
STRATEGIC PLANNING POLICY SERVICE

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AFFORDABLE HOUSING & PLANNING OBLIGATIONS FINANCIAL VIABILITY ASSESSMENT PROFORMA

This document should be submitted to accompany all applications which involve the gain of residential units where the proposal provides a lower level of Affordable Housing provision than is required by LDP Policy HOU/2.

The Council requires residential developments to contribute to delivering Affordable Housing for Local Need (AHLN) in accordance with Policy HOU/2 of the adopted Conwy Local Development Plan (LDP). Where a developer is unable to provide the level of AHLN that is sought through the policy, their proposed development mix must be fully justified by a financial viability assessment and supported by evidence where requested.

The Council makes use of the Development Appraisal Toolkit (DAT) to assess the financial viability of development sites, based on the information provided here. If a viability assessment takes place as part of a planning application, this will be made publicly available along with other application documents.

The Strategic Planning Policy Service recommends seeking advice prior to submitting a planning application. For general pre-application advice contact the Council's Development Management team at Coed Pella, Colwyn Bay - contact 01492 57 5247 or www.conwy.gov.uk/planning

For advice on development viability and planning obligations (for which a charge is payable), contact the Strategic Planning Policy Service using the contact details above.

Section 1: All Developments

Applicants must provide the information requested in this section, which apply to all developments

Section 2: Developments which do not propose to provide on-site AHLN

The Council's priority is to provide on-site AHLN. Policy HOU/2 states: *Off-site provision or commuted payments will be acceptable on sites of 3 or fewer units and may be acceptable for proposals consisting of 4 or more dwellings providing there is sufficient justification.* This section provides a summary of the financial viability assessment of proposals that do not provide on-site AHLN.

Section 2 should be ignored if the proposal includes on-site AHLN units.

Section 3: Developments which provide on-site AHLN

Where the proposed development includes an element of on-site AHLN, applicants are required to complete Section 3, providing additional information about the provision.

Section 3 should be ignored if the proposal does not include any on-site AHLN units.

This document has been provided as an interactive PDF, which should enable applicants to complete and submit it without the need to print. You will require a compatible version of Adobe Acrobat Reader to do this.

When completed, submit this form with your planning application.

If you require assistance in completing the proforma, please refer to the Guidance note available from the website, or for further information contact the Strategic Planning Policy Service using the details above.

Proforma Date: 29/01/2019

Section 1: All developments

To help us determine your application in this case, a Financial Viability Assessment is required.

The information to be supplied should include the value of the completed development proposed in the application and all costs incurred or expected to be incurred in order to achieve this value. If the form is incomplete, you may be asked to provide further information to allow the viability assessment to be conducted.

For Outline applications, a viability assessment may still be required so you should complete the proforma as best you can, but to include as a minimum the existing use value, an estimate of total build costs and other exceptional/abnormal costs and the value of the site with planning permission and/or the market value of completed dwelling(s).

The Council will assess the data supplied using the Development Appraisal Toolkit system. The following includes a list of data requested by the developer and the development cost assumptions applied. Where assumptions differ from those listed, or abnormal costs are apparent and justified, a clear account and supporting data should be supplied. This form should be submitted with a planning application.

Contact Details

Applicant:

Agent:

Address:

Telephone No:

Email:

Site Details

Address:

Scheme description:

Application number (if known):

Site Area (hectares)	Number of dwellings	Site density	Total number of bedrooms	Total number of habitable rooms

Note: Site Area is the whole planned area to be developed, to include any internal roads and open space.

Number of bedrooms is the total number of bedrooms, totalled across all proposed dwellings.

Habitable rooms do not include bathrooms, toilets, halls, landings and rooms that are only used for storage. Please give the total number within all dwellings.

Characteristics of Development

Please complete the table below. Type of parking and number of storeys only applies to flats.

Description of Dwelling	No. of market units	No. of AHLN units	Size in metres ² per unit	Dwelling Type	Parking (flats only)	No. of Storeys (flats)
Total				Multiply unit size by no. of units		

Market Value

Please enter the number of bedrooms and market value of each dwelling type in the table below.

Description of Dwelling	Total no. of dwellings	Bedrooms per unit	Total number of bedrooms	Market Value per unit
				£
				£
				£
				£
				£
				£
				£
				£
				£
				£
Total				£

Multiply values by no. of units

Development Costs

Build cost data is sourced from the Royal Institute of Chartered Surveyors Building Cost Information Service (BCIS). These costs are adjusted by location to be relevant for use in Conwy. In their raw form the base build costs cover bricks and mortar costs per square metre for new build construction within a building plot. These costs have been increased by 15% to make allowance for additional works normally required within a building site, e.g. drainage, landscaping, estate roads.

Where build cost values differ from the information used in the DAT system, please provide a figure below and supporting evidence.

Dwelling type	Total Floor Area (m ²)	DAT Build Cost per metre ²	Total Build Cost per dwelling type	Evidence supplied? (please tick)
Bungalow		£	£	
Flats (16+ storeys)		£	£	
Flats (6-15 storeys)		£	£	
Flats (5 and less storeys)		£	£	
Houses < 75m ²		£	£	
Houses > 75m ²		£	£	
Conversion/Other		£	£	
Build Costs Total			£	

Where total costs have been calculated instead of costs per square metre, these can be provided in the Build Costs Total box above, subject to evidence for the costs also being submitted.

If the scheme is a conversion then users should provide their own build costs in the box, since the DAT does not provide default values for conversions.

Other Development Costs

In addition to the build costs calculated above, other standard development costs include professional fees (e.g. architect, solicitors), finance costs and developer margin (profit). Where costs for the proposed development are different from those listed below, please amend the figure.

Cost Type	DAT Assumption		Total cost	Evidence? (please tick)
Professional fees	%	of build costs	£	
Overheads	%	of build costs	£	
Finance (market & affordable)	%	of build costs	£	
Marketing fees	%	of GDV*	£	
Developer margin	%	of GDV* (market)	£	
Contractor return	%	of AH build costs	£	
Other Development Costs Total			£	

* Gross Development Value (total sale cost of all units)

Exceptional/Abnormal Costs

The question the developer must ask is 'Are the development costs associated with this site significantly more onerous than are found on most sites in the local authority?'

Some sites will, for various reasons have costs over and above the standard assumed development costs as calculated above. Where the developer is aware of them at an early stage through site investigations it is expected that they will take them into account at the time of negotiating purchase of land. Decisions made by developers relating to landscaping/build quality resulting in higher development costs will not be accepted where it will reduce AH/planning obligations contributions.

Exceptional/abnormal Costs (e.g. decontamination)	Cost	Known prior to purchase?
	£	
	£	
	£	
	£	
	£	Total Cost

Land Acquisition Costs

Developers should not expect affordable housing provision or other planning obligations to be waived simply because the associated costs were not taken into account when the land was purchased.

Financial Viability Assessments based on such a premise are unlikely to carry any weight. Therefore the land purchase cost should be negotiated as appropriate to reflect the cost of providing affordable housing, other planning obligations, overcoming development constraints and other build costs. If the land is yet to be sold for development, please provide an existing use value (EUV) for the land. You may be required to provide an independent valuation to support this.

Acquisition cost/EUV:

Planning Obligations Costs

The DAT allows the Council to consider the impact of a range of different planning obligations. These obligations are defined by LDP Policies CFS/1 and CFS/11 with further detail provided in the adopted Planning Obligations SPG. See www.conwy.gov.uk/ldp

If the applicant has previously sought advice from the Strategic Planning Policy Service and received details of Planning Obligations, these can be added to the table below. Otherwise the required Planning Obligations will be calculated as part of the application process.

Planning Obligation	Cost of Provision
Waste	£
Open Space	£
Education	£
Allotments	£
Libraries	£
Highways	£
Town Centre Improvements	£
	£
Planning Obligations Costs Total	£

Section 2: Developments with no on-site AHLN

Financial Viability Calculation Summary

If the development **does not** propose to include any on-site AHLN, this page provides a summary of the viability calculation. If this applies, do not complete Section 3.

If the proposed development **does** include AHLN units, ignore this page and continue to Section 3.

Gross Value	
Number of market units	
Sale price per market unit*	£
Total Gross Development Value (GDV)	£
Development Costs	
Build cost per unit*	£
Total build costs	£
Other development costs (including profit margin)	£
Abnormal/exceptional costs	£
Land acquisition cost/existing use value	£
Planning Obligations costs	£
Total development Cost	£
Total Net Development Cost	
Surplus / Deficit	£

* only applies where this figure is the same for all units

Section 3: Developments which provide on-site AHLN

Tenure Mix

Please enter the number of units across different tenures by completing the table below.

Note: the tenure mix throughout the County Borough differs, resulting from the overall housing need in that area. Please consult with Housing Strategy Service prior to completing this section, or discuss the tenure mix at the pre-application stage.

Description of Dwelling	Market dwellings	Affordable Dwellings				Total no. of units
		Social Rent	Home-buy	Intermediate rent	Equity Share	

Social and Intermediate Income

Description of Dwelling	Social Rent values (per week)		Intermediate Rent values (per week)		Intermediate Sale Value
	No. of units	Benchmark Rents	No. of units	Benchmark Rents	
		£		£	£
		£		£	£
		£		£	£
		£		£	£
		£		£	£
		£		£	£
		£		£	£
		£		£	£
		£		£	£
		£		£	£
Affordable Income Total		£		£	£

Capital Contribution from Other Sources

The DAT allows the Council to consider sources of revenue to the residential scheme from a range of different capital contributions. There is a list of typical contributions and a category called 'Other' for items not covered on the list. Where such contributions apply, please complete the table below.

Contribution	Input by Unit					Total (Affordable and Market Sale)
	MARKET SALE	AFFORDABLE				
		Social Rent	Home-buy	Intermediate Rent	Equity Share	
Welsh Government						
Subsidy for Intermediate Rent						
European Union funding						
Local Authority Capital Grant						
Other regeneration funding						
Lottery grant						
Commuted sum						
CADW (heritage funding)						
Employer contribution						
Capital Contributions Total						

Capital Value of Affordable Housing

Scheme revenue calculated by the DAT includes revenue from the market housing and from the Affordable Housing. For the Affordable Housing, the underlying principle of the DAT is that there is capital value for each unit and that the provider of the affordable housing (typically a housing association) will pay the developer this capital value. The sum of these values counts towards total scheme revenue.

Please choose from one of the following options following consultation with the Council's Housing Strategy Service:

Capital value is based on Acceptable Cost Guidance (ACG) - grant is available

Capital value is based on ACG - grant is not available

Capital value is based on income to the housing association - grant may be available

Capital value is agreed between the housing association and the developer