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Test Valley Borough Council: Strategic Sites Viability Testing



Prepared for
Test Valley Borough Council

December 2023

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1 Introduction

- 1.1 Test Valley Borough Council has commissioned this study to consider the viability of 9 strategic sites which together will deliver circa 5,600 residential units over the period of the emerging Local Plan 2040.
- 1.2 This testing assess the financial viability of these 9 sites in advance of detailed design work being undertaken and is based on capacity assessed by Council officers. When applications come forward, more detailed work will be undertaken by the applicants in relation to design, ground conditions and infrastructure requirements. There may therefore be a need for more detailed viability testing to be undertaken at the development management stage.
- 1.3 This report should be read in conjunction with our report on the viability of the emerging Local Plan 'Test Valley Local Plan Viability Assessment and CIL Review' (December 2022).

BNP Paribas Real Estate

- 1.4 BNP Paribas Real Estate is a leading firm of chartered surveyors, town planning and international property consultants. The practice offers an integrated service from nine offices within the United Kingdom and over sixty offices in key commercial centres in Europe, the United States of America and the Asian and Pacific regions.
- 1.5 BNP Paribas Real Estate has a wide ranging client base, acting for international companies and individuals, banks and financial institutions, private companies, public sector corporations, government departments, local authorities and registered providers (RPs).
- 1.6 The full range of property services includes:
 - Planning and development consultancy;
 - Affordable housing consultancy;
 - Valuation and real estate appraisal;
 - Property investment;
 - Agency and Brokerage;
 - Property management;
 - Building and project consultancy; and
 - Corporate real estate consultancy.
- 1.7 This report has been prepared by Anthony Lee MRTPI MRICS, RICS Registered Valuer.
- 1.8 We have extensive experience of advising landowners, developers, local authorities and RPs on the value of affordable housing and economically and socially sustainable residential developments. We have also advised over sixty authorities on the viability of development in their areas for the purposes of setting local plan policies and CIL charging schedules.
- 1.9 Anthony Lee was a member of the working group under the chairmanship of Sir John Harman which prepared guidance titled 'Viability Testing Local Plans: Advice for Practitioners', published by the Local Housing Delivery Group in 2012. He was a member of the 'Developer Contributions Technical Expert Panel' established by MHCLG to advise on the use of viability assessments in local plans and development management. This group advised on the viability section of the 2019 Planning Practice Guidance. He is also a member of the RICS Working Group on the valuation of affordable housing.

Report structure

- 1.10 We have structured this report as follows:
 - In **Section 2**, we provide an overview of the role of viability in plan making and outline the approach adopted to testing viability, including establishing appraisal inputs and benchmark land values;
 - In **Section 3**, we provide a brief description of the strategic sites;

- In **Section 4** we outline the inputs adopted in our appraisals of the strategic sites;
- In **Section 5**, we review the outputs of the appraisals and the extent to which they will be viable over the plan period; and
- In **Section 6** we set out our conclusions.

Disclaimer

- 1.11 In preparing this report and the supporting appraisals, we have given full regard to the RICS Practice Statement ('PS') 'Assessing viability in planning under the National Planning Policy Framework for England 2019' (first edition, March 2021). However, paragraph 2.2.3 of the PS acknowledges that statutory planning guidance takes precedence over RICS guidance. Conflicts may emerge between the PS and the PPG and/or other adopted development plan documents. In such circumstances, we have given more weight to the PPG and development plan documents.
- 1.12 In carrying out this assessment, we have acted with objectivity, impartiality, without interference and with reference to all appropriate available sources of information.
- 1.13 We are not aware of any conflicts of interest in relation to this assessment.
- 1.14 In preparing this report, no 'performance-related' or 'contingent' fees have been agreed.
- 1.15 This report is addressed to Test Valley Borough Council only.

2 Approach to viability testing

- 2.1 The Council has commissioned this study to consider the ability of 9 strategic development sites to accommodate emerging Draft Local Plan policies alongside adopted rates of CIL in the adopted Charging Schedule.

Assessing viability

- 2.2 When establishing the extent to which developments in an area are viable and able to meet planning policy requirements, the key issue is the extent to which there is a 'surplus' above the value of the site in existing use (being the lowest value that a landowner would normally accept for their site). The ability of sites to accommodate policy requirements is therefore a key consideration in the plan making process; if the cumulative impact of policy requirements is too high, landowners may not bring their sites forward for development, or there may be a need for additional public investment to support growth to ensure the sites are deliverable. Viability at the plan making stage therefore helps to establish a level of policy requirements that can be viably provided in 'average' circumstances.
- 2.3 It is important to note that sites across a local authority area are typically heterogeneous; variations between sites and site-specific factors will mean that there is no 'one-size fits all' policy and a degree of flexibility is required in the application of plan policies. Most councils' policy requirements for affordable housing are framed as targets which are subject to site-specific circumstances, including the viability of development. When a developer is unable to meet the policy targets in full, the onus is upon them to demonstrate why the scheme cannot do so by submitting a Viability Appraisal with the planning application. The planning authority will then procure valuation advice to validate appraisals submitted by applicants and this process frequently results in a change in the level of affordable housing provision.
- 2.4 There are various appraisal models available to test the viability of developments. These models all share similar characteristics and can produce results in different ways. The main options are as follows:

Figure 2.4.1: Appraisal model (land value as a residual output)

GROSS DEVELOPMENT VALUE ('GDV') Private house and flat sales values Receipt from Registered Provider for affordable units Car parking sales Ground rents Investment value of commercial floorspace	A
LESS	
DEVELOPMENT COSTS Base build costs Site infrastructure Contingencies Professional fees Marketing costs and disposal fees Finance Planning obligations, CIL and other statutory costs	B
DEVELOPER'S PROFIT	C
RESIDUAL LAND VALUE	= A – (B + C)

Figure 2.4.2: Appraisal model (land as an input cost, profit as residual output)

GDV Private house and flat sales values Receipt from Registered Provider for affordable units Car parking sales Ground rents Investment value of commercial floorspace	A
LESS	
DEVELOPMENT COSTS Site value Base build costs Site infrastructure Contingencies Professional fees Marketing costs and disposal fees Finance Planning obligations, CIL and other statutory costs	B
SITE VALUE	C
PROFIT	= A – (B + C)

- 2.5 The same approach applies whether the appraisal is used for testing local plans or specific schemes submitted for consideration by development management teams. Clearly one of the additional key factors is time and flows of income and cost at various points over the development period, which we consider later. Developments which have large upfront costs of providing on-site infrastructure, with sales revenues received much later will incur more interest than developments which have low upfront costs and early revenue receipts. Interest incurred by the Developer will be a contributing factor to the residual land value; the lower the interest cost, the higher the residual land value (all other factors remaining equal of course).

Inputs to a development appraisal

- 2.6 Developments have unique characteristics that should be reflected in the inputs to a development appraisal. For example, sales values of individual units will be determined by aspect, location, height and internal specification, while build costs will be influenced by design, specification, ground conditions and so on.
- 2.7 When preparing a development appraisal, a valuer normally has regard to scheme-specific characteristics so that the result (in terms of residual land value) is reflective of these characteristics.
- 2.8 Inputs to an appraisal reflect the current day situation and circumstances may change very quickly. For example, sales values can change in response to changes in demand (up or down) over short periods of time. Although the impact of changes to inputs can be tested through sensitivity analyses, the base position will always be rooted in today's market conditions. Evidence provided in support of a development appraisal, whether area-wide or site specific, therefore has a short "shelf-life" and any user of an appraisal should have regard to the need to collect new and updated evidence if the viability of a scheme is to be re-visited. This issue can alternatively be addressed through sensitivity testing, which would re-model the scheme with a series of alternative inputs, such as change in sales values and build costs.
- 2.9 Appraisals on specific schemes will typically have more detailed inputs than those provided for the purpose of area wide or plan testing. When assessing the viability of a development proposal, the following evidence would typically be produced by the Applicant:
- **Sales values:** a unit-by-unit pricing schedule, showing how aspect, height, specification and location have been considered. This pricing schedule would normally be supported by an analysis

of comparable sales within the vicinity (if schemes have recently been sold) or other relevant developments that share similar characteristics.

- **Sales rates:** the speed at which units in a development are sold is an important factor in determining viability. Off-plan sales which result in completion of a sale when a unit reaches practical completion will improve the overall cashflow profile of the development. In other words, the sooner a unit is sold, the sooner the developer receives payment and this reduces finance costs.
- **Receipt from affordable housing Registered Provider ('RP'):** developers will typically sell the affordable housing units to an RP which will take responsibility for selling equity stakes in shared ownership units and letting the rented units. The developer would either provide a valuation of the units, based on anticipated rental income and/or the value of equity stakes sold, or provide offers from RPs for the units available.
- **Commercial floorspace:** some developments will include an element of commercial floorspace, such as retail, office or leisure uses. Appraising the residual value of these elements is similar, except that the method for arriving at a capital value is based on capitalising the expected rental income. Developers therefore need to evidence both the rental income and also investment yields, both of which can be demonstrated through comparable lettings and investment sales.
- **Build costs:** a cost plan for the proposed development, reflecting scheme-specific characteristics, including design, ground conditions, access issues and site constraints. Alternatively, the developer could use benchmark data, such as the Building Cost Information Service ('BCIS') database which collates tenders for live developments.
- **Professional fees:** developments typically require professional inputs from a group of specialists, ranging from design to rights of light advice. Schemes do not require an identical level of professional inputs, as they will vary in complexity. For example, the structural engineering input to a 15 storey tower scheme will clearly be greater than would be the case for a 2 storey house. Consequently, professional fees will lie within a range of 6% to 12% (possibly more in very exceptional circumstances). Developers would need to demonstrate why the level of fees used in their appraisal is appropriate to the nature of the scheme under consideration. Developers would normally need to evidence professional fees by providing a breakdown of the total between the different disciplines.
- **Marketing costs:** marketing costs include the Selling Agent's fees, but also the cost of show homes, advertising, brochures and overseas marketing activities. Marketing costs typically account for up to 3% of GDV, but can sometimes be higher in exceptional circumstances. For example, on schemes being sold out over very long periods, the marketing home and other material may require updating and re-branding to reflect changes in customer requirements.
- **Finance costs:** it is now uncommon for banks to fund the entire development cost and unless developers have access to their own equity, they will need to source the balance elsewhere (either through mezzanine finance or external equity). The cost of funds can vary in relation to the type of developer, their perceived longevity and their experience in the type of scheme they are seeking funding for. Funds may also vary in relation to the type of development, with more complex schemes with lengthy build out periods perhaps attracting higher funding costs than simpler schemes. However, the market accepts a medium-term blended finance rate of between 6% to 7% (inclusive of arrangement and exit fees).
- **Development profit:** profits are to an extent scheme-specific but also must have regard to the general stance adopted by banks who might fund the development. The PPG identifies a range of 15% to 20% of GDV for private housing profit and we generally see profits in viability assessments ranging from 17-20%, with a reduced profit on the affordable housing (6% of GDV). The primary purposes of profit are to enable the developer to secure a return on capital and to mitigate against risk (i.e. that the sales values anticipated in the appraisal are not achieved). Sales risk on the affordable housing is low, as there is strong demand from RPs for new stock and the developer enters in a binding contract prior to commencement of construction. 'First Homes' are not a

traditional affordable tenure and completed units are sold by the developer to individual purchasers and not to a RP. They therefore carry more risk than traditional affordable tenures, but arguably less risk than market housing due to the significant discount which widens the pool of potential purchasers.

Benchmark land value

- 2.10 The residual land value of a scheme is one half of the equation when testing its viability and ability to deliver affordable housing and other policy requirements. The other half of the equation is the benchmark or 'threshold' land value, i.e. the value that will be sufficient to bring the site forward for development. There has been considerable debate over the past few years on what constitutes an appropriate benchmark land value, which to an extent has not been assisted by the 2012 National Planning Policy Framework ('NPPF') which talked in general terms about "competitive returns" to landowners. The notion of a "competitive return" is clearly open to considerable variation in interpretation. The 2019 PPG has provided significant clarity on the matter, indicating that benchmark land value should be based on existing use value plus a premium to incentivise a reasonable landowner to release land for development.
- 2.11 For the purposes of our assessment of the 9 strategic sites, we have adopted an Existing Use Value plus premium approach to establishing benchmark land value, which is the approach favoured by the PPG.
- 2.12 The PPG indicates that "*the landowner premium should be tested and balanced against emerging policies*" and that "*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*". The guidance also stresses on five separate occasions that "price paid for land" should not be reflected in viability assessments.

3 Strategic sites

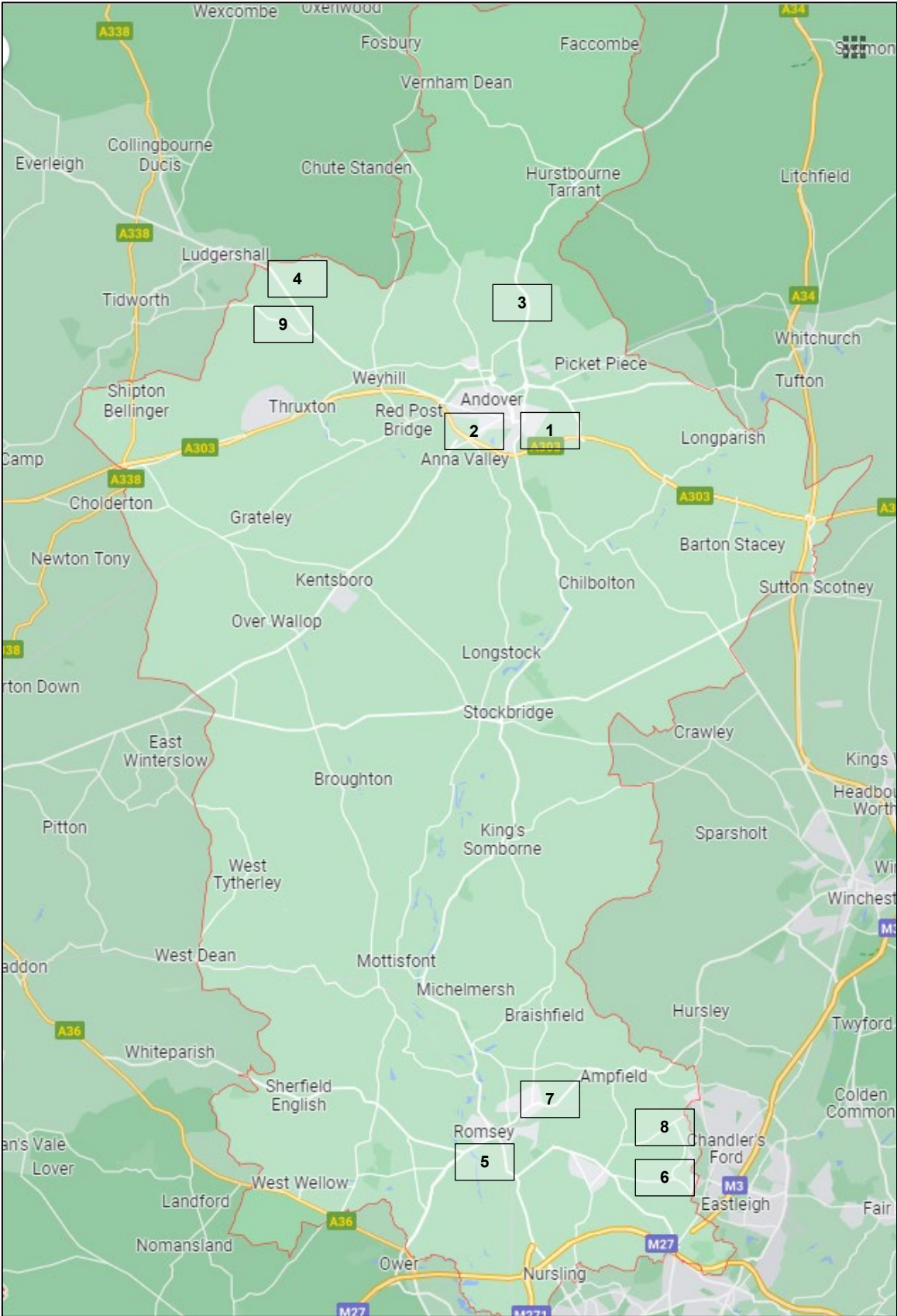
- 3.1 The Council has identified 9 strategic sites for testing purposes, which collectively provide 5,346 residential units (3,782 units in the north and 1,564 units in the south), 5,000 square metres of industrial/light industrial floorspace and 5,000 square metres of office floorspace.
- 3.2 The characteristics of the sites and the proposed quantum of development are summarised in Table 3.3.1
- 3.3 The net developable areas range from 32% to 80% of the gross site areas, allowing for the quantum of open space and other community facilities required by emerging plan policies. The net to gross site area has a significant bearing on scheme viability, as benchmark land value is based on gross site areas. As a general principle, sites with lower developable areas generate less value to meet the targeted benchmark land value than sites with higher developable areas.

Table 3.3.1: Strategic sites characteristics and assessed capacity

Site	Description	Gross site area HA	Net to gross (site)	No of residential units	Office (sqm)	Industrial/ Light industrial
1	Land South of London Road	5.30	47%	90	-	-
2	Land at Bere Hill, Land at Bere Hill Farm and Land at Bayliffs Bottom	77.86	53%	1,392	-	-
3	Land at Manor Farm	67.00	44%	800	-	5,000
4	Land east of Ludgershall	15.80	80%	350	-	-
5	Land south of bypass	3.80	79%	110	-	-
6	Velmore Farm (and Land at Castle Lane)	73.23	45%	1,070	5,000	-
7	Land at Ganger Farm (South)	31.00	32%	340	-	-
8	Land to north of King Edward Park/St James' Park/Wheelhouse Park, Baddesley Road	2.40	42%	44	-	-
9	Land south of A342 and east of Shoddesden Lane	55.00	70%	1,150	-	-

- 3.4 The approximate location of the 9 strategic sites is plotted on the map overleaf at Figure 3.4.1.

Figure 3.4.1: Indicative Location of strategic sites



4 Appraisal assumptions

4.1 This section summarises the appraisal inputs. It should be read in conjunction with Section 4 of the 'Test Valley Local Plan Viability Assessment' (December 2022) which provides more detailed background information on the inputs.

Residential sales values

4.2 Residential sales values applied to each of the strategic sites are summarised in Table 4.2. These relate to the values as outlined in Section 4 of the 'Test Valley Local Plan Viability Assessment and CIL Review' (December 2022).

Table 4.2.1: Residential sales values

Site	Value zone	Value per square metre
1, 2 and 3	A	£3,567
5 and 7	F	£4,485
4 and 9	H	£4,852
6 and 8	I	£5,036

4.3 Given the length of period over which some of the schemes will be developed, we have also run a sensitivity analysis which applies cumulative growth at a rate of 3.5% per annum and cumulative inflation of 2% per annum¹. This is not a forecast, but provides an indication of the impact of potential growth over the plan period.

Housing mix

4.4 The Council's Strategic Housing Market Assessment January 2022 ('SHMA') indicates that the housing mix summarised in Table 4.4.1 will be required across the Borough. We have reflected this mix in our appraisals.

Table 4.4.1: SMHA Housing Mix

Tenure	1-bedroom	2-bedrooms	3-bedrooms	4+-bedrooms
Market	5%	35%	40%	20%
Affordable home ownership	20%	40%	30%	10%
Affordable housing (rented)	35%	35%	25%	5%

Affordable housing tenure and values

4.5 Emerging Policy HOU1 (Affordable Housing) requires schemes capable of providing 10 or more units to provide 40% affordable housing. The Council's preferred tenure mix is 80% affordable and social rent and 20% intermediate, after 25% First Homes are taken into account (i.e. 60% social/affordable rent, 15% intermediate and 25% First Homes). We have tested the strategic sites with a tenure mix reflecting this requirement, with the First Homes at a 30% discount to market value.

4.6 The overall value for the rented housing element (assuming 50% social rent and 50% affordable rent) is £157 per square foot, or £1,690 per square metre. We have assumed that none of the strategic sites will benefit from grant funding.

¹ For example, Savills predict that after falling by 3% in 2024, values will increase by 3.5% in 2025, 5% in 2026, 6.5% in 2027 and 5.0% in 2028. Our 3.5% per annum growth rate is therefore reasonable for the purposes of a sensitivity analysis.

Rents and yields for commercial development

- 4.7 Strategic sites 3 and 6 incorporate non-residential floorspace (offices, industrial and light industrial). Our assumptions on rents and yields for the office and industrial floorspace are summarised in Table 4.11.1. These assumptions are informed by lettings of similar floorspace in the Borough since January 2020 and we have applied the upper quartile rents, reflecting higher rents achieved for newly built space. Our appraisals assume a 12-month rent-free period for all types of commercial floorspace.

Table 4.7.1: Commercial rents (£s per square metre) and yields

Commercial floorspace	Rent per square metre	Investment yield	Rent free period (months)
Office	£281	6.00%	12
Industrial and warehousing	£125	5.00%	12

Build costs

- 4.8 The build costs we have applied in the appraisals are consistent with those applied in the 'Test Valley Local Plan Viability Assessment and CIL Review' (December 2022), as follows:
- Base construction costs: £1,456 per square metre;
 - External works: 15% of base construction costs;
 - Site infrastructure (utilities, roads etc): 15% of construction costs;
 - Accessibility costs: M4(2) – 0.54% uplift to construction applied to 90% of units; M4(3) – 23.8% uplift to construction costs applied to 10% of units;
 - Net zero carbon standards: 5% cost uplift on construction costs applied to both residential and non-residential floorspace;
 - Biodiversity net gain: 1.4% of construction costs.

Professional fees

- 4.9 In addition to base build costs, schemes will incur professional fees, covering design and valuation, highways consultants and so on. Our appraisals incorporate a 6% allowance, which reflects the use of standard house types.

Development finance

- 4.10 Our appraisals assume that development finance can be secured at a rate of 6%, inclusive of arrangement and exit fees, reflective of current funding conditions.

Marketing costs

- 4.11 Our appraisals incorporate an allowance of 2.5% for marketing costs, which includes show homes and agents' fees, plus 0.25% for sales legal fees.

Test Valley Borough CIL

- 4.12 Although the adopted CIL Charging Schedule does not set different rates for strategic sites, the Council has instructed that our appraisals should exclude CIL in order to consider the impact this has on viability. Any departure from the adopted CIL rates would need to be considered further through a review of the CIL charging schedule alongside the timescale for adoption of the Local Plan. The rates that would normally apply to developments in the Borough are summarised in Table 4.12.1.

Table 4.12.1: CIL zones

Strategic sites	Zone	Indexed to Jan 2022
4, 6, 8 and 9	Zone 1	£212.82
5, 7	Zone 2	£170.26
-	Zone 3	£127.69
1, 2 and 3	Zone 4	£85.13

Section 106, highways works, SANG and nitrates

- 4.13 The Council has advised on the likely planning obligations, highways works, SANG and nitrates mitigation for each of the strategic sites. The planning obligations and highways works are summarised in Table 4.13.1. These estimates reflect the worst case scenario and assume no capacity in existing infrastructure.

Table 4.13.1: Planning obligations and highways works

Site	Highways contribution	Education (on-site costs) per dwg	Education (financial contribution) per dwg	Healthcare (financial contribution) per dwg	Public Art contribution per dwg
1	£6,517	£0	£6,865	£621	-
2	£6,517	£6,183	£7,046	£621	£152
3	£6,517	£6,570	£6,865	£621	£152
4	£6,517	£0	£6,887	£621	£152
5	£6,517	£0	£6,219	£621	-
6	£6,517	£16,099	£0	£621	£152
7	£6,517	£0	£2,744	£621	£152
8	£6,517	£0	£0	£621	-
9	£6,517	£2,3350	£14,349	£621	£152

- 4.14 The costs of Solent SPA mitigation, SANG and nitrates mitigation are currently under review, with the costs associated with nitrate mitigation likely to fall over time due to the requirements for wastewater treatment works to be upgraded by 2030 which will significantly reduce nitrate pollution. This means that financial contributions will be lower or bespoke solutions by developers will incur a lower equivalent cost. Pending these changes, we have tested a range of costs as advised by the Council. These costs are summarised in Table 4.14.1.

Table 4.14.1: Solent mitigation, SANG and nitrates mitigation costs

Site	Solent SPA	NF SANG – current worst case	NF SANG – current medium case	Nitrates – current worst case	Nitrates – current medium case	Nitrates – medium case by 2030
1	£0	£0	£0	£747,660	£373,830	£110,929
2	£0	£0	£0	£12,655,380	£6,327,690	£1,877,652
3	£0	£0	£0	£3,918,660	£1,959,330	£581,404
4	£0	£0	£0	£3,282,930	£1,641,465	£487,082
5	£71,720	£595,100	£413,710	£1,205,850	£602,925	£178,909
6	£0	£8,890,630	£6,040,150	£10,857,630	£5,428,815	£1,610,924
7	£0	£1,861,500	£1,293,020	£3,284,750	£1,692,375	£502,188

Site	Solent SPA	NF SANG – current worst case	NF SANG – current medium case	Nitrates – current worst case	Nitrates – current medium case	Nitrates – medium case by 2030
8	£0	£0	£0	£504,000	£252,000	£74,777
9	£0	£0	£0	£9,163,740	£4,581,870	£1,359,605

- 4.15 In addition, Site 9 is likely to incur an additional cost of constructing a vehicular access over the existing railway line. The costs of this infrastructure are currently unavailable.

Development and sales periods

- 4.16 Development and sales periods vary between scale of development. Our sales periods assume a sales 3 units per month, with an element of off-plan sales reflected in the timing of receipts. This is reflective of current market conditions, whereas in improved markets, a sales rate of up to 6 units per month might be expected. Clearly markets are cyclical and sales periods will vary over the economic cycle and the extent to which units are sold off-plan will vary over time.

Developer's profit

- 4.17 We have applied profits of 17.5% to the private housing GDV; 15% to the commercial GDV; and 6% to the affordable housing GDV. These profit margins are explained in more detail in the '*Test Valley Local Plan Viability Assessment and CIL Review*' (December 2022).

Exceptional costs

- 4.18 The Council is not aware of any exceptional costs on any of the strategic sites, other than those already accounted for in the costings outline above. Should exceptional costs emerge following detailed investigations by site owners, these will need to be reflected in adjustments to the benchmark land value, in accordance with the requirements of the PPG.

Benchmark land value

- 4.19 The approach to determining Benchmark land value is detailed in the '*Test Valley Local Plan Viability Assessment and CIL Review*' report and is not repeated here.
- 4.20 Given their scale and high level of infrastructure requirements, we have applied a benchmark land value of £250,000 per gross hectare (£100,000 per gross acre) to the sites in the south. Given the scale of the sites in the north and the lower achievable sales values, we have applied a lower value of £150,000 per gross hectare (£61,000 per gross acre), which still provides a significant uplift on existing use value (a multiple of 7 times).

5 Appraisal outputs

- 5.1 We have tested each site with affordable housing from 0% to 40% in 5% increments, along with the identified package of infrastructure requirements, planning obligations and SPA and nitrates mitigation. In all cases, the tenure mix of the affordable housing is 70% rented (provided as 50% social rent and 50% affordable rent), 5% shared ownership and 25% First Homes.
- 5.2 The full inputs to our appraisals of the various developments are set out in Appendix 1.
- 5.3 We have combined several options for SANG and nitrate mitigation costs (as summarised in Table 4.14.1). The combinations are as follows and the results are summarised in tables 5.3.2 to 5.3.6:

Table 5.3.1: Combinations of mitigation costs and planning obligations applied

Scenario	Table reference	SANG	Nitrates mitigation	Section 106
1	Table 5.3.3	Worst case	2030 medium	Full
2	Table 5.3.4	Current	2030 medium	Full
3	Table 5.3.5	Current	Current medium	Full
4	Table 5.3.6	Current	Current high	Full

- 5.4 We have also provided the appraisal outputs incorporating a growth scenario (cumulative growth of 3.5% per annum on sales values and 2% per annum inflation on costs). These outputs are provided at tables 5.4.1 to 5.4.5.

Table 5.3.2: Present day appraisal outputs (worst SANG, 2030 medium nitrates mitigation)

Description	No of units	BLV	Residual land values												
			0% AH	5% AH	10% AH	15% AH	20% AH	25% AH	30% AH	35% AH	40% AH				
1 Land South of London Road	90	£795,000	1,945,914	1,634,134	1,323,587	1,017,111	714,763	418,543	122,449	-	169,667	-	459,770		
2 Land at Bere Hill, Land at Bere Hill Farm and Land at Bayliffs Bottom	1,392	£11,679,000	20,430,296	16,431,950	12,466,882	8,525,055	4,596,525	671,447	-	3,306,048	-	7,309,194	-	11,267,010	
3 Land at Manor Farm	600	£10,050,000	10,319,873	7,635,550	5,358,008	2,913,220	501,166	-	1,904,668	-	4,284,396	-	6,650,621	-	6,006,304
4 Land east of Ludgershall	350	£2,370,000	33,463,721	31,069,150	28,709,307	26,386,396	24,103,383	21,860,269	19,657,053	17,493,736	15,360,236				
5 Land south of bypass	110	£950,000	3,311,499	7,629,524	6,957,549	6,298,539	5,651,493	5,015,414	4,393,300	3,792,151	3,150,728				
6 Velmore Farm (and Land at Castle Lane)	1,070	£18,307,500	89,973,340	52,900,044	75,915,960	69,043,758	62,286,969	55,613,073	49,053,226	42,574,759	36,192,935				
7 Land at Ganger Farm (South)	340	£7,750,000	25,473,171	23,499,266	21,559,742	19,648,633	17,769,519	15,924,981	14,115,021	12,335,270	10,583,792				
8 Land to north of King Edward Park/St James' Park/Wheelhouse Park	44	£600,000	5,352,620	4,975,937	4,625,194	4,280,239	3,941,123	3,607,847	3,280,410	2,958,811	2,643,051				
9 Land south of A342 and east of Shoddesden Lane	1,150	£8,250,000	90,985,479	83,922,863	76,977,161	70,148,371	63,411,320	56,789,711	50,285,546	43,869,764	37,568,838				

SANG: Worst
Nitrates: Med 2030

AH tenure: Rented 60% (rented element provided as 50% soc rent, 50% aff rent)
SO 15%
Frst Hms 25%

Description	Net to gross:	SANG Current	SANG Worst	Nitrates Current high	Nitrates Current med	Nitrates 2030 med	Other S106
1 Land South of London Road	47%	-	-	747,660	373,830	110,929	1,260,235
2 Land at Bere Hill, Land at Bere Hill Farm and Land at Bayliffs Bottom	53%	-	-	12,655,380	6,327,690	1,877,652	28,350,330
3 Land at Manor Farm	44%	-	-	3,918,660	1,959,330	581,404	16,458,093
4 Land east of Ludgershall	80%	-	-	3,282,930	1,641,465	487,082	4,908,616
5 Land south of bypass	79%	595,100	413,710	1,205,850	602,925	178,909	1,469,228
6 Velmore Farm (and Land at Castle Lane)	45%	8,890,630	6,040,150	10,857,630	5,428,815	1,610,924	24,863,179
7 Land at Ganger Farm (South)	32%	1,861,500	1,293,020	3,284,750	1,692,375	502,188	3,359,749
8 Land to north of King Edward Park/St James' Park/Wheelhouse Park, Baddesley Road	42%	-	-	504,000	252,000	74,777	314,055
9 Land south of A342 and east of Shoddesden Lane	70%	-	-	9,163,740	4,581,870	1,359,605	27,394,858

Table 5.3.3: Present day appraisal outputs (current SANG, 2030 medium nitrates mitigation)

Description	No of units	BLV	Residual land values												
			0% AH	5% AH	10% AH	15% AH	20% AH	25% AH	30% AH	35% AH	40% AH				
1 Land South of London Road	90	£795,000	1,945,914	1,634,134	1,323,587	1,017,111	714,763	418,543	122,449	-	169,667	-	459,770		
2 Land at Bere Hill, Land at Bere Hill Farm and Land at Bayliffs Bottom	1,392	£11,679,000	20,430,296	16,431,950	12,466,882	8,525,055	4,596,525	671,447	-	3,306,048	-	7,309,194	-	11,267,010	
3 Land at Manor Farm	800	£10,050,000	10,319,873	7,635,550	5,358,008	2,913,220	501,166	-	1,904,668	-	4,284,398	-	6,650,821	-	9,008,304
4 Land east of Ludgershall	350	£2,370,000	33,463,721	31,069,150	28,709,307	26,386,396	24,103,383	21,860,269	19,657,053	17,493,736	15,360,236				
5 Land south of bypass	110	£950,000	8,158,537	7,475,535	6,804,620	6,145,619	5,495,534	4,853,434	4,240,371	3,629,222	3,025,635				
6 Velmore Farm (and Land at Castle Lane)	1,070	£18,307,500	88,067,999	80,952,933	73,995,315	67,123,113	60,351,520	53,675,614	47,102,768	40,618,952	34,217,223				
7 Land at Ganger Farm (South)	340	£7,750,000	25,039,152	23,065,246	21,123,131	19,209,441	17,330,328	15,485,790	13,675,830	11,890,348	10,138,870				
8 Land to north of King Edward Park/St James' Park/Wheelhouse Park	44	£600,000	5,332,620	4,975,937	4,625,194	4,280,239	3,941,123	3,607,847	3,280,410	2,958,811	2,643,051				
9 Land south of A342 and east of Shoddesden Lane	1,150	£8,250,000	90,985,479	83,922,863	76,977,161	70,148,371	63,411,320	56,789,711	50,285,546	43,869,764	37,568,838				

SANG: Current
Nitrates: Med 2030

AH tenure: Rented 60% (rented element provided as 50% soc rent, 50% aff rent)
SO 15%
Frst Hms 25%

Description	Net to gross:	SANG Current	SANG Worst	Nitrates Current high	Nitrates Current med	Nitrates 2030 med	Other S106
1 Land South of London Road	47%	-	-	747,660	373,830	110,929	1,260,235
2 Land at Bere Hill, Land at Bere Hill Farm and Land at Bayliffs Bottom	53%	-	-	12,655,380	6,327,690	1,877,652	28,350,330
3 Land at Manor Farm	44%	-	-	3,918,660	1,959,330	581,404	16,458,093
4 Land east of Ludgershall	80%	-	-	3,282,930	1,641,465	487,082	4,908,616
5 Land south of bypass	79%	595,100	413,710	1,205,850	602,925	178,909	1,469,228
6 Velmore Farm (and Land at Castle Lane)	45%	8,890,630	6,040,150	10,857,630	5,428,815	1,610,924	24,863,179
7 Land at Ganger Farm (South)	32%	1,861,500	1,293,020	3,284,750	1,692,375	502,188	3,359,749
8 Land to north of King Edward Park/St James' Park/Wheelhouse Park, Baddesley Road	42%	-	-	504,000	252,000	74,777	314,055
9 Land south of A342 and east of Shoddesden Lane	70%	-	-	9,163,740	4,581,870	1,359,605	27,394,858

Table 5.3.4: Present day appraisal outputs (current SANG, current medium nitrates mitigation)

Description	No of units	BLV	Residual land values												
			0% AH	5% AH	10% AH	15% AH	20% AH	25% AH	30% AH	35% AH	40% AH				
1 Land South of London Road	90	£795,000	1,717,378	1,402,647	1,092,044	785,568	483,220	184,999	-	110,638	-	404,707	-	694,590	
2 Land at Bere Hill, Land at Bere Hill Farm and Land at Bayliffs Bottom	1,392	£11,679,000	17,447,925	13,433,668	9,443,641	5,466,526	1,496,078	-	2,518,424	-	6,565,786	-	10,580,357	-	14,577,011
3 Land at Manor Farm	800	£10,050,000	9,305,050	6,806,366	4,328,824	1,884,037	535,468	-	2,948,418	-	5,338,154	-	7,719,339	-	10,068,150
4 Land east of Ludgershall	350	£2,370,000	32,591,762	30,190,774	27,827,964	25,505,053	23,222,041	20,978,927	18,775,710	16,602,402	14,468,391				
5 Land south of bypass	110	£950,000	7,801,052	7,118,110	6,447,134	5,738,124	5,141,073	4,505,935	3,932,725	3,266,872	2,653,050				
6 Velmore Farm (and Land at Castle Lane)	1,070	£18,307,500	85,513,483	78,410,450	71,422,832	64,548,483	57,756,515	51,080,609	44,483,189	37,934,018	31,565,854				
7 Land at Ganger Farm (South)	340	£7,750,000	24,130,474	22,151,893	20,203,627	18,289,936	16,410,822	14,566,285	12,745,154	10,958,847	9,204,005				
8 Land to north of King Edward Park/St James' Park/Wheelhouse Park	44	£600,000	5,178,714	4,822,081	4,471,267	4,126,332	3,787,217	3,453,941	3,126,503	2,804,904	2,489,146				
9 Land south of A342 and east of Shoddesden Lane	1,150	£8,250,000	88,831,626	81,769,010	74,823,307	67,979,223	61,240,168	54,618,558	48,098,625	41,679,604	35,366,023				

SANG: Current
Nitrates: Current med

AH tenure: Rented 60% (rented element provided as 50% soc rent, 50% aff rent)
SO 15%
Frst Hms 25%

Description	Net to gross:	SANG Current	SANG Worst	Nitrates Current high	Nitrates Current med	Nitrates 2030 med	Other S106
1 Land South of London Road	47%	-	-	747,660	373,830	110,929	1,260,235
2 Land at Bere Hill, Land at Bere Hill Farm and Land at Bayliffs Bottom	53%	-	-	12,655,380	6,327,690	1,877,652	28,350,330
3 Land at Manor Farm	44%	-	-	3,918,660	1,959,330	581,404	16,458,093
4 Land east of Ludgershall	80%	-	-	3,282,930	1,641,465	487,082	4,908,616
5 Land south of bypass	79%	595,100	413,710	1,205,850	602,925	178,909	1,469,228
6 Velmore Farm (and Land at Castle Lane)	45%	8,890,630	6,040,150	10,857,630	5,428,815	1,610,924	24,863,179
7 Land at Ganger Farm (South)	32%	1,861,500	1,293,020	3,284,750	1,692,375	502,188	3,359,749
8 Land to north of King Edward Park/St James' Park/Wheelhouse Park, Baddesley Road	42%	-	-	504,000	252,000	74,777	314,055
9 Land south of A342 and east of Shoddesden Lane	70%	-	-	9,163,740	4,581,870	1,359,605	27,394,858

Table 5.3.5: Present day appraisal outputs (current SANG, current high nitrates mitigation)

Description	No of units	BLV	Residual land values													
			0% AH	5% AH	10% AH	15% AH	20% AH	25% AH	30% AH	35% AH	40% AH					
1 Land South of London Road	90	£795,000	1,368,138	1,073,406	762,803	456,327	153,979	-	148,263	-	444,538	-	736,606	-	1,026,469	
2 Land at Bere Hill, Land at Bere Hill Farm and Land at Bayliffs Bottom	1,392	£11,679,000	13,177,983	9,124,939	5,086,077	1,051,274	-	3,031,798	-	7,145,859	-	11,217,185	-	15,273,551	-	19,294,231
3 Land at Manor Farm	800	£10,050,000	7,853,223	5,342,928	2,895,396	420,599	-	2,019,615	-	4,432,563	-	6,843,304	-	9,224,469	-	11,594,566
4 Land east of Ludgershall	350	£2,370,000	31,340,265	28,937,557	26,574,748	24,251,837	-	21,968,823	-	19,722,684	-	17,508,399	-	15,334,252	-	13,200,241
5 Land south of bypass	110	£950,000	7,292,729	6,699,787	5,939,911	5,279,991	-	4,632,755	-	3,995,134	-	3,357,210	-	2,751,357	-	2,147,574
6 Velmore Farm (and Land at Castle Lane)	1,070	£18,307,500	81,855,565	74,752,532	67,764,914	60,858,539	-	54,066,572	-	47,359,940	-	40,751,958	-	34,221,223	-	27,762,159
7 Land at Ganger Farm (South)	340	£7,750,000	22,904,512	20,921,669	18,973,402	17,059,712	-	15,175,984	-	13,320,017	-	11,498,880	-	9,705,391	-	7,940,095
8 Land to north of King Edward Park/St James' Park/Wheelhouse Park	44	£600,000	4,959,866	4,603,236	4,252,442	3,907,487	-	3,568,372	-	3,235,095	-	2,907,657	-	2,586,060	-	2,270,300
9 Land south of A342 and east of Shoddesden Lane	1,150	£8,250,000	85,768,974	78,706,358	71,748,476	64,891,974	-	58,152,918	-	51,521,464	-	44,984,347	-	38,561,532	-	32,222,252

SANG: Current
Nitrates: Current high

AH tenure: Rented 60% (rented element provided as 50% soc rent, 50% aff rent)
SO 15%
Frst Hms 25%

Description	Net to gross:	SANG Current	SANG Worst	Nitrates Current high	Nitrates Current med	Nitrates 2030 med	Other S106
1 Land South of London Road	47%	-	-	747,660	373,830	110,929	1,260,235
2 Land at Bere Hill, Land at Bere Hill Farm and Land at Bayliffs Bottom	53%	-	-	12,655,380	6,327,690	1,877,652	28,350,330
3 Land at Manor Farm	44%	-	-	3,918,660	1,959,330	581,404	16,458,093
4 Land east of Ludgershall	80%	-	-	3,282,930	1,641,465	487,082	4,908,616
5 Land south of bypass	79%	595,100	413,710	1,205,850	602,925	178,909	1,469,228
6 Velmore Farm (and Land at Castle Lane)	45%	8,890,630	6,040,150	10,857,630	5,428,815	1,610,924	24,863,179
7 Land at Ganger Farm (South)	32%	1,861,500	1,293,020	3,284,750	1,692,375	502,188	3,359,749
8 Land to north of King Edward Park/St James' Park/Wheelhouse Park, Baddesley Road	42%	-	-	504,000	252,000	74,777	314,055
9 Land south of A342 and east of Shoddesden Lane	70%	-	-	9,163,740	4,581,870	1,359,605	27,394,858

Table 5.4.1: Grown appraisal outputs (worst case SANG, 2030 medium nitrates mitigation)

Description	No of units	BLV	Residual land values								
			0% AH	5% AH	10% AH	15% AH	20% AH	25% AH	30% AH	35% AH	40% AH
1 Land South of London Road	90	£795,000	3,996,478	3,615,996	3,240,372	2,869,604	2,503,690	2,142,632	1,786,429	1,435,061	1,088,136
2 Land at Bere Hill, Land at Bere Hill Farm and Land at Bayliffs Bottom	1,392	£11,679,000	45,518,837	40,773,697	36,066,868	31,420,619	26,809,423	22,252,763	17,724,454	13,233,936	8,771,330
3 Land at Manor Farm	800	£10,050,000	25,183,729	22,275,856	19,392,342	16,521,261	13,676,595	10,848,327	8,052,657	5,221,155	2,434,220
4 Land east of Ludgershall	350	£2,370,000	45,496,582	42,618,142	39,786,883	37,002,805	34,265,906	31,576,189	28,933,652	26,338,296	23,790,119
5 Land south of bypass	110	£950,000	11,947,048	11,123,845	10,314,855	9,520,076	8,733,507	7,973,151	7,221,006	6,493,070	5,789,347
6 Velmore Farm (and Land at Castle Lane)	1,070	£18,307,500	123,637,598	115,170,912	106,840,174	98,629,050	90,544,395	82,596,145	74,784,340	67,079,319	59,508,758
7 Land at Ganger Farm (South)	340	£7,750,000	35,864,127	33,492,801	31,162,143	28,870,813	26,615,116	24,400,251	22,226,221	20,093,023	18,000,660
8 Land to north of King Edward Park/St James' Park/Wheelhouse Park	44	£600,000	7,103,244	6,675,936	6,255,536	5,842,041	5,435,452	5,035,766	4,642,950	4,257,119	3,877,703
9 Land south of A342 and east of Shoddesden Lane	1,150	£8,250,000	126,229,885	117,767,784	109,444,042	101,258,662	93,211,642	85,292,333	77,498,301	69,843,127	62,326,808

SANG: Worst
Nitrates: Med 2030

AH tenure: Rented 60% (rented element provided as 50% soc rent, 50% aff rent)
SO 15%
Frst Hms 25%

Description	Net to gross:	SANG Current	SANG Worst	Nitrates Current high	Nitrates Current med	Nitrates 2030 med	Other S106
1 Land South of London Road	47%	-	-	747,660	373,830	110,929	1,260,235
2 Land at Bere Hill, Land at Bere Hill Farm and Land at Bayliffs Bottom	53%	-	-	12,655,380	6,327,690	1,877,652	28,350,330
3 Land at Manor Farm	44%	-	-	3,918,660	1,959,330	581,404	16,458,093
4 Land east of Ludgershall	80%	-	-	3,282,930	1,641,465	487,082	4,908,616
5 Land south of bypass	79%	595,100	413,710	1,205,850	602,925	178,909	1,469,228
6 Velmore Farm (and Land at Castle Lane)	45%	8,890,630	6,040,150	10,857,630	5,428,815	1,610,924	24,863,179
7 Land at Ganger Farm (South)	32%	1,861,500	1,293,020	3,284,750	1,692,375	502,188	3,359,749
8 Land to north of King Edward Park/St James' Park/Wheelhouse Park, Baddesley Road	42%	-	-	504,000	252,000	74,777	314,055
9 Land south of A342 and east of Shoddesden Lane	70%	-	-	9,163,740	4,581,870	1,359,605	27,394,858

Table 5.4.2: Grown appraisal outputs (current SANG, 2030 medium nitrates mitigation)

Description	No of units	BLV	Residual land values								
			0% AH	5% AH	10% AH	15% AH	20% AH	25% AH	30% AH	35% AH	40% AH
1 Land South of London Road	90	£795,000	3,958,476	3,615,996	3,240,372	2,889,604	2,503,690	2,142,632	1,788,429	1,435,061	1,083,136
2 Land at Bere Hill, Land at Bere Hill Farm and Land at Bayliffs Bottom	1,392	£11,679,000	45,518,837	40,773,697	36,066,868	31,420,619	26,809,423	22,252,763	17,724,454	13,233,936	8,771,330
3 Land at Manor Farm	800	£10,050,000	25,183,729	22,275,856	19,382,342	16,521,261	13,676,595	10,843,327	8,032,657	5,221,155	2,434,220
4 Land east of Ludgershall	350	£2,370,000	45,496,582	42,618,142	39,786,883	37,002,805	34,265,906	31,576,189	28,933,652	26,338,296	23,790,119
5 Land south of bypass	110	£950,000	11,794,119	10,970,917	10,161,927	9,357,147	8,555,573	7,820,222	7,068,076	6,330,142	5,595,418
6 Velmore Farm (and Land at Castle Lane)	1,070	£18,307,500	121,746,068	113,279,352	104,944,891	96,723,748	88,639,053	80,690,803	72,866,311	65,158,675	57,588,114
7 Land at Ganger Farm (South)	340	£7,750,000	35,434,728	33,063,403	30,732,745	28,436,793	26,181,095	23,966,232	21,792,201	19,659,004	17,566,640
8 Land to north of King Edward Park/St James' Park/Wheelhouse Park	44	£600,000	7,103,244	6,675,936	6,255,536	5,842,041	5,435,452	5,035,766	4,642,990	4,257,119	3,877,703
9 Land south of A342 and east of Shoddesden Lane	1,150	£8,250,000	126,229,885	117,767,784	109,444,042	101,258,662	93,211,642	85,292,333	77,498,301	69,843,127	62,326,808

SANG: Current
Nitrates: Med 2030

AH tenure: Rented 60% (rented element provided as 50% soc rent, 50% aff rent)
SO 15%
Frst Hms 25%

Description	Net to gross:	SANG Current	SANG Worst	Nitrates Current high	Nitrates Current med	Nitrates 2030 med	Other S106
1 Land South of London Road	47%	-	-	747,660	373,830	110,929	1,260,235
2 Land at Bere Hill, Land at Bere Hill Farm and Land at Bayliffs Bottom	53%	-	-	12,655,380	6,327,690	1,877,652	28,350,330
3 Land at Manor Farm	44%	-	-	3,918,660	1,959,330	581,404	16,458,093
4 Land east of Ludgershall	80%	-	-	3,282,930	1,641,465	487,082	4,908,616
5 Land south of bypass	79%	595,100	413,710	1,205,850	602,925	178,909	1,469,228
6 Velmore Farm (and Land at Castle Lane)	45%	8,890,630	6,040,150	10,857,630	5,428,815	1,610,924	24,863,179
7 Land at Ganger Farm (South)	32%	1,861,500	1,293,020	3,284,750	1,692,375	502,188	3,359,749
8 Land to north of King Edward Park/St James' Park/Wheelhouse Park, Baddesley Road	42%	-	-	504,000	252,000	74,777	314,055
9 Land south of A342 and east of Shoddesden Lane	70%	-	-	9,163,740	4,581,870	1,359,605	27,394,858

Table 5.4.3: Grown appraisal outputs (current SANG, current medium nitrates mitigation)

Description	No of units	BLV	Residual land values									
			0% AH	5% AH	10% AH	15% AH	20% AH	25% AH	30% AH	35% AH	40% AH	
1 Land South of London Road	90	£795,000	3,768,163	3,367,664	3,012,060	2,641,291	2,275,377	1,914,320	1,558,117	1,206,405	856,593	
2 Land at Bere Hill, Land at Bere Hill Farm and Land at Bayliffs Bottom	1,392	£11,679,000	42,644,196	37,876,786	33,169,956	28,500,343	23,884,220	19,297,282	14,751,229	10,234,514	5,735,710	
3 Land at Manor Farm	800	£10,050,000	24,218,293	21,299,253	18,405,739	15,532,718	12,682,843	9,847,047	7,017,874	4,192,010	1,465,037	
4 Land east of Ludgershall	350	£2,370,000	44,624,623	41,746,184	38,914,925	36,130,846	33,393,948	30,704,230	28,061,693	25,466,337	22,911,871	
5 Land south of bypass	110	£950,000	11,436,634	10,613,431	9,804,442	9,009,652	8,223,054	7,452,738	6,710,531	5,972,657	5,248,533	
6 Velmore Farm (and Land at Castle Lane)	1,070	£18,307,500	119,212,530	110,745,894	102,392,904	94,171,762	86,087,066	78,138,542	70,293,828	62,586,192	54,995,400	
7 Land at Ganger Farm (South)	340	£7,750,000	34,535,725	32,162,010	29,824,646	27,528,115	25,272,418	23,057,554	20,883,523	18,750,326	16,652,625	
8 Land to north of King Edward Park/St James' Park/Wheelhouse Park	44	£600,000	6,951,484	6,524,178	6,103,777	5,690,262	5,283,693	4,884,009	4,490,733	4,103,797	3,723,796	
9 Land south of A342 and east of Shoddesden Lane	1,150	£8,250,000	124,091,645	115,629,544	107,305,803	99,120,422	91,071,368	83,138,480	75,344,449	67,689,273	60,166,247	

SANG: Current
Nitrates: Current med

AH tenure: Rented 60% (rented element provided as 50% soc rent, 50% aff rent)
SO 15%
Frst Hms 25%

Description	Net to gross:	SANG Current	SANG Worst	Nitrates Current high	Nitrates Current med	Nitrates 2030 med	Other S106
1 Land South of London Road	47%	-	-	747,660	373,830	110,929	1,260,235
2 Land at Bere Hill, Land at Bere Hill Farm and Land at Bayliffs Bottom	53%	-	-	12,655,380	6,327,690	1,877,652	28,350,330
3 Land at Manor Farm	44%	-	-	3,918,660	1,959,330	581,404	16,458,093
4 Land east of Ludgershall	80%	-	-	3,282,930	1,641,465	487,082	4,908,616
5 Land south of bypass	79%	595,100	413,710	1,205,850	602,925	178,909	1,469,228
6 Velmore Farm (and Land at Castle Lane)	45%	8,890,630	6,040,150	10,857,630	5,428,815	1,610,924	24,863,179
7 Land at Ganger Farm (South)	32%	1,861,500	1,293,020	3,284,750	1,692,375	502,188	3,359,749
8 Land to north of King Edward Park/St James' Park/Wheelhouse Park, Baddesley Road	42%	-	-	504,000	252,000	74,777	314,055
9 Land south of A342 and east of Shoddesden Lane	70%	-	-	9,163,740	4,581,870	1,359,605	27,394,858

Table 5.4.4: Grown appraisal outputs (current SANG, current high nitrates mitigation)

Description	No of units	BLV	Residual land values								
			0% AH	5% AH	10% AH	15% AH	20% AH	25% AH	30% AH	35% AH	40% AH
1 Land South of London Road	90	£795,000	3,443,518	3,063,037	2,687,413	2,316,644	1,950,731	1,589,672	1,231,878	877,164	527,353
2 Land at Bere Hill, Land at Bere Hill Farm and Land at Bayliffs Bottom	1,392	£11,679,000	38,524,960	33,756,088	29,017,990	24,335,741	19,684,525	15,069,839	10,485,115	5,918,762	1,359,314
3 Land at Manor Farm	800	£10,050,000	22,841,364	19,910,533	17,009,342	14,127,087	11,253,088	8,404,424	5,554,448	2,726,572	59,229
4 Land east of Ludgershall	350	£2,370,000	43,384,750	40,506,310	37,675,052	34,890,973	32,154,075	29,464,357	26,819,575	24,215,422	21,658,654
5 Land south of bypass	110	£950,000	10,528,310	10,105,103	9,295,118	8,511,339	7,723,771	6,954,414	6,212,293	5,484,334	4,740,811
6 Velmore Farm (and Land at Castle Lane)	1,070	£18,307,500	115,610,111	107,121,716	98,764,129	90,542,968	82,458,293	74,480,623	66,635,910	58,915,554	51,305,457
7 Land at Ganger Farm (South)	340	£7,750,000	33,324,469	30,946,272	28,608,908	26,312,377	24,056,680	21,841,816	19,666,973	17,524,154	15,422,401
8 Land to north of King Edward Park/St James' Park/Wheelhouse Park	44	£600,000	6,735,693	6,308,396	5,887,996	5,474,305	5,065,564	4,665,759	4,271,867	3,884,952	3,504,951
9 Land south of A342 and east of Shoddesden Lane	1,150	£8,250,000	121,051,195	112,589,093	104,265,353	96,079,971	88,008,716	80,075,828	72,281,797	64,625,871	57,078,998

SANG: Current
Nitrates: Current high

AH tenure: Rented 60% (rented element provided as 50% soc rent, 50% aff rent)
SO 15%
Frst Hms 25%

Description	Net to gross:	SANG Current	SANG Worst	Nitrates Current high	Nitrates Current med	Nitrates 2030 med	Other S106
1 Land South of London Road	47%	-	-	747,660	373,830	110,929	1,260,235
2 Land at Bere Hill, Land at Bere Hill Farm and Land at Bayliffs Bottom	53%	-	-	12,655,380	6,327,690	1,877,652	28,350,330
3 Land at Manor Farm	44%	-	-	3,918,660	1,959,330	581,404	16,458,093
4 Land east of Ludgershall	80%	-	-	3,282,930	1,641,465	487,082	4,908,616
5 Land south of bypass	79%	595,100	413,710	1,205,850	602,925	178,909	1,469,228
6 Velmore Farm (and Land at Castle Lane)	45%	8,890,630	6,040,150	10,857,630	5,428,815	1,610,924	24,863,179
7 Land at Ganger Farm (South)	32%	1,861,500	1,293,020	3,284,750	1,692,375	502,188	3,359,749
8 Land to north of King Edward Park/St James' Park/Wheelhouse Park, Baddesley Road	42%	-	-	504,000	252,000	74,777	314,055
9 Land south of A342 and east of Shoddesden Lane	70%	-	-	9,163,740	4,581,870	1,359,605	27,394,858

6 Conclusions

- 6.1 The NPPF states that “Plans should set out the contributions expected in association with particular sites and types of development. This should include setting out the levels and types of affordable housing provision required, along with other infrastructure (such as that needed for education, health, transport, green and digital infrastructure). Such policies should not undermine the delivery of the plan”. This report and its supporting appendices test the ability of 9 strategic sites in the emerging Local Plan to support emerging Local Plan policies while making contributions to on-site infrastructure, financial contributions towards off-site infrastructure and SPA and nitrates mitigation. The strategic sites are broadly viable, although in some cases, there may be a need to balance the various policies in the emerging Local Plan, depending on market conditions at the time applications are submitted.
- 6.2 Residential sales values in the south of the Borough are higher than those in the north. Consequently, the sites located around Andover (Land South of London Road, Land at Bere Hill and Land at Manor Farm) show challenging viability when considered on a ‘present value’ basis. Their viability improves significantly when growth is reflected, although it may be necessary to consider the extent that the full suite of emerging Local Plan policies can be accommodated when individual planning applications are considered. In addition, further technical work by site promoters may indicate additional capacity without impacting on site infrastructure requirements, which would result in improved viability outcomes.
- 6.3 We understand that the Council intends to apply Policy HOU1 (Affordable Housing) on a flexible and ‘subject to viability’ basis, which will mean the strategic sites will be able to be viably brought forward if higher contributions towards SANG and nitrates are sought. This means that the Council will not need to adopt a different policy approach towards affordable housing on some of the strategic sites (based on their present day viability), but deal with this when applications are submitted in the future. The need to consider flexible application of policy requirements is likely to be reduced over time, particularly as the modelled infrastructure and mitigation costs reflect a worst case scenario. Late Stage Review mechanisms could also be used to secure contributions towards affordable housing if viability improves over the lifetime of individual developments.
- 6.4 The adopted CIL Charging Schedule does not set ‘bespoke’ CIL rates for strategic sites, but this could be considered to improve viability. Bespoke rates would need to be set through a review of the CIL Charging Schedule, undertaken alongside the timescale for introduction of the new Local Plan.

Appendix 1 - Sites details

TEST VALLEY LOCAL PLAN VIABILITY TESTING		Floor areas - proposed (sqm)																				Total resi	Total resi FS
Site ref	Typology description	Gross Site area	Net site area	Site coverage	Heights	No of Houses	No of Flats	Resi costs Houses	Resi costs Flats	GIA Houses	GIA flats	Retail A1-A4	Retail S'Mark	Note: B1 office includes B1(b)	B1(c) and B1B8 storage	C1 Hotel	C2 resi ins	D1	D2	units			
1	Land South of London Road	5.30	2.50	75%	2	90	1,456	1,680	8,137	-	-	-	-	-	-	-	-	-	-	-	90	8,137	
2	Land at Bere Hill, Land at Bere Hill Farm and Land at Bayliffs Bottom	77.86	41.63	75%	2	1,392	1,456	1,680	125,859	-	-	-	-	-	-	-	-	-	-	-	1,392	125,859	
3	Land at Manor Farm	67.00	29.61	75%	2	800	1,456	1,680	72,333	-	-	-	-	5,000	-	-	-	-	-	-	800	72,333	
4	Land east of Ludgershall	15.80	12.60	75%	2	350	1,456	1,680	31,646	-	-	-	-	-	-	-	-	-	-	-	350	31,646	
5	Land south of bypass	3.80	3.00	75%	2	110	1,456	1,680	9,946	-	-	-	-	-	-	-	-	-	-	-	110	9,946	
6	Velmore Farm (and Land at Castle Lane)	73.23	33.00	75%	2	1,070	1,456	1,680	96,745	-	-	-	5,000	-	-	-	-	-	-	-	1,070	96,745	
7	Land at Ganger Farm (South)	31.00	10.00	75%	2	340	1,456	1,680	30,742	-	-	-	-	-	-	-	-	-	-	-	340	30,742	
8	Land to north of King Edward Park/St James' Park/Wheelhouse Park, Bad	2.40	1.00	60%	2	44	1,456	1,680	3,978	-	-	-	-	-	-	-	-	-	-	-	44	3,978	
9	Land south of A342 and east of Shoddesden Lane	55.00	38.50	50%	2	1,150	1,456	1,680	103,979	-	-	-	-	-	-	-	-	-	-	-	1,150	103,979	

1	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	
TEST VALLE Rents											Cap val Yields										n/a
Site ref	Retail A1-A	Retail S/M	B1 office	B1(c) and	B8 storage	C1 Hotel	C2 resi ins	D1	D2	Resi	Retail A1-A	Retail S/M	B1 office	B1(c) and	B8 storage	C1 Hotel	C2 resi ins	D1	D2	Resi	
1	250	250	281	125	125	182	390	250	250	3,567	6.50%	4.75%	6.00%	5.00%	5.00%	5.00%	5.00%	6.00%	6.00%		
2	250	250	281	125	125	182	390	250	250	3,567	6.50%	4.75%	6.00%	5.00%	5.00%	5.00%	5.00%	6.00%	6.00%		
3	250	250	281	125	125	182	390	250	250	3,567	6.50%	4.75%	6.00%	5.00%	5.00%	5.00%	5.00%	6.00%	6.00%		
4	250	250	281	125	125	182	390	250	250	4,852	6.50%	4.75%	6.00%	5.00%	5.00%	5.00%	5.00%	6.00%	6.00%		
5	250	250	281	125	125	182	390	250	250	4,485	6.50%	4.75%	6.00%	5.00%	5.00%	5.00%	5.00%	6.00%	6.00%		
6	250	250	281	125	125	182	390	250	250	5,036	6.50%	4.75%	6.00%	5.00%	5.00%	5.00%	5.00%	6.00%	6.00%		
7	250	250	281	125	125	182	390	250	250	4,485	6.50%	4.75%	6.00%	5.00%	5.00%	5.00%	5.00%	6.00%	6.00%		
8	250	250	281	125	125	182	390	250	250	5,036	6.50%	4.75%	6.00%	5.00%	5.00%	5.00%	5.00%	6.00%	6.00%		
9	250	250	281	125	125	182	390	250	250	4,852	6.50%	4.75%	6.00%	5.00%	5.00%	5.00%	5.00%	6.00%	6.00%		

1	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	120	121	
TEST VALLE Build costs											Net to gross											Total new floorspace	Highways/S278
Site ref	Retail A1-A5	Retail S/M	B1 office	B1(c) and B2	B8 storage	C1 Hotel	C2 resi ins	D1	D2	GF infra % costs	Retail A1-A5	Retail S/M	B1 office	B1(c) and B2	B8 storage	C1 Hotel	C2 resi ins	D1	D2	Resi	Total new floorspace	Highways/S278	
1	1,560	1,705	2,415	1,554	926	2,544		2,558	2,558	15%	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%	8,137	586,495
2	1,560	1,705	2,415	1,554	926	2,544		2,558	2,558	15%	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%	125,859	9,071,130
3	1,560	1,705	2,415	1,554	926	2,544		2,558	2,558	15%	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%	77,333	5,213,293
4	1,560	1,705	2,415	1,554	926	2,544		2,558	2,558	15%	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%	31,646	2,280,816
5	1,560	1,705	2,415	1,554	926	2,544		2,558	2,558	15%	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%	9,946	716,828
6	1,560	1,705	2,415	1,554	926	2,544		2,558	2,558	15%	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%	101,745	6,972,779
7	1,560	1,705	2,415	1,554	926	2,544		2,558	2,558	15%	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%	30,742	2,215,649
8	1,560	1,705	2,415	1,554	926	2,544		2,558	2,558	15%	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%	3,978	286,731
9	1,560	1,705	2,415	1,554	926	2,544		2,558	2,558	15%	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%	103,979	7,494,108

1	142	143	144	145	146	147	148	149	150	151	152	153	154	155	156	157	164	165	166	
TEST VALLE Investment sale (QUARTERS)	Resi sales period (qtrs)										Sales period start	Area	On-site AH	% AH rented	2 = GF		Site areas			
Site ref	Retail A1-	Retail S/M	B1 office	B1(c) and	B8 storage	C1 Hotel	C2 resi ins	D1	D2	Resi	Resi	Resi	% of PRS units				1 = Lower GF	2 = Higher GF	Amount	Gross
1	6	6	6	6	6	6	6	6	6	6	4	6	0.00%	50%	60%	1		795,000	5.30	
2	26	26	26	26	26	26	26	26	26	26	24	6	0.00%	50%	60%	1		11,679,000	77.86	
3	22	22	22	22	22	22	22	22	22	22	20	6	0.00%	50%	60%	1		10,050,000	67.00	
4	14	14	14	14	14	14	14	14	14	14	12	6	0.00%	50%	60%	1		2,370,000	15.80	
5	8	8	8	8	8	8	8	8	8	8	6	6	0.00%	50%	60%	2		950,000	3.80	
6	22	22	22	22	22	22	22	22	22	22	20	6	0.00%	50%	60%	2		18,307,500	73.23	
7	14	14	14	14	14	14	14	14	14	14	12	6	0.00%	50%	60%	2		7,750,000	31.00	
8	6	6	6	6	6	6	6	6	6	6	4	6	0.00%	50%	60%	2		600,000	2.40	
9	22	22	22	22	22	22	22	22	22	22	20	6	0.00%	50%	60%	1		8,250,000	55.00	