

Gloucester City Council: Guidance on Information to be included in a Viability Assessment for a Planning Application

Viability Assessments (for residential and commercial developments) should include the following information:

- Estimated market sale/rental values (and yields where appropriate) supported by comparable evidence.
- Estimated affordable housing sale/capital values (supported by offers from Registered Providers where available) or commuted sum calculation (in exceptional circumstances), with details of assumptions on affordable house types and tenures (where appropriate).
- Details of any grant income from Homes England, LEP, etc.
- Benchmark/Threshold/Site value supported by valuation report, clear valuation methodology or adjusted (for policy compliance) transactional information. Benchmark land values should take into account abnormal costs, site specific infrastructure and a premium to land owners (competitive return). All values adjusted to take into account full policy compliance.
- Detailed build costs, supported where necessary by a cost plan or appropriate industry sources (e.g. BCIS).
- Detailed site costs and abnormal development costs, broken down into rates and quantities and supported by quotes or technical reports/surveys where appropriate.
- Detailed preliminary costs break down (if excluded from build costs) and duration.
- Development contingencies and assessment of construction risk to support.
- Detailed breakdown of professional fees.
- Costs of S106/CIL costs as advised by the LPA.
- Detailed breakdown of sales, marketing and disposal fees.
- Finance costs, including interest rate (and supporting evidence/funders' letters where available) and detailed development programme.
- Target developer's profit allowance, expressed either on Costs or on GDV, and assessment of development risk profile to support.
- Resultant Residual Land Value (RLV) derived from the above information and compared with the benchmark land value.

For all development proposals, assumptions relating to sales values or rental values should be supported by good comparable transactional evidence where available, relevant market evidence and discussions or agreements with future occupiers.

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