

GUIDE TO QUALITATIVE SITE APPRAISAL SCORES AND OVERVIEW OF ASSESSMENT CRITERIA

| | | Score |
|--|--|-------|
| Location and proximity to other Industrial Estates | Poor with restrictive adjoining uses | 1 |
| | Acceptable adjoining uses | 2 |
| | Good with few restrictive adjoining uses | 3 |
| Site Size | Site too large for location | 1 |
| | Site acceptable for location | 2 |
| | Site of a good size for location | 3 |
| Accessibility | Poor local access | 1 |
| | Acceptable | 2 |
| | Good local access | 3 |
| Development Constraints | Poor potential for development | 1 |
| | Acceptable | 2 |
| | Good potential for development | 3 |
| Planning Constraints | Poor with onerous planning constraints | 1 |
| | Acceptable | 2 |
| | Good with few planning constraints | 3 |
| Sustainability | Poor potential for future sustainable growth | 1 |
| | Acceptable | 2 |
| | Good potential for future sustainable growth | 3 |
| Commercial Appeal | Limit demand and commercial appeal | 1 |
| | Reasonable anticipated demand | 2 |
| | Positive commercial appeal and good demand | 3 |

Location and proximity to other Industrial Estates

These criteria looked at the location and the general surrounding land uses within the vicinity of each identified site and the distance to established industrial estates

Sites scored poorly if they were located in close proximity to residential dwellings or other inappropriate adjoining uses and also if they were isolated and distant from other areas of established employment land. This included sites, which were adjoining housing estates or schools where employment uses (in particular B2 uses) would have a significant adverse effect.

Sites scored highly if they were adjoining or in close proximity to existing employment land or industrial estates and would have limited impact on any surrounding uses.

Site Size

This looked at the size of the identified site in relation to the size of the nearest settlement.

Sites scored poorly if they were too large for their respective location. In general these were large rural sites, which provided a quantity of land that would be in excess of that demanded for the locality. However, it should be noted in these instances a view was generally taken that a reduced area could be considered for employment purposes with comments made on each individual summary sheet.

Sites scored highly if they were of a size where their anticipated demand and commercial appeal would be greater than the quantity of land provided.

Accessibility

This looked at the accessibility of each site and its proximity to suitable access roads.

Sites scored poorly if they were accessed via significant residential feeder roads, where the access roads were narrow or were not capable of providing appropriate access requirements of many employment users without significant improvements and capital expenditure. This included sites, which were accessed via narrow country lanes where the passing of HGVs would not be readily possible.

Sites scored highly if they were in close proximity to strategic road networks (A or B classified roads) or were via wide roads providing appropriate access. These sites were generally located in less rural areas where appropriate access to each site was already in place.

Development Constraints

This looked at the any potential development constraints, which may have a detrimental impact upon each of the identified sites.

Sites scored poorly if they offered limited development potential. This included those which were steeply sloping, traversed by waterways or covered with numerous trees etc.

Sites scored highly if there were few limitations which may impact development.

Planning Constraints

This looked at any potential planning constraints for each site.

Sites scored poorly if they were not allocated for employment uses, were located within areas with onerous planning conditions/allocations or were inappropriately located (e.g. were highly visible).

Sites scored highly if they were allocated or retained for employment uses, were located within development boundaries and were well positioned for future employment land.

Sustainability

This looked at the future sustainable growth of each identified site.

Sites scored poorly if they were Greenfield sites, distant to labour market or had poor public transport links

Sites scored highly if they were Brownfield sites within walking distance or public transport routes of good labour market

Commercial Appeal

This looked at the anticipated demand and commercial appeal of each identified site.

Sites scored poorly if they offered limited appeal and demand due to any of the above criteria.

Sites scored highly if they offered commercial potential and would be well received by the market.

APPRAISAL METHODOLOGY AND ASSUMPTIONS

In carrying out full viability studies of a site, the net developable area has been estimated, based upon the shape of the site (generally this ranges from 70-85% of the Gross area). From this site coverage between 45%-50% has been applied to reflect the quantity of buildings, which could be constructed on the site. This applied site coverage has taken into consideration the changes in required parking allocations for new development schemes.

In reaching an opinion as to whether each site is economically viable, the Gross Development Value (GDV) of the site once constructed has been estimated. This has been based on an average rate per square foot, as outlined in Appendix B. These rates vary depending on each location and assumed type of units that will be constructed.

From the GDV, the approximate costs of construction, bank interest, professional fees and a developer's profit have been deducted to leave a residual value, which in turn allows a judgement to be made regarding the viability of a scheme.

In each appraisal, allowance has been made for all the usual professional fees and finance costs, which assume an interest rate on capital employed equivalent to 3% above base rate inclusive of arrangement fees. A credit rate has been assumed at 0.5%.

The appraisals have been carried out assuming either a Two, Three or Four Phased Development (depending on the size of the site), over a maximum period of 20 years.

The build costs applied for the industrial premises range from £50 per sq ft up to £65 per sq ft, depending on the specification of the proposed units. Office build costs have been applied at £85 per sq ft. An additional sum of 10% has been added for unforeseen works. These costs are based on current and past experience working with numerous local developers who construct speculative schemes.

A sum of £50,000 per Phase has been added for Road/Site works.

Sums for Professional Fees, Marketing and Disposal Fees have been accounted for.

A profit level of 15% on GDV has been applied for each of the sites.

In each appraisal, unless otherwise known and stated on each individual summary sheet, it has been assumed that:

- There are no adverse ground or environmental conditions
- Each site has access to all required services
- There are no Section 106 payments required
- There are no requirements for construction to BREEAM standard or the like
- There are no Highway improvements required
- The land has planning consent for B1 business and B8 storage and distribution uses (and preferably B2 general industrial).