Question number and subject	C&W Assumption	Respondent One	Respondent Two	Respondent Three	Respondent Four
2.1 Viability testing methodology		Agreed	This viability study will also need to align with key outputs from the GL Hearn's emerging Leicester & Leicestershire Housing and Economic Development Needs Assessment (HEDNA). In particular, any policy targets relating to the percentage of affordable housing and the mix of housing that that the Council wish to see provided on sites should be framed in the context of the most up to date evidence contained within the HEDNA.	Yes (broadly)	Yes
3.1 Market Areas; Do you agree with the market areas as illustrated?		No – it is hard to categorise areas in this broad way given the values vary so much from village to village in each area		Yes - Subject to the caveat that within each market area there are inevitably significant differences in values due to particular circumstances connected with a site put forward for development such as precise location within a settlement area, what facilities are actually available, aspect, etc.. There could be some sites in Value Area 1 which would be incapable of delivering high value dwellings. Likewise, a well sited development within Value Area 3 could generate higher sales values than the average. There should therefore be mechanisms built into any appraisal which allows adjustment to suit the particular 'given' assumptions.	These values appear to only reflect the private housing market. Working in the public sector as an RP, we will be increasingly looking to develop schemes with a majority of shared ownership, and on small to medium sized sites, which to not bring with them any economies of scale. Further more our units , whilst only 2 and 3 bed properties (not larger) are built at sizes usually larger than std house builder types for the number of bedrooms. Therefore we take up a larger footprint per unit and so I think that the density assumption is a bit high on smaller schemes see 1,2 and 3 below.. This is not necessarily reflected in the value. This distorts the general assumptions about sites when compared to developer led sites with a greater variety of sizes.

3.2 Do the selection of site sizes, dwelling mixes and densities reflect an appropriate range for Melton?

C&W Assumption

	Developable area		Development density (DPH)	No of units	Housing mix %				
	Net developable area (Ha)	(acres)			1 bed house	2 bed house	3 bed house	4 bed house	5 bed house
Scheme 1	0.3	0.74	35	10.5	5%	35%	50%	5.0%	5.0%
Scheme 2	0.50	1.24	35	17.5	5%	35%	50%	5.0%	5.0%
Scheme 3	1.00	2.47	35	35.0	5%	35%	50%	5.0%	5.0%
Scheme 4	1.50	3.71	35	52.5	5%	35%	50%	5.0%	5.0%
Scheme 5	2.00	4.94	35	70.0	5%	35%	50%	5.0%	5.0%
Scheme 6	3.00	7.41	35	105.0	5%	35%	50%	5.0%	5.0%
Scheme 7	4.00	9.88	35	140.0	5%	35%	50%	5.0%	5.0%
Scheme 8	5.00	12.36	35	175.0	5%	35%	50%	5.0%	5.0%
Scheme 9	10.00	24.71	35	350.0	5%	35%	50%	5.0%	5.0%

Respondent One: Yes

Respondent Two: [We)] consider that the suggested list will need to be extended in order to reflect all of the development options that are available. in particular, the larger scale development opportunities that exist in the area. It is therefore necessary, in addition to those listed in the consultation document, for schemes of circa 500 units to be considered through this process.

Respondent Three: No - For the schemes with a larger net developable area there should be a greater percentage of 4 and 5 bedroomed houses – especially within 'Value Area 1'

Respondent Four: See above question 3,1

3.3 Do you agree with the size assumptions in the above table?

C&W Assumption

House type	Size (sq m)	Size (Sq ft)
1 bed house	58	624
2 bed house	70	753
3 bed house	85	915
4 bed house	100	1076
5 bed house	110	1184

Respondent One: No;

Type	Sqm	Sqft
1 b	58	624
2 b	70	753
3 b	85	915
4 b	115	1236
5 b	140	1805

Respondent Three: No

House type	Size (sq m)	Size (Sq ft)
1 bed house	39 - 58	419 - 624
2 bed house	70 -79	753 – 850
3 bed house	84 – 102	904 - 1098
4 bed house	97 – 124	1044 – 1335
5 bed house	110 - 128	1185 - 1378

Respondent Four: No

House type	Size (sq m)	Size (Sq ft)
1 bed house	45	
2 bed house	68	
3 bed house	82	
4 bed house		
5 bed house		

Question number and subject	C&W Assumption	Respondent One	Respondent Two	Respondent Three	Respondent Four
3,4 Do you agree with the sales value assumptions?	**Current net sales values assumptions** table: 		£ per sq m	£ per sq ft
Value Area 1 (High)	23	250
Value Area 2 (Medium)	18	195
Value Area 3 (Low)	16	175		No 		£sqm	£sqft
Val area 1	21.68	235
2	18	195
3	15.81	170			No **Current net sales values assumptions** table: 		£ per sq m	£ per sq ft
Value Area 1, 2 and 3	The same answer as given for Q 3.1	It cannot be assumed that all houses built in a particular Value Area will achieve the same sales price	
3.5 Do you agree with our build cost assumptions?			**Build cost (£)**		**Plus 10% uplift for external works (£)**	
	£ per sq m	£ per sq ft	£ per sq m	£ per sq ft
Houses (schemes of less than 80 dwellings)	915	85	1006	93.5
Houses (schemes of 80 dwellings and more)	861	80	947	88		No. |	£sqm	£sqft	£sqm 10%	£s 10
-80	1021	95	1124	10
80+	989	92	1087.90	10	 A lot of the 'high value' areas are stone villages so account needs to be taken of these on specific sales as this will have a big impact on viability	We note that various assumptions have been made with regard to build costs, phasing and delivery. It is advisable for these matters to be informed by benchmarking against schemes that have been delivered across the housing market area, whilst also taking into account the changes that are likely to occur over the plan period as a result of economic cycles on outputs such as site delivery rates.	No 		**Build cost (£)**	
	£ per sq m	£ per sq ft
Houses (schemes of less than 80 dwellings)	Add 10%	
Houses (schemes of 80 dwellings and more)	Add 10% and a further 10% for Value Area 1		 No differential is made between the 'base build cost' for Affordable Housing and private sale housing – although a differentiation is made between the two categories when considering Developer's Profit, below. Also, the 'base build cost' is very competitive for the current market and as Central Government legislation continues to require more sustainable buildings with greater thermal efficiencies, etc., these figures are unrealistic for the purposes of a 'typical'/ average development and 10% should be added to reflect the variations across the region.	No 		**Build cost (£)**		**Plus 10% uplift for external works (£)**	
	£p as m	£ per sq ft	£ per sq m	£ per sq ft
Houses (schemes of less than 80 dwellings)			1050 to 1200 approx	
Houses (schemes of 80 dwellings and more)					 Figures above for schemes with no abnormals. A lot of our sites (RPs) tend to be residual in nature, and our likely to include expensive additional works such as decontamination/ retaining/ pumping stations/ demolition etc.
3.6 Please detail below whether you agree or disagree with the assumptions proposed in terms of other development costs and phasing. Please detail whether any other consideration should be taken.	**Phasing assumptions** 	Lead in	Three months
Construction / sales	Sales staggered six months after construction start
Sales rates	50 units per annum per outlet. All sites assume a single house builder.		The lead in should be a minimum of 6 months and sales staggered 9 months from construction start and around 40 units per year.		Lead in time from grant of Planning consent to start on site is more realistically 6 months. Time is required to cover the period for obtaining reserved matters approvals, the preparation of detailed working drawings, etc..	Not generally applicable but OK
3.7 Please detail below where you agree and disagree with the assumptions proposed and whether		Broadly agree however in relation to renewable these have to be assessed separately		There needs to be clarity regarding the assumptions made as to whether s.106 contributions are assumed to be payable or not. The National Space Standards should be adopted. The requirements of the self-build initiative should be adopted and taken into account	Space stds – has been mentioned before. Most LAs are taking the view that these should not be applied. If applied to social housing offers for s106 units are likely to fall as a percentage of OMV as the rents which can be recovered for a larger property are no different from a smaller one with the same number of bedrooms. Most RPs restrict their Affordable rents to the LHA level. There are 3 BMRAs

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					covering Melton and variances in LHA of £10 per week. The mix of rent and shared ownership should be flexible. It is debateable as to whether or not RPs will be interested in making offers for Social Rent product. In any event the rules about LHA would probably still apply. Our experience indicates that CIL contributions etc make 100% affordable schemes unviable.
3.8 Please comment on our approach to land value benchmarks and provide evidence of your experience of residential land values across the Borough of Melton	Approach 1 was Shinfield with following EUVs • Greenfield agricultural land use – £18,500 per ha (£7,500 per acre) • Brownfield (Melton Mowbray Urban Area only) – £494,000 per ha (£200,000 per acre) • Brownfield employment land use (Other) – £370,500 per ha (£150,000 per acre) Approach 2 was market value zones: {see table below}			Approach 2 does not appear to be sufficiently flexible to take account of local variations on deliverability and viability within a particular 'Value Area'. Approach 1, therefore, appears to be a more acceptable methodology.	NA – no evidence

	Market values (£ per net developable acre)	Discount from market value	Benchmark land value (minimum return)
Value Area 1 (High)	£400,000	20%	£320,000
Value Area 2 (Medium)	£300,000	20%	£240,000
Value Area 3 (Low)	£250,000	20%	£200,000