table: Stamp duty calc - Add Profit. Columns: Land payment, Total. Value: 24,437,500.

Table: Pre CIL s106. Columns: 1,500 £/Unit (all), Total. Value: 1,026,000.

Table: Post CIL s106. Columns: 1,500 £/Unit (all), 150 £/m2, Total. Value: 7,929,617.

Table: Build Cost /m2. Columns: BCIS, CISH, Energy, Design, Acc & Adpt, Water, Small Sites, Site Costs. Values: 1,419, 0, 0, 0, 15, 1, 0, 284, 1,718.

Table: LIT % GDV. Value: 0.00%.

RESIDUAL CASH FLOW FOR INTEREST

Large table with columns: Year 1 to Year 24. Rows: INCOME (UNITS Started, Market Housing, Shared Ownership, Affordable Rent, Social Rent, Grant and Subsidy), EXPENDITURE (Stamp Duty, Easements etc., Legals Acquisition, Planning Fee, Architects, QS, Planning Consultants, Other Professional, Build Cost - BCIS Base s106/CIL, Contingency, Abnormals, Finance Fees, Legal and Valuation, Agents, Legals, Misc.), COSTS BEFORE LAND INT AND PROFIT, For Residual Valuation (Land, Interest, Profit on Costs, Profit on GDV), Cash Flow (Opening Balance, Closing Balance).

CASH FLOW FOR CIL ADDITIONAL PROFIT

Large table with columns: Year 1 to Year 24. Rows: INCOME (As Above), EXPENDITURE (Land, Stamp Duty, Easements etc., Legals Acquisition, Planning Fee, Architects, QS, Planning Consultants, Other Professional, Build Cost - BCIS Base), POTENTIAL CIL (Post CIL s106, Contingency, Abnormals, Finance Fees, Legal and Valuation, Agents, Legals, Misc.), COSTS BEFORE LAND INT AND PROFIT, For CIL calculation (Interest, Profit on cost, Profit on GDV), Cash Flow (Opening Balance, Closing Balance).

Case Studies Cover



Dacorum Post-consultation - V3

14/11/2019

11:36



Number 1 Units NET Area Density erage Unit Size Developed Density Total Cost Rate
A Berkhamsted 100 4.00 25.00 92 9,167 2,292 12,994,943 1,417.58

Locality een/ Brown .lternative Use

Zone 1	Green	Agricultural
Area	Gross	4,762
	Net	4,000

	Beds	No	m2	Total		BCIS	COST
Market							0
Flat	1	2	45.00	90.00	10%	1,478	146,322
	2	0	65.00	0.00	10%	1,478	0
Terrace	2	7	75.00	525.00		1,339	702,975
	3	13	95.00	1,235.00		1,339	1,653,665
Semi	2	10	85.00	850.00		1,317	1,119,450
	3	16	107.00	1,712.00		1,317	2,254,704
Det	3	0	112.00	0.00		1,541	0
	4	10	135.00	1,350.00		1,541	2,080,350
	5	7	150.00	1,050.00		1,541	1,618,050
Flat 1 High*	1	0	45.00	0.00	10%	1,895	0
Flat 2 High*	2	0	65.00	0.00	10%	1,895	0
Flat 3 High*	3	0	75.00	0.00	10%	1,895	0
Affordable							
Flat	1	11	40.00	440.00	10%	1,478	715,352
	2	5	61.00	305.00	10%	1,478	495,869
Terrace	2	5	70.00	350.00		1,339	468,650
	3	7	84.00	588.00		1,339	787,332
Semi	2	0	79.00	0.00		1,317	0
	3	4	93.00	372.00		1,317	489,924
Det	3	0	93.00	0.00		1,541	0
	4	3	100.00	300.00		1,541	462,300
	5	0	110.00	0.00		1,541	0
Flat 1 High*	1	0	40.00	0.00	10%	1,895	0
Flat 2 High*	2	0	61.00	0.00	10%	1,895	0
Flat 3 High*	3	0	74.00	0.00	10%	1,895	0

Number 2 Units Area Density erage Unit Size Developed Density Total Cost Rate
A Berkhamsted 100 4.00 25.00 92 9,167 2,292 12,994,943 1,417.58

Locality een/Brown .lternative Use

Zone 1	Brown	Industrial
Area	Gross	4,762
	Net	4,000

	Beds	No	m2	Total		BCIS	COST
Market							0
Flat	1	2	45.00	90.00	10%	1,478	146,322
	2	0	65.00	0.00	10%	1,478	0
Terrace	2	7	75.00	525.00		1,339	702,975
	3	13	95.00	1,235.00		1,339	1,653,665
Semi	2	10	85.00	850.00		1,317	1,119,450
	3	16	107.00	1,712.00		1,317	2,254,704
Det	3	0	112.00	0.00		1,541	0
	4	10	135.00	1,350.00		1,541	2,080,350
	5	7	150.00	1,050.00		1,541	1,618,050
Flat 1 High*	1	0	45.00	0.00	10%	1,895	0
Flat 2 High*	2	0	65.00	0.00	10%	1,895	0
Flat 3 High*	3	0	75.00	0.00	10%	1,895	0
Affordable							
Flat	1	11	40.00	440.00	10%	1,478	715,352
	2	5	61.00	305.00	10%	1,478	495,869
Terrace	2	5	70.00	350.00		1,339	468,650
	3	7	84.00	588.00		1,339	787,332
Semi	2	0	79.00	0.00		1,317	0
	3	4	93.00	372.00		1,317	489,924
Det	3	0	93.00	0.00		1,541	0
	4	3	100.00	300.00		1,541	462,300
	5	0	110.00	0.00		1,541	0
Flat 1 High*	1	0	40.00	0.00	10%	1,895	0
Flat 2 High*	2	0	61.00	0.00	10%	1,895	0
Flat 3 High*	3	0	74.00	0.00	10%	1,895	0



Number 3 Units Area ha Density erage Units/ha Unit Size m2 Developed m2 Density m2/ha Total Cost Rate £/m2

C Bovingdon 72 2.57 28.00 91 6,537 2,542 9,255,724 1,415.90

Locality een/Brown .lternative Use

Zone 1 Green Agricultural

Area	Gross	3,273
	Net	2,571

	Beds	No	m2	Total	BCIS	COST
Market						0
Flat	1	2	45.00	90.00	10%	146,322
	2	0	65.00	0.00	10%	1,478
Terrace	2	5	75.00	375.00		502,125
	3	9	95.00	855.00		1,144,845
Semi	2	7	85.00	595.00		783,615
	3	12	107.00	1,284.00		1,691,028
Det	3	0	112.00	0.00		1,541
	4	7	135.00	945.00		1,456,245
	5	5	150.00	750.00		1,155,750
Flat 1 High*	6	0	45.00	0.00	10%	1,895
Flat 2 High*	2	0	65.00	0.00	10%	1,895
Flat 3 High*	3	0	75.00	0.00	10%	1,895
Affordable						0
Flat	1	8	40.00	320.00	10%	520,256
	2	4	61.00	244.00	10%	396,695
Terrace	2	4	70.00	280.00		374,920
	3	5	84.00	420.00		562,380
Semi	2	0	79.00	0.00		1,317
	3	3	93.00	279.00		367,443
Det	3	0	93.00	0.00		1,541
	4	1	100.00	100.00		154,100
	5	0	110.00	0.00		1,541
Flat 1 High*	1	0	40.00	0.00	10%	1,895
Flat 2 High*	2	0	61.00	0.00	10%	1,895
Flat 3 High*	3	0	74.00	0.00	10%	1,895

Number 4 Units Area ha Density erage Units/ha Unit Size m2 Developed m2 Density m2/ha Total Cost Rate £/m2

D Hemel Hempstead 166 4.10 40.50 91 15,124 3,690 21,432,909 1,417.15

Locality een/Brown .lternative Use

Zone 1 Green Agricultural

Area	Gross	5,725
	Net	4,099

	Beds	No	m2	Total	BCIS	COST
Market						0
Flat	1	5	45.00	225.00	10%	365,805
	2	0	65.00	0.00	10%	1,478
Terrace	2	11	75.00	825.00		1,104,675
	3	22	95.00	2,090.00		2,798,510
Semi	2	16	85.00	1,360.00		1,791,120
	3	27	107.00	2,889.00		3,804,813
Det	3	0	112.00	0.00		1,541
	4	16	135.00	2,160.00		3,328,560
	5	11	150.00	1,650.00		2,542,650
Flat 1 High*	1	0	45.00	0.00	10%	1,895
Flat 2 High*	2	0	65.00	0.00	10%	1,895
Flat 3 High*	3	0	75.00	0.00	10%	1,895
Affordable						0
Flat	1	17	40.00	680.00	10%	1,105,544
	2	9	61.00	549.00	10%	892,564
Terrace	2	9	70.00	630.00		843,570
	3	12	84.00	1,008.00		1,349,712
Semi	2	0	79.00	0.00		1,317
	3	6	93.00	558.00		734,886
Det	3	0	93.00	0.00		1,541
	4	5	100.00	500.00		770,500
	5	0	110.00	0.00		1,541
Flat 1 High*	1	0	40.00	0.00	10%	1,895
Flat 2 High*	2	0	61.00	0.00	10%	1,895
Flat 3 High*	3	0	74.00	0.00	10%	1,895



Number 5 Units Area ha Density erage Units/ha Unit Size m2 Developed m2 Density m2/ha Total Cost Rate £/m2
D Hemel Hempstead 166 4.10 40.50 91 15,124 3,690 21,432,909 1,417.15

Locality een/Brown .lternative Use

Zone 1	Brown	Industrial
Area	Gross	5.725
	Net	4.099

	Beds	No	m2	Total		BCIS	COST
Market							
Flat	1	5	45.00	225.00	10%	1,478	365,805
	2	0	65.00	0.00	10%	1,478	0
Terrace	2	11	75.00	825.00		1,339	1,104,675
	3	22	95.00	2,090.00		1,339	2,798,510
Semi	2	16	85.00	1,360.00		1,317	1,791,120
	3	27	107.00	2,889.00		1,317	3,804,813
Det	3	0	112.00	0.00		1,541	0
	4	16	135.00	2,160.00		1,541	3,328,560
	5	11	150.00	1,650.00		1,541	2,542,650
Flat 1 High*	1	0	45.00	0.00	10%	1,895	0
Flat 2 High*	2	0	65.00	0.00	10%	1,895	0
Flat 3 High*	3	0	75.00	0.00	10%	1,895	0
Affordable							
Flat	1	17	40.00	680.00	10%	1,478	1,105,544
	2	9	61.00	549.00	10%	1,478	892,564
Terrace	2	9	70.00	630.00		1,339	843,570
	3	12	84.00	1,008.00		1,339	1,349,712
Semi	2	0	79.00	0.00		1,317	0
	3	6	93.00	558.00		1,317	734,886
Det	3	0	93.00	0.00		1,541	0
	4	5	100.00	500.00		1,541	770,500
	5	0	110.00	0.00		1,541	0
Flat 1 High*	1	0	40.00	0.00	10%	1,895	0
Flat 2 High*	2	0	61.00	0.00	10%	1,895	0
Flat 3 High*	3	0	74.00	0.00	10%	1,895	0

Number 6 Units Area ha Density erage Units/ha Unit Size m2 Developed m2 Density m2/ha Total Cost Rate £/m2
E Markyate 16 0.46 34.50 93 1,489 3,211 2,106,202 1,414.51

Locality een/Brown .lternative Use

Zone 1	Green	Agricultural
Area	Gross	0.615
	Net	0.464

	Beds	No	m2	Total		BCIS	COST
Market							
Flat	1	0	45.00	0.00	10%	1,478	0
	2	0	65.00	0.00	10%	1,478	0
Terrace	2	0	75.00	0.00		1,339	0
	3	2	95.00	190.00		1,339	254,410
Semi	2	2	85.00	170.00		1,317	223,890
	3	3	107.00	321.00		1,317	422,757
Det	3	0	112.00	0.00		1,541	0
	4	2	135.00	270.00		1,541	416,070
	5	1	150.00	150.00		1,541	231,150
Flat 1 High*	1	0	45.00	0.00	10%	1,895	0
Flat 2 High*	2	0	65.00	0.00	10%	1,895	0
Flat 3 High*	3	0	75.00	0.00	10%	1,895	0
Affordable							
Flat	1	2	40.00	80.00	10%	1,478	130,064
	2	1	61.00	61.00	10%	1,478	99,174
Terrace	2	1	70.00	70.00		1,339	93,730
	3	1	84.00	84.00		1,339	112,476
Semi	2	0	79.00	0.00		1,317	0
	3	1	93.00	93.00		1,317	122,481
Det	3	0	93.00	0.00		1,541	0
	4	0	100.00	0.00		1,541	0
	5	0	110.00	0.00		1,541	0
Flat 1 High*	1	0	40.00	0.00	10%	1,895	0
Flat 2 High*	2	0	61.00	0.00	10%	1,895	0
Flat 3 High*	3	0	74.00	0.00	10%	1,895	0

Case Studies
Site make up



Number	7	Units	Area ha	Density erage Units/ha	Unit Size m2	Developed m2	Density m2/ha	Total Cost	Rate £/m2
F Tring		363	10.84	33.50	91	33,036	3,049	46,871,729	1,418.81

Locality een/Brown .Iternative Use

Zone 1	Green	Agricultural
Area	Gross	14,519
	Net	10,836

	Beds	No	m2	Total		BCIS	COST
Market							
Flat	1	12	45.00	540.00	10%	1,478	877,932
	2	0	65.00	0.00	10%	1,478	0
Terrace	2	24	75.00	1,800.00		1,339	2,410,200
	3	47	95.00	4,465.00		1,339	5,978,635
Semi	2	35	85.00	2,975.00		1,317	3,918,075
	3	59	107.00	6,313.00		1,317	8,314,221
Det	3	0	112.00	0.00		1,541	0
	4	35	135.00	4,725.00		1,541	7,281,225
	5	24	150.00	3,600.00		1,541	5,547,600
Flat 1 High*	1	0	45.00	0.00	10%	1,895	0
Flat 2 High*	2	0	65.00	0.00	10%	1,895	0
Flat 3 High*	3	0	75.00	0.00	10%	1,895	0
Affordable							
Flat	1	38	40.00	1,520.00	10%	1,478	2,471,216
	2	19	61.00	1,159.00	10%	1,478	1,884,302
Terrace	2	19	70.00	1,330.00		1,339	1,780,870
	3	25	84.00	2,100.00		1,339	2,811,900
Semi	2	0	79.00	0.00		1,317	0
	3	13	93.00	1,209.00		1,317	1,592,253
Det	3	0	93.00	0.00		1,541	0
	4	13	100.00	1,300.00		1,541	2,003,300
	5	0	110.00	0.00		1,541	0
Flat 1 High*	1	0	40.00	0.00	10%	1,895	0
Flat 2 High*	2	0	61.00	0.00	10%	1,895	0
Flat 3 High*	3	0	74.00	0.00	10%	1,895	0

Case Studies
For Apps



			Site 1	Site 2	Site 3	Site 4	Site 5	Site 6	Site 7
			A Berkhamsted	A Berkhamsted	C Bovingdon	D Hemel Hempstead	D Hemel Hempstead	E Markyate	F Tring
Green/brown field Use Locality			Green Agricultural Zone 1	Brown Industrial Zone 1	Green Agricultural Zone 1	Green Agricultural Zone 1	Brown Industrial Zone 1	Green Agricultural Zone 1	Green Agricultural Zone 1
Site Area	Gross	ha	4.76	4.76	3.27	5.72	5.72	0.62	14.52
	Net	ha	4.00	4.00	2.57	4.10	4.10	0.46	10.84
Units			100	100	72	166	166	16	363
Average Unit Size		m2	91.67	91.67	90.79	91.11	91.11	93.06	91.01
Mix	Intermediate to Buy		8.75%	8.75%	8.75%	8.75%	8.75%	8.75%	8.75%
	Affordable Rent		26.25%	26.25%	26.25%	26.25%	26.25%	26.25%	26.25%
	Social Rent		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Price	Market	£/m2	5,700	5,700	5,700	5,700	5,700	5,700	5,700
	Intermediate to Buy	£/m2	3,990	3,990	3,990	3,990	3,990	3,990	3,990
	Affordable Rent	£/m2	2,700	2,700	2,700	2,700	2,700	2,700	2,700
	Social Rent	£/m2		0	0	0	0	0	0
Grant and Subsidies	Intermediate to Buy	£/unit							
	Affordable Rent	£/unit							
	Social Rent	£/unit							
Sales per Quarter									
Unit Build Time			3	3	3	3	3	3	3
Alternative Use Value		£/ha	25,000	1,800,000	25,000	25,000	1,800,000	25,000	25,000
Up Lift %		%		20%			20%		
Additional Uplift		£/ha	600,000		600,000	600,000		600,000	600,000
Easements etc		£	0	0	0	0	0	0	0
Legals / Acquisition		% land	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
Planning Fee	<50	£/unit	462	462	462	462	462	462	462
	>50	£/unit	138	138	138	138	138	138	138
Architects		%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
QS / PM		%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
Planning Consultants		%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Other Professional		%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
BCIS		£/m2	1,418	1,418	1,416	1,417	1,417	1,415	1,419
CFSH		%							
Energy		£/m2		0	0	0	0	0	0
Design		£/m2		0	0	0	0	0	0
Acc & Adpt		£/m2	15.0	15.0	15.0	15.0	15.0	15.0	15.0
Water		£/m2	1	1	1	1	1	1	1
Small Sites		%							
Site Costs		%	15.0%	15.0%	15.0%	15.0%	15.0%	10.0%	20.0%
Pre CIL s106		£/Unit	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Post CIL s106		£/Unit	1,500	1,500	1,500	1,500	1,500	1,500	1,500
		£/m2	250.00	250.00	250.00	250.00	250.00	250.00	250.00
LIT		%		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Contingency		%	2.50%	5.00%	2.50%	2.50%	5.00%	2.50%	2.50%
Abnormals		%		5.00%			5.00%		
		£/site							
FINANCE	Fees	£	0	0	0	0	0	0	0
	Interest	%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
	Legal and Valuation	£							
SALES	Agents	%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
	Legals	%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
	Misc.	£		0	0	0	0	0	0
Developers Profi %	GDV		17.50%	17.50%	17.50%	17.50%	17.50%	17.50%	17.50%
	% Costs		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

		Site 1	Site 2	Site 3	Site 4	Site 5	Site 6	Site 7
		A Berkhamsted	A Berkhamsted	C Bovington	D Hemel Hempstead	D Hemel Hempstead	E Markyate	F Tring
Green/brown field		Green	Brown	Green	Green	Brown	Green	Green
Use		Agricultural	Industrial	Agricultural	Agricultural	Industrial	Agricultural	Agricultural
Site Are Gross	ha	4.76	4.76	3.27	5.72	5.72	0.62	14.52
Net	ha	4.00	4.00	2.57	4.10	4.10	0.46	10.84
Units		100	100	72	166	166	16	363
Mix	Market	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%
	Intermediate to Buy	8.75%	8.75%	8.75%	8.75%	8.75%	8.75%	8.75%
	Affordable Rent	26.25%	26.25%	26.25%	26.25%	26.25%	26.25%	26.25%
	Social Rent	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Alternative Land Value	£/ha	25,000	1,800,000	25,000	25,000	1,800,000	25,000	25,000
	£ site	119,048	8,571,429	81,820	143,113	10,304,159	15,385	362,985
Uplift	£/ha	600,000	360,000	600,000	600,000	360,000	600,000	600,000
	£ site	2,857,143	1,714,286	1,963,672	3,434,720	2,060,832	369,242	8,711,634
Viability Threshold	£/ha	625,000	2,160,000	625,000	625,000	2,160,000	625,000	625,000
	£ site	2,976,190	10,285,714	2,045,492	3,577,833	12,364,991	384,627	9,074,619
Residua Gross	£/ha	2,860,060	2,641,714	2,996,967	3,787,159	3,498,406	4,014,917	3,403,124
Net	£/ha	3,404,834	3,144,898	3,814,390	5,289,329	4,886,042	5,327,650	4,559,995
	£ site	13,619,335	12,579,593	9,808,432	21,679,718	20,026,739	2,470,794	49,411,291
Additional Profit	£ site	15,319,015	5,820,420	10,990,682	26,847,645	14,490,152	2,810,710	57,926,363
	£/m2	2,249	854	2,255	2,400	1,295	2,455	2,373



Case Studies
Site 2

Table with columns: INCOME, Av Size, %, Number, Price, GDV, GIA. Rows include Market Housing, Shared Ownership, Affordable Rent, Social Rent, Grant and Subsidy, and SITE AREA - Net/Gross.

DEVELOPMENT COSTS table with columns: LAND, PLANNING, CONSTRUCTION, FINANCE, SALES, and Developers Profit. Includes sub-totals for each category.

Planning fee calc table with columns: Planning app fee, No dwgs, No dwgs under, No dwgs over 5l, dwgs, rate.

Build Cost table with columns: /m2, BCIS, CFISH, Energy, Design, Acc & Adpt, Water, Small Sites, Site Costs.

Stamp duty calc - Residual table with columns: Land payment, Total.

Stamp duty calc - Add Profit table with columns: Land payment, 0%, 1%, 250,000, 1%, 3%, 500,000, 3%, 4%, 1,000,000, 4%, 5%, above, 5%, 5%, Total.

Pre CIL s106 table with columns: 1,500, E/ Unit (all), Total, 150,000.

LIT table with columns: % GDV, 0.00%, 0.

Post CIL s106 table with columns: 1,500, E/ Unit (all), 150,000, CIL, 250, E/m2, 1,703,000, Total, 1,853,000.

Sales per Quarter table with columns: 0, Unit Build Time, 3, Quarters.

Residual Land Value table with columns: Whole Site, Per ha NET, Per ha GROSS, 12,579,593, 3,144,898, 2,641,714.

Additional Profit table with columns: E/m2, 5,820,420, 854.

RUN Residual MACRO ctrl+r Closing balance = 0
RUN CIL MACRO ctrl+l Closing balance = 0
Check on phasing dwgs nos correct

RESIDUAL CASH FLOW FOR INTEREST table with columns: Year 1, Year 2, Year 3, Year 4, Year 5, Year 6. Rows include INCOME, EXPENDITURE, and For Residual Valuation.

CASH FLOW FOR CIL ADDITIONAL PROFIT table with columns: Year 1, Year 2, Year 3, Year 4, Year 5, Year 6. Rows include INCOME, EXPENDITURE, and For CIL calculation.



Case Studies
Site 4

SITE NAME: Site 4 D Hemel Hempstead. Table with columns: INCOME, Av Size (m2), %, Number, Price (£/m2), GDV (£), GIA (m2). Rows include Market Housing, Shared Ownership, Affordable Rent, Social Rent, Grant and Subsidy.

Sales per Quarter: 0. Unit Build Time: 3 Quarters.

Whole Site / Per ha NET / Per ha GROSS. Residual Land Value: 21,679,718. Alternative Use Value: 143,113. Viability Threshold: 3,577,833.

Additional Profit: 26,847,645. E/m2: 2,400.

RUN Residual MACRO ctrl+r Closing balance = 0. RUN CIL MACRO ctrl+l Closing balance = 0. Check on phasing dwgs nos correct.

DEVELOPMENT COSTS. LAND: 21,679,718. PLANNING: 2,323,281. CONSTRUCTION: 28,552,157. FINANCE: 0. SALES: 2,269,769. Developers Profit: 13,240,318.

Planning fee calc. Table with columns: Planning app fee, dwgs, rate. Total: 39,108.

Stamp duty calc - Residual. Land payment: 21,679,718. Total: 1,073,486.

Stamp duty calc - Add Profit. Land payment: 3,577,833. Total: 178,892.

Pre CIL s106. 1,500 E/ Unit (all). Total: 249,000.

Post CIL s106. 1,500 E/ Unit (all). Total: 249,000. CIL: 250 E/m2. Total: 3,046,158.

Build Cost /m2. BCIS: 1,417. CISH: 0. Energy: 0. Design: 0. Acc & Adpt: 15. Water: 1. Small Sites: 0. Site Costs: 213. Total: 1,646.

LIT % GDV: 0.00%.

RESIDUAL CASH FLOW FOR INTEREST. Multi-year table (Year 1-6) with columns for quarters (Q1-Q4) and rows for INCOME, EXPENDITURE, COSTS BEFORE LAND INT AND PROFIT, For Residual Valuation, Cash Flow Opening Balance, Closing Balance.

CASH FLOW FOR CIL ADDITIONAL PROFIT. Multi-year table (Year 1-6) with columns for quarters (Q1-Q4) and rows for INCOME, EXPENDITURE, COSTS BEFORE LAND INT AND PROFIT, For CIL calculation, Cash Flow Opening Balance, Closing Balance.



Case Studies Site 5

SITE NAME Site 5 D Hemel Hempstead

Table with columns: INCOME, Av Size, %, Number, Price, GDV, GIA. Rows include Market Housing, Shared Ownership, Affordable Rent, Social Rent, Grant and Subsidy.

DEVELOPMENT COSTS table with columns: LAND, PLANNING, CONSTRUCTION, FINANCE, SALES, Developers Profit. Includes sub-totals for each category.

Planning fee calc table with columns: Planning app fee, No dwgs, No dwgs under 5l, No dwgs over 5l. Includes rates and totals.

Build Cost table with columns: BCIS, CISH, Energy, Design, Acc & Adpt, Water, Small Sites, Site Costs. Includes unit costs and percentages.

Stamp duty calc - Residual table with columns: Land payment, Total. Includes a visual representation of the land area.

Stamp duty calc - Add Profit table with columns: Land payment, 0%, 1%, 250,000, 500,000, 1,000,000, above. Includes percentages and totals.

Pre CIL s106 table with columns: 1,500 E/ Unit (all), Total. Includes unit and total values.

LIT % GDV table with columns: LIT, % GDV. Includes unit and percentage values.

Post CIL s106 table with columns: 1,500 E/ Unit (all), 250 E/m2, Total. Includes unit, area, and total values.

Sales per Quarter table with columns: Sales per Quarter, Unit Build Time, Quarters. Includes unit and quarter values.

Residual Land Value table with columns: Whole Site, Per ha NET, Per ha GROSS. Includes values for residual land value and uplift.

RUN Residual MACRO ctrl+r Closing balance = 0

RUN CIL MACRO ctrl+h Closing balance = 0

Check on phasing dwgs nos correct

Additional Profit table with columns: E/m2. Includes unit and total profit values.

RESIDUAL CASH FLOW FOR INTEREST table with columns: Year 1, Year 2, Year 3, Year 4, Year 5, Year 6. Includes sub-totals for INCOME, EXPENDITURE, COSTS BEFORE LAND INT AND PROFIT, and For Residual Valuation.

CASH FLOW FOR CIL ADDITIONAL PROFIT table with columns: Year 1, Year 2, Year 3, Year 4, Year 5, Year 6. Includes sub-totals for INCOME, EXPENDITURE, COSTS BEFORE LAND INT AND PROFIT, and For CIL calculation.

Case Studies
Site 7



SITE NAME Site 7 F Tring

INCOME	Av Size m2	%	Number	Price £/m2	GDV £	GIA m2
Market Housing	103.5	65%	236	5,700	139,153,112	24,413
Shared Ownership	67.9	9%	32	3,990	8,599,839	2,155
Affordable Rent	67.9	26%	95	2,700	17,458,321	6,466
Social Rent	67.9	0%	0	0	0	0
Grant and Subsidy	Shared Ownership Affordable Rent Social Rent			0 0 0	0 0 0	
SITE AREA - Net	10.84 ha		34	/ha	165,211,272	33,034
SITE AREA - Gross	14.52 ha		25	/ha		

Sales per Quarter	0
Unit Build Time	3 Quarters

	Whole Site	Per ha NET	Per ha GROSS
Residual Land Value	49,411,291	4,559,995	3,403,124
Alternative Use Value	362,985		25,000
Uplift	0%	0	0
Plus /ha	600,000	8,711,634	600,000
Viability Threshold	9,074,619		625,000

Additional Profit	57,926,363	2,373
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RUN Residual MACRO ctrl+r
Closing balance = 0

RUN CIL MACRO ctrl+h
Closing balance = 0

Check on phasing dwgs nos
correct

DEVELOPMENT COSTS	Unit or m2	Total
LAND	136,119	49,411,291
Land		
Stamp Duty		2,460,065
Easements etc.		0
Legals Acquisition	1.50%	741,169
3,201,234		
PLANNING		
Planning Fee	66,294	
Architects	4.00%	2,593,544
QS / PM	0.50%	324,193
Planning Consultants	1.00%	648,386
Other Professional	2.50%	1,620,965
5,253,381		
CONSTRUCTION		
Build Cost - BCIS Based	1,719	56,771,591
s106 / CIL		6,647,707
Contingency	2.50%	1,419,290
Abnormals		0
64,838,588		
FINANCE		
Fees		0
Interest	6.00%	0
Legal and Valuation		0
0		
SALES		
Agents	3.0%	4,956,338
Legals	0.5%	826,056
Misc.		0
5,782,395		128,486,889
Developers Profit		
% GDV	17.50%	28,911,973
% Costs	0.00%	0

Planning fee calc	dwgs	rate
Planning app fee	363	
No dwgs	50	462
No dwgs under 5l	313	138
23,100		43,194
Total		66,294

Stamp duty calc - Residual	Total
Land payment	49,411,291
Total	2,460,065

Stamp duty calc - Add Profit	Total
Land payment	9,074,619
125,000	0%
250,000	1%
500,000	3%
1,000,000	4%
above	5%
Total	453,731

Pre CIL s106	1,500	£/ Unit (all)	
Total	544,500		

Post CIL s106	1,500	£/ Unit (all)	544,500
CIL	250	£/m2	6,103,207
Total			6,647,707

Build Cost	/m2	
BCIS	1,419	
CFSH	0	0.00%
Energy	0	
Design	0	
Acc & Adpt	15	
Water	1	
Small Sites	0	0%
Site Costs	284	20%
1,719		

LIT	% GDV	0.00%	0
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RESIDUAL CASH FLOW FOR INTEREST

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24
INCOME	50	100	100	100	13																			
UNITS Started		19,167,095	38,334,191	38,334,191	38,334,191	4,983,445	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Market Housing		1,184,551	2,369,102	2,369,102	2,369,102	307,983	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Shared Ownership		2,404,727	4,809,455	4,809,455	4,809,455	625,229	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Affordable Rent		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Social Rent		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Grant and Subsidy		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
INCOME	0	22,756,374	45,512,747	45,512,747	45,512,747	5,916,657	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
EXPENDITURE																								
Stamp Duty	2,460,065																							
Easements etc.	0																							
Legals Acquisition	741,169																							
Planning Fee	66,294																							
Architects	2,593,544		0																					
QS	324,193		0																					
Planning Consultants	648,386		0																					
Other Professional	1,620,965		0																					
Build Cost - BCIS Base		7,819,778	15,639,557	15,639,557	15,639,557	2,033,142	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
s106/CIL		75,000	150,000	6,253,207	150,000	19,500	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Contingency		195,494	390,989	390,989	390,989	50,829	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Abnormals		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Finance Fees	0																							
Legal and Valuation	0																							
Agents	0	682,691	1,365,382	1,365,382	1,365,382	177,500	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Legals	0	113,782	227,564	227,564	227,564	29,583	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Misc.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
COSTS BEFORE LAND INT AND PROFIT	8,454,615	8,886,746	17,773,492	23,876,699	17,773,492	2,310,554	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
For Residual Valuation																								
Land	49,411,291																							
Interest		3,471,954	2,848,094	1,354,624	137,739	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Profit on Costs																								
Profit on GDV																								28,911,973
Cash Flow	-57,865,906	10,397,673	24,891,161	20,281,424	27,601,516	3,606,103	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-28,911,973
Opening Balance	0																							0
Closing Balance	-57,865,906	-47,468,233	-22,577,071	-2,295,647	25,305,869	28,911,973	28,911,973	28,911,973	28,911,973	28,911,973	28,911,973	28,911,973	28,911,973	28,911,973	28,911,973	28,911,973	28,911,973	28,911,973	28,911,973	28,911,973	28,911,973	28,911,973	28,911,973	0

CASH FLOW FOR CIL ADDITIONAL PROFIT

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24
INCOME																								
As Above	0	22,756,374	45,512,747	45,512,747	45,512,747	5,916,657	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
EXPENDITURE																								
Land	9,074,619																							
Stamp Duty	453,731	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Easements etc.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Legals Acquisition	136,119	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Planning Fee	66,294	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Architects	2,593,544	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
QS	324,193	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Planning Consultants	648,386	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Other Professional	1,620,965	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Build Cost - BCIS Base	0	7,819,778	15,639,557	15,639,557	15,639,557	2,033,142																		

Appendix 8 – Terms of Reference

4. WHAT SITES ARE TO BE INCLUDED IN THE SITE ASSESSMENT STUDY?

There are up to 160 sites that need to be evaluated by the Site Assessment Study. The various sources of these sites are indicated below:

1. Sites included in the Dacorum Schedule of Site Appraisals (draft) – October 2017
2. Additional sites from the 2016 Strategic Housing Land Availability Assessment (SHLAA) 2016
3. Additional sites from the 2017 ‘call for sites’ exercise
4. Additional sites from the 2015 ‘call for sites’ exercise
5. Additional sites from the 2014 ‘call for sites’ exercise
6. Additional sites that may be submitted to the Council for consideration after the initial completion of this Assessment, which would need to be formally assessed as part of an Addendum Report to the Study (likely to be no more than 10 sites in total)
7. Additional strategic sites with long-term growth potential

Tenderers should set out what GIS constraints/policy layers they need in relation to these sites and who they expect to receive those layers from.

Please see at Appendix 3, a list of sites to be assessed. A map showing the location and extent of these sites will be produced as soon as possible.

5. INFORMATION ABOUT THE SITES TO BE INCLUDED IN THE SITE ASSESSMENT STUDY

The Schedule of Site Appraisals (draft) 2017 is available at:

<http://www.dacorum.gov.uk/docs/default-source/strategic-planning/schedule-of-site-appraisals-draft---october-2017.pdf?sfvrsn=8>

Pages 9 and 10 of the Schedule of Site Appraisals contains a list of the 30 sites that were appraised. Each of the sites were appraised on a factual basis in the document, but no conclusions were drawn over their suitability.

The Strategic Housing Land Availability Assessment (SHLAA) 2015/16 is available at:

<http://www.dacorum.gov.uk/home/planning-development/planning-strategic-planning/new-single-local-plan/technical-work-for-the-early-partial-review>

The SHLAA includes information on the key constraints for each site.

Responses to the Call for Sites processes in 2014, 2015 and 2017 provide some initial information about the sites submitted through those processes.

A summary of responses to the 2017 Call for Sites (as at June 2018) and a map of these sites is available via the following link, (although not all these sites will be covered in the Site Assessment i.e. those in the existing settlement area):

<http://www.dacorum.gov.uk/home/planning-development/planning-strategic-planning/new-single-local-plan/a-call-for-potential-development-sites>.

Please note there may be some duplication, as some sites may feature in both the SHLAA and in the Call for Sites responses, and/or the Schedule of Sites Appraisals. The latest version of information available should be used to inform the Study.

The contracted consultant should agree with the Council at the Inception Meeting any further information they need to inform the Study and by when, advising if there are any significant information requirements that need to be bought in and at what stage this information would be required in the Study process.

The Council has already been supplied with a variety of information on sites from developers, landowners or agents promoting their site, including vision statements and a range of technical studies.

These will be made available to the successful tenderer. All information should be treated with confidence. Further information may also have been received via the Issues and Options Consultation, these comments are available from:

http://consult.dacorum.gov.uk/portal/planning/lp/io/io_

If the contracted consultant requires additional information from site promoters, initial contact should be instigated by the Council. A decision will then be made by Council officers on how best to obtain this information. It should be noted that there are already ongoing discussions between Council officers and promoters of some sites. Some 25 of the 30 sites appraised in the Schedule of Site Appraisals document were subject of landowner meetings during March-April 2017. Further discussions between the Council and landowners are likely to take place as the Site Assessment Study progresses.

6. EVIDENCE BASE STUDIES TO INFORM THE SITE ASSESSMENT

A wide range of evidential studies are being undertaken to inform the new Local Plan. Evidential studies which are particularly relevant for the Site Assessment Study which are either completed or expected to be completed during the course of the Study are shown below:

A) Completed Evidential Studies

	Evidential Study	Comments
1	Green Belt Review – Stage 1 (November 2013) See Note 1 below	Assessment of Green Belt land in Dacorum, St Albans and Welwyn Hatfield Districts against national Green Belt purposes.
2	Stage 2 Green Belt Review and Landscape Appraisal (January 2016) See Note 1 below	Further appraisal of those parts of the Green Belt in Dacorum identified at Stage 1 as “contributing least” to national Green Belt purposes, together with other land surrounding the borough’s main settlements.
3	South West Hertfordshire Strategic Housing Market Assessment (February 2016) <i>(Please note: a Local Housing Need Assessment, which will update the SHMA has been commissioned)</i> See Note 1 below	Assessment of future development needs 2013-2036 for housing (both market and affordable) across the SW Herts housing market area. Also considered the need for different types of housing and the housing needs of different groups.
4	South West Hertfordshire Economic Study (February 2016) <i>(Please note: update has been commissioned)</i> See Note 1 below	Identified the scale and characteristics of employment growth the SW Herts functional economic market area (FEMA) might plan for 2013-2036, and employment land/floor space requirements. Also provided a high level review of some existing employment areas and potential future sites.
5	Strategic Housing Land Availability Assessment (April 2016) See Note 1 below	High level assessment of potential housing sites in the Borough for the period to 2036.
6	2036 COMET Dacorum Local Plan Scenario (April 2018) See Note 1 below	Commissioned with Hertfordshire County Council to produce a 2036 forecast for the Borough of the COMET transport model for spatial distribution based on Option 2C in the Issues & Option Consultation (a 756 dwellings per annum level of growth).

	Evidential Study	Comments
7	Settlement Hierarchy Study (October 2017) See Note 1 below – within Towns, Villages and Countryside section	Assessment of the sustainability of Borough's settlements and their ability to accommodate growth.
8	Settlement Profiles Paper (October 2017) See Note 1 below – within Towns, Villages and Countryside section	Assessment of key facilities in settlements.
9	Dacorum Employment Land Availability Assessment (October 2017) See Note 1 below	In the context of the SW Herts Economic Study, the ELAA considered whether any new land should be identified for employment uses or any existing sites released.
10	Sustainability Appraisal – scoping report (March 2017) See Note 1 below	Sets the framework for the future Strategic Environmental Appraisal (SEA) and Sustainability Appraisal (SA) of the new Local Plan.
11	Sustainability Appraisal Working Note: Issues and Options Consultation (October 2017) See Note 3 below	Assesses the potential social, economic and environmental implications of the issues and options put forward.
12	Sustainability Appraisal Working Note: Schedule of Site Appraisals (October 2017) See Note 3 below	Includes information on key larger Green Belt sites, which have been suggested by landowners and developers for future housing and other uses.
13	Open Space Study (March 2008) <i>(Please note: update is being commissioned)</i> See Note 2 below	The Open Space Study covers the quantity and quality of open space across the borough and identifies areas of deficiency.
14	Parking Standards Review (October 2017) <i>(Please note: a Parking SPD is to be commissioned)</i> See Note 1 below	Markides Associates have carried out a Technical Review of our current parking standards (contained in Appendix 5 of the 2004 Dacorum Borough Local Plan). Appendix 5 remains the extant parking standards at this time.
15	Landscape Character Assessment for Dacorum (May 2004) See Note 1 below	Classification of landscape types and boundaries, partly to advise on policy development for future development plans.
16	Strategic Flood Risk Assessment (Volume 1, August 2007; Volume 2, June 2008) <i>(Please note: Stage 1 is currently being updated, once Stage 1 is completed a Stage 2 update will be undertaken (if relevant))</i> See Note 2 below	Stage 1: Assessed all forms of flood risk, taking into account climate change, to form an evidence base to locate future development primarily in low flood risk areas. Stage 2: Hydraulic modelling of River Gade at Hemel Hempstead and breach modelling of Grand Union Canal at Berkhamsted.
17	Infrastructure Delivery Plan (IDP) – most up to date version is from 2017	To support the Core Strategy (delivering a level of 430 homes a year)

	Evidential Study	Comments
	<p>Please also refer to the previous more technical versions of the IDPs (2012, 2014, 2015 and 2016) and also the Strategic Infrastructure Report 2011 (and supporting technical studies)</p> <p>See Note 4 below</p>	

Note 1: Please follow the link below:

<http://www.dacorum.gov.uk/home/planning-development/planning-strategic-planning/new-single-local-plan/technical-work-for-the-early-partial-review>

Note 2: Please follow the link below:

<http://www.dacorum.gov.uk/home/planning-development/planning-strategic-planning/evidence-base/looking-after-the-environment>

Note 3: The Sustainability Appraisals for the Issues and Options Consultation are available from:

<http://www.dacorum.gov.uk/home/planning-development/planning-strategic-planning/new-single-local-plan>

Note 4: The IDP is available from:

<http://www.dacorum.gov.uk/home/planning-development/planning-strategic-planning/evidence-base/infrastructure-and-delivery>

B) Evidential Studies Currently Underway or to be Commissioned

	Evidential Study	Comments
18	SW Herts Retail and Leisure Study	Underway. Due for completion August 2018
19	Viability Assessment	Both for the whole Local Plan and individual sites. To be commissioned following completion of Site Assessment Study.
20	COMET Model for whole district and Paramics Model (finer grain modelling for Hemel Hempstead)	Further runs (as strategy, level of growth and distribution emerges). To be commissioned in parallel to Site Assessment Study.
21	SW Herts Local Housing Need Assessment (SHMA update)	Underway. Due for completion November 2018.
22	SW Herts Economic Study update	To be commissioned in August 2018. Due for completion November 2018.
23	Gypsy and Traveller Accommodation Assessment	Underway. Due for completion August 2018.
24	Hertfordshire Water Study	Underway. Due to be completed 2018/19.
25	SW Herts Strategic Flood Risk Assessment Level 1	Underway. Due to be completed late Summer 2018.
26	Parking Standards SPD	To be commissioned. Due for completion January 2019.
27	Habitats Regulations Assessment (HRA) – Scoping Report	Underway. Due for completion November 2018. To be followed by Appropriate Assessment (if required).

	Evidential Study	Comments
28	Emerging Sustainability Appraisal Working Note for the Pre-Submission version of the plan and relevant site appraisals	Underway. Due for completion Summer 2019. Two-way process between site assessment study and SA/SEA site assessment.
29	SW Herts Growth & Transport Plan	Underway. Currently being consulted upon by Herts CC and likely to be adopted by the end of 2018.

7. THE APPROACH TO ASSESSING SITES

Tenderers should provide a clear explanation of their methodology for assessing the suitability of sites.

The assessment should cover a wide range of factors to give the Council a robust basis for deciding which sites should be allocated in the new Local Plan.

It should be emphasised that the Council is not looking for recommendations on which sites should be directly allocated within the new Local Plan. Rather, the Study should indicate the suitability of each site by placing each site in one of four tiers, ranging from sites that performed best in the assessment to those that performed worst. This will give the Council flexibility to decide which sites it considers should be allocated in the new Local Plan together with a pool of “next best” sites, should they be required.

Key issues to be addressed in the Site Assessment should include:

- The importance of particular sites in terms of the Green Belt purposes;
- The ability to provide safe access to the site;
- The ability for development to incorporate and deliver new infrastructure, community facilities, improved local services or additional economic value to the local area;
- The full infrastructure requirements for each site, which need to be delivered to ensure sustainable development;
- Any environmental constraints which need to be considered either preserved or enhanced as part of a development, or which might prevent an efficient development;
- The landscape impact of developing the site and if possible, how this might be mitigated;
- The ability of the site to deliver an appropriate mix of housing to meet local needs;
- The ability of the site to deliver 40% of new housing as affordable housing;
- An estimate of potential built form capacities.
- The availability and deliverability of sites (including an estimated annual build-out rate/trajectory for each site, settlement and collectively across Dacorum), testing this against information provided by landowners/developers/agents.

The approach to assessing sites should take account of the work already carried out by the Council. Appendix 2 summarises the various site assessment documents produced by the Council since 2006. This includes evidence which has been produced to support the Core Strategy, Site Allocations DPD and new Local Plan. This should be read in conjunction with the selection of sites listed in section 4 of this tender brief.

A Sustainability Appraisal Working Note of the sites included in the Schedule of Site Appraisals 2017, has been produced by the Council’s sustainability consultants and is available online. An update of the Working Note will be produced to support the Pre-Submission stage of consultation, and in turn, could be used to inform the Site Assessment final report. The revised Working Note will cover all the sites to be assessed by this Study.

Tenderers should explain the range of in-house (or external) expertise they will be using to help complete the Study. They should also make clear how they will liaise with the Council and other the

specialist advisors and infrastructure providers such as the County Council (e.g. highways, schooling, ecology, archaeology, etc.), the Environment Agency on flood risk issues, and others to help evaluate the suitability of sites for development.

Particular points to be covered in the Site Assessment Study

The Council envisages that the Site Assessment Study should reflect the following points. Tender submissions should explain the proposed approach to these points:

- **Early ‘Sieving’ of Sites:** It is envisaged that Site Assessment may involve a sieving process, whereby sites that perform very poorly at the first stage of the assessment do not go on to the further, more detailed stages of assessment. If so, submissions must explain the criteria to be used to determine whether or not sites should be allowed to progress for more detailed evaluation.
- **Infrastructure:** The Site Assessment should set out the infrastructure requirements for each site, including requirements for off-site infrastructure improvements. This will necessitate close working with key infrastructure providers, dealing with matters such as highways, rights of way, schools, utility provision and health provision, and liaison with the Council’s Infrastructure, Projects and Delivery team. The proposed approach should be set out in tender submissions and will be discussed at the Inception Meeting.

Tenderers should take the opportunity to consider whether new green infrastructure could play a role in offsetting the potential loss of any green belt release site. Paragraph 137 in the draft revised NPPF states that strategic plan-making authorities should:

“...set out ways in which the impact of removing land from the Green Belt can be offset through compensatory improvements to the environmental quality and accessibility of remaining Green Belt land.”

The Site Assessment should also consider if there are opportunities on these sites to provide compensatory measures to limit impacts on the Green Belt.

- **Viability:** The Council is expecting the Site Assessment Study to involve a ‘high level’ assessment of viability for each site taken forward for detailed evaluation. The Site Assessment should indicate any sites where the consultant thinks there may be a problem regarding viability which could affect the sustainable delivery of the site and its ability to deliver the full range of planning obligations, including affordable housing, which would normally be required as part of the development.
- **Balancing Green Belt and other factors:** The consultants will need to take particular account of the conclusions of the Green Belt Stage 2 Study. The Council would not expect the consultants to form different conclusions in terms of the purposes of the Green Belt identified in that study pertaining to the Green Belt parcels of land it considered, however it would expect the Site Assessment to take full account of the advice in the NPPF in respect of the need to promote sustainable patterns of development etc. when determining which sites may be considered more suitable for development.
- **Dwelling Capacity of Sites:** The Site Assessment should provide advice on the potential housing capacity of sites. Tender submissions should set out the proposed approach to this matter. The Council does not favour standard density assumptions being applied for all sites. Rather, we are looking for an approach which reflects the characteristics of individual sites, the amount of land likely to be used for non-residential uses such as schools and open space and takes account of the findings of the Local Housing Need Assessment (currently underway) in terms of the type and size of housing needed across the Borough. Tenderers should explain what approach they would take to dealing with any differences between their conclusions regarding capacity and the indicative capacities where provided by promoters.
- **Accessibility/Sustainability:** The Site Assessment must confirm that safe and satisfactory vehicular access arrangements can be secured to the site. The Study must also objectively review the accessibility of sites to key local facilities, taking into account the opportunities (and constraints) for improving the walking and cycling network and public transport in association with development. Assessment should also take into account feedback on sites from the

Council's sustainability consultant (TRL). Some sustainability assessments for sites are available in the Sustainability Working Note for the Schedule of Site Appraisals (2017).

- **Flood Risk:** The Site Assessment should also review flood risk issues in respect of each site, and consider if how these might be overcome, if appropriate, through the location and design of different uses. This should make use of the outcomes of the emerging SFRA Level 1 (which considers each site's defined % risk of flooding from flood zones 1, 2 and 3 (A & B) surface water, ground water and reservoirs). The Council would not expect the consultants to form different conclusions to the SFRA Level 1 for each site.
- **Deliverability:** The consultants should explain their methodology for confirming the deliverability of sites, setting out both an agreed trajectory for site development and any particular site or infrastructure development issues which may be a 'block' or delay an early start to build out of the development.
- **Weighting of Factors:** The Site Assessment should state how the various factors have been balanced when conclusions are drawn over which 'tier of suitability' each site should be placed in. If the use of a scoring system is favoured, submissions should explain any weighting used.
- **Conclusions for each settlement:** The Study should present its assessment of each site, but also form conclusions on the best sites or combination of sites available within each of the Borough's key settlements, looking in turn at Hemel Hempstead, Berkhamsted, Tring, and then the large villages (Bovingdon, Kings Langley and Markyate). This should take particular account of opportunities to deliver new community facilities or infrastructure of significant benefit to a local community which are only likely to arise through a combination of development sites.



HDH Planning and Development Ltd is a specialist planning consultancy providing evidence to support planning authorities, land owners and developers.

The firm is led by Simon Drummond-Hay who is a Chartered Surveyor, Associate of Chartered Institute of Housing and senior development professional with a wide experience of both development and professional practice. The firm is regulated by the RICS.

The main areas of expertise are:

- Community Infrastructure Levy (CIL) testing
- District wide and site specific Viability Analysis
- Local and Strategic Housing Market Assessments and Housing Needs Assessments
- Future Housing Numbers Analysis (post RSS target setting)

HDH Planning and Development have public and private sector clients throughout England and Wales.

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