



Viability Assessment

Land at Yews Farm, Spalding Road, Pinchbeck

Reserved Matters application providing details of appearance, landscaping, layout and scale. Erection of 218 dwellings, including roads, public open space, drainage, infrastructure and landscaping – Outline approved under Hybrid application H14-1218-21

H14-0083-26

16th February 2026

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Executive Summary

Ashwood Homes have submitted a Reserved Matters application for 218 homes as a Phase 2 development at Yews Farm, Pinchbeck, with the Phase 1 development having commenced in 2025 and the deadline for submission of Reserved Matters falling in 2026.

This Viability Assessment accompanies the Reserved Matters application, assessing three scenarios for development to assess viability.

The first Scenario assesses the viability of the scheme with the same s106 requirements as agreed for the Phase 1 development, being 7% affordable housing provision and £8,028 per home in financial contributions. The appraisal of this scenario shows the development to be loss making.

Scenario 2 assesses the viability of the scheme with no affordable housing, but does still include a reduced amount of financial contributions, at a level of £5,000 per home, however, the appraisal shows this still to be loss making.

Scenario 3 assesses the viability of the scheme with no affordable housing and no financial contributions. The appraisal of Scenario 3 shows the development to become profitable, but at a significant deficit to what would be considered an acceptable return to a developer.

All Scenarios work from recently agreed sales values in the area, as considered acceptable by the Councils viability assessors/ consultants, use BCIS build costs, have allowances for land, professional fees etc. in line with industry norms and at levels recently accepted by the Councils viability assessors/ consultants.

It is, therefore, sought that the Reserved Matters application be approved without delay, without a requirement for the provision of affordable homes or any s106 financial contributions to support the viability and ultimately, the delivery of this development on land allocated for housing within the Councils adopted plan.

1.0 Overview & Background

- 1.1 The property, known as Yews Farm, Pinchbeck, is located within a segment of land, which lies in between the village of Pinchbeck and the current settlement boundary of Spalding, and benefits from full planning approval for 100 homes and outline planning approval for up to a further 300 homes.
- 1.2 Development has commenced on the first phase of development (in 2025) and as of February 2026 there are around 12 homes built out.
- 1.3 The boundaries to the site can be described as follows:
 - Northern boundary: this runs along part of the southern settlement edge of the village of Pinchbeck, immediately to the south of Market Way, Blue Gowt Drain and a small area of industrial buildings.
 - Eastern boundary: for the most part this runs along the line of an existing division between two agricultural fields. However, towards the southeast the boundary extends and runs up to Spalding Road and a roundabout which is to form part of the Spalding Western Relief Road. Immediately on the opposite side of Spalding Road to the subject site there are a variety of commercial / industrial premises as well as Bellway's "Pinchbeck Fields" development.
 - Southern boundary: this runs close to Vernatt's Drain, which itself is situated just to the northern edge of Spalding's settlement (which in this location comprises of various established residential dwellings). Based on the masterplan for the development this southern section will be provided as public space. Also, the Spalding Western Relief Road runs horizontally through this southern section.
 - Western boundary: this runs along a railway line, beyond which are open fields.
- 1.4 A hybrid planning application was approved on the site by South Holland District Council on 13th October 2023, which approved the construction of 100 new homes, landscaping and infrastructure in detail, as well granting outline planning approval for up to a further 300 homes, landscaping and infrastructure, with all matters reserved, except access.
- 1.5 The application was accompanied by a Viability Assessment, which through negotiation with South Holland District Council and their viability assessors (CPV), resulted in a requirement for 7% affordable housing on the first phase (100 homes) of development, as well as financial contributions towards the Spalding Western Relief Road and Open Space / cemetery land of £802,800, secured via section 106 legal agreement.

- 1.6 The s106 agreement also set out a requirement for policy compliant affordable housing provision (25%) and financial contributions for the second phase of development (for up to 300 homes), or as otherwise agreed by the Council following Viability Assessment.
- 1.7 This Viability Assessment is submitted to accompany Ashwood Homes submitted Reserved Matters application (H14-0083-26) for the phase 2 development of 218 homes, which under condition 26 of the planning permission must be submitted no later than 13th October 2026, being not later than three years from the approval date.
- 1.8 Since the grant of planning approval in 2023 build costs have continued to rise and have outpaced any marginal rise in sales values (if any), in the face of the “cost of living crisis”. As such, this Viability Assessment considers the following three scenarios:
- Scenario 1
Provision of 7% affordable housing and financial contributions of £8,028 per dwelling, in line with the framework approved for the first phase. This generates a loss of £2,452,601.
- Scenario 2
Provision of no affordable housing and reduced financial contributions of £5,000 per dwelling. This generates a loss of £504,246.
- Scenario 3
Provision of 0% affordable housing and no financial contributions. This generates a profit, but at a deficit of £9,015,227 to a reasonably expected return.
- 1.9 This second phase of development, therefore, suffers greater challenges than the first phase, as the sales market stagnates and as build costs continue to rise, squeezing viability and requiring a further reduction in the policy costs.

2.0 Accommodation Schedule

- 2.1 Set out at Appendix I are two schedules of accommodation for the 218 homes plotted on the phase 2 development area. Schedule 1 includes for 7% (15 no.) affordable dwellings, to accord with the Scenario 1 testing. Schedule 2 lists all dwellings as market dwellings, as per scenario 2 and 3 testing.
- 2.2 Schedule 1 calculates the market dwelling gross internal area as 19,076m², affordable rented as 793m² and affordable intermediate housing as 304m², coming to a combined total of 20,173m².
- 2.3 Schedule 2, with affordable housing provision converted to market housing, calculates the market dwelling gross internal area as 20,173m².

3.0 Sales Values

Market Sales

- 3.1 Contained at Appendix II is a review of local market evidence, collecting data from Broadgate Homes, Bellway Homes and D Brown Builders (Keston Fields Ltd), as new build house builders operating locally.
- 3.2 The information at Appendix II has recently been reviewed by CPV in agreeing sales values as part of a Viability Report on land at Land off Horseshoe Road (H16-0515-25). That same report also considers marketing prices at Ashwood Homes development at Yews Farm, noting that “a number of the dwellings have already been marketed for an extended period of time without having secured a sale”, reflecting the current challenging sales market.
- 3.3 Set out below are the sales values agreed by CPV at Horseshoe Road, Spalding, in September 2025, considering the evidence contained at Appendix II. The values were distilled to a m² figure of £2,666.35 within their appraisal.

2b Semi	68.60 sq m	£182,500
2b Terr	68.60 sq m	£177,500 to £182,500
3b Terr	83.10 sq m	£222,500 to £227,500
3b Semi	82-83.40 sq m	£227,500
3b Det	86.60-89.30 sq m	£235,000 to £240,000
4b Det	113.80-243.90 sq m	£297,500 to £577,500

- 3.4 As a recently agreed figure based on the evidence available, this figure has also been adopted within this viability assessment, however, this has been uplifted by 2% (to

c.2,719/m²) to reflect what Ashwood Homes hope to be achievable on the subject site. Reflecting this additional risk, a minimum contingency of 4% is required within the appraisal, rather than the usual 3% agreed by CPV.

- 3.5 The value of the market plots at £2,719/m² in Scenario 1 is £51,879,000, rising to £54,862,476 in Scenarios 2 and 3.

Affordable Sales

- 3.6 In terms of the value of the affordable plots, agreed within the recent viability review for Horseshoe Lane (as well as numerous other viability assessments locally in recent years) the value attributed to the affordable homes is:

- Affordable Rented 50% of Market Value
- Intermediate / Shared Ownership 67.5% of market value

- 3.7 Within their Viability Appraisal for Horseshoe Road, CPV used rates of £1,259.93/m² and £1,795.73/m² for rented and intermediate properties, respectively. These figures have been adopted in our appraisal, but again, uplifted by 2%, with an affordable housing value of £1,575,704 being calculated for the affordable homes.

Gross Development Value

- 3.8 The total Gross Development Value (GDV) for of the scheme in Scenario 1 is £53,454,911, rising to £54,862,746 in Scenarios 2 and 3.

4.0 Acquisition Costs

- 4.1 As required under the NPPF and PPG, an EUV + Premium approach to land value has been adopted within this assessment, also putting values in context by review of local comparable land transactions.
- 4.2 The EUV of the land is no less than £25,000 per hectare. This is in line with the EUVs used in viability assessments for similar sites locally.
- 4.3 The premium to be applied to the existing use value, for release of the land for residential development, as supported by numerous local viability assessments / reports (and appeal decisions referenced in those reports), is in the region of 10 – 15 times the EUV, being at the lower end of that scale where abnormal costs are high and at the upper end where abnormal costs are lower.
- 4.4 Based on the level of abnormal costs set out later in this report, an 11 times multiplier has been adopted to arrive at a Benchmark Land Value, resulting in an uplift of £275,000 per hectare.
- 4.5 The total site area for the Yews Farm development is 16.04 Ha. The CP Viability Report for Phase 1 focused solely on the 3.41 Ha of land brought forward with full detail at that time, leaving the balance of 12.63 Ha, picked up in this Phase 2 development.
- 4.6 At an existing use value of £315,750, plus an uplift of 11x at 12.63 hectares (£3,473,250), derives a BLV for the development of £3,789,000, equating to £300,000 per hectare.
- 4.7 Checking this figure against local comparable land transactions, Bellway Homes paid £1,820,000 in 2021, for 3.99 hectares of land on the north side of Wardentree Lane, with planning approval for 96 homes, including provision of 25% affordable housing. This equates to £456,140 per hectare, significantly in excess of the BLV calculated above for the subject site.
- 4.8 Similarly, in 2023 Accent Housing Limited paid £1,275,000 for 1.55 hectares of land with planning approval for the development of 37 homes. The consent included a policy compliant level of affordable housing, albeit that all dwellings were delivered by the purchaser as affordable through the use of Homes England grant funding on all plots. The price paid still provides evidence of a comparable land transaction and at a rate of £822,580 per hectare, is far in excess of the BLV calculated above for the subject site.
- 4.9 Comparable land transactions therefore support the identified BLV of £300,000 per hectare as representing the minimum amount a landowner could consider reasonable to sell the land, using the prescribed methodology, and would suggest a more realistic figure in excess of £400,000 per hectare to be appropriate.

5.0 House Build Construction Costs

Plot Costs

- 5.1 In terms of the plot construction costs, it is a standard approach to use the BCIS database, which is presented as a rate per m². The figure used in the recent CPV report for Horseshoe Road looks to adopt the September 2025 BCIS lower quartile figure of £1,283/m² for 2-storey housing. The same BCIS figures set out a median cost for 2-storey housing at £1,437/m². Ashwood Homes consider the mid-point (c.£1,360/m²) between the lower quartile figure and the median to be a closer representation of the current build costs, however, for this viability assessment the CPV rate of £1,283/m² has been adopted, at this time, in an effort to expedite negotiations. This figure has also been uplifted by 2%, to £1,308.66/m², to reflect the uplift in cost since that time.
- 5.2 Applying the above figure provides a plot build cost for the site of £26,398,170.

Contingency

- 5.3 A contingency figure of 4% has been used within the appraisal, uplifted from a typically accepted 3%. As discussed with regard to sales values, this has been uplifted as a contingency against the more ambitious sales values used, versus those recently accepted and agreed elsewhere in Spalding by CPV.

EV Charging

- 5.4 In addition to the plot costs, an additional cost of £750 per plot has been included to cover the cost of EV chargers to all plots.

Air source heat pumps

- 5.5 The development is proposed to be delivered with air source heat pumps, in readiness for but regardless of the introduction of the future homes standard. The extra over cost of delivering air source has been added within the build cost section of the appraisal, but could equally be contained within the abnormal development costs.
- 5.6 The extra over cost, as compared to a traditional gas boiler, varies depending on the size of the home, with the average cost on plot for this development being £6,962 per home.

Building Safety Levy

- 5.7 The building Safety Levy is applied on a per m² basis of gross internal floorspace and is due to come into effect in Autumn 2026. Given the projected timescales for site delivery BSL will apply to all plots, with the current rate being £22.79m².
- 5.8 The cost attributable to the Building Safety Levy, therefore, is projected to amount to a total of £501,608 in Scenario 1, and £526,609 in Scenario 2 and 3, adding an additional £2,415.64 to the build cost of the average new build homes in South Holland.

Garages

- 5.9 Ashwood Homes garage construction costs for this scheme total £1,863,000, equating to £12,176.47 per garage space for the 153 garage spaces, which is the figure used in the appraisal.
- 5.10 The above sum excludes integral garages, which are picked up in plot build costs, as well as any abnormal foundation costs, which are picked up under “abnormals”.

Abnormals

- 5.11 Contained at Appendix III is a schedule of abnormal costs, which amount to £7,962,642 for the site. The abnormal costs, in large part, are associated with the ground conditions of the site and the need to raise site levels due to flood risk.

6.0 Externals

- 6.1 The site External costs are £6,623,692, which equates to 16.1% of “Construction Costs” or 22.1% of BCIS house build costs plus garage, EV and ASHP costs.
- 6.2 The CPV report for Horseshoe Road sets out data from five recent and local projects, with an average cost at 23.4%, putting the site External costs well below the typical average for “Construction Costs” or marginally below the average for the reduced figure for BCIS house build costs, plus garage, EV and ASHP costs.
- 6.3 In the past 4-5 years CPV have often reviewed Ashwood Homes External costs and simply reduced this down to c.15%. Ashwood Homes have accepted a negotiated position on these schemes to allow development to commence, however, the results that have borne out in time are profit margins actually achieved on those sites falling well below what is deemed to be a reasonable return to a developer for their investment to deliver homes. Maintaining this approach will put the future of regional / SME house builders such as Ashwood Homes at risk and is a practice jeopardising the sustainable operation of building in the area.
- 6.4 In addition to the experience of Ashwood Homes noted above, it can be seen that one of the schemes referred to when considering External costs in the CPV report is a development of 68 homes at Quadring, where the developer has gone into administration, despite this scheme being approved with no affordable housing provision or financial contributions.
- 6.5 Anecdotally, it is also understood by Ashwood Homes that Bellway Homes development at Pinchbeck and Persimmon Homes development at Weston are the worst performing developments for their divisional offices with profit margins significantly below

expectation, despite the advantageous buying power / lower build costs of PLCs versus SME builders, reflecting the challenging conditions in the area.

7.0 Professional Fees

- 7.1 The Professional Fees relating to this project come to £1,825,000, equating to 4.4% of “Construction Costs”, or 6.1% of BCIS build costs plus garage, EV and ASHP costs. Both measures are considered to be appropriate with reference to recent CPV reports, such as 6% agreed at Monks House Land and 5.5% proposed by CPV at Horseshoe Road, noting that the developers viability report set costs out at 9.57% (read from the CPV report) for the latter.

8.0 Section 106

- 8.1 The approach taken in this Viability Assessment accepts that the viability position has worsened since approval of the first phase of development and as such, uses the cost framework of the first phase s106 agreement (for a baseline assessment of viability / Scenario 1), being 7% affordable housing and financial contributions of £8,028 per dwelling.
- 8.2 It has also been assumed within Scenario 1 that a deed of variation to the s106 agreement to secure agreed affordable housing and financial contributions would reset the indexation date to the date of determination of the reserved matters. No indexation is therefore taken into account in this viability assessment.
- 8.3 Scenario 2 reduces the affordable housing provision to nil, and reduces the s106 financial contributions to £5,000, to assess viability with an offering of reduced s106 payments, however, the appraisal does not return a viable outcome.
- 8.4 Scenario 3 reduced all contributions to nil, with the outcome being profitability for the development, but still at a significant deficit.

9.0 Sales and Marketing

- 9.1 In recent years Ashwood Homes has experienced a steady rise in sales and marketing costs, both through the increased costs of using platforms such as Right Move, but also through the greater use of campaigns across all media types, seeking to attract buyer interest.
- 9.2 Within the appraisal an allowance of 3% of sales has been made for sales and marketing costs, which is considered to be at the lower end of actual anticipated costs, with a further £1,000 allowance for legal fees per home.
- 9.3 These costs equate to £1,769,379 in Scenario 1, rising to £1,863,882 in Scenario 2 and 3.

10.0 Timescales and Sales Profile

- 10.1 Across the scheme Ashwood Homes anticipate a sales rate of between 2 and 2.5 sales per month. Working to the upper end of this range, 2.5 home sales per month equates to 30 sales per annum (a rate of 0.577 per week), and a total build timescale of 7.26 years. The lower rate of 2 sales per month would equate to 24 homes per annum, 0.46 per week and a total build timescale of 9 years. Current sales rates across Ashwood Homes sites are below this rate.
- 10.2 To further support this as a sensible or ambitious timescale, recently published PLC house builder figures are:
 - Bellway half year reporting (published in the press in February 2026) confirms a sales (reservation) rate of 0.47 per outlet per week (including bulk sales – which lift sales rates), equating to 24.4 homes per annum, being a figure down on their achieved rate of 0.51 homes per outlet per week in 2025.
 - Crest Nicholson's preliminary results for the year ending 31st October 2025 (published in January 2026) reports an achieved sales rate of 0.51 per outlet per week, equating to 26.5 homes per annum.
- 10.3 A forecast of 8 years is anticipated in total for delivery of the scheme, which sits above the 2025 rate achieved by Bellway and Crest Nicholson.

11.0 Finance

- 11.1 Ashwood Homes anticipated finance costs for the development are £798,000.

12.0 Profit

- 12.1 The approach taken by CVP with regard to developer profit looks to be consistent across appraisals, applying a figure of 17.5% of revenue to open market dwellings, and 6% of revenue in relation to affordable disposals. These figures are taken forward in our appraisal, equating to a profit requirement of £9,600,980 in Scenario 2 and 3.

13.0 Appraisal Results and Conclusions

- 13.1 The appraisal result in Scenario 1 supports the assertion that viability has worsened since consideration of the first phase and as such, delivery of 7% affordable housing and £8,028 per home in s106 financial contributions are not viable.
- 13.2 Scenario 2 also demonstrates that even with a reduced s106 contributions of £5,000 per home, and no affordable housing delivery, the scheme remains unviable.
- 13.3 The appraisal for Scenario 3, with no affordable housing provision and no financial contributions does show the scheme to become profitable, but with a large deficit to what would be considered a reasonable return. Planning approval is sought with no affordable housing provision and no s106 financial contributions due, to facilitate the viability of the development, as supported by the appraisals presented within this assessment.

14.0 Sensitivity Analysis

- 14.1 Sensitivity analysis of Scenario 1 does not show a meaningful reduction in the deficit of the scheme.
- 14.2 Sensitivity analysis of Scenario 3 shows that with a 5% improvement in sales values and 5% reduction in build costs, (the most favourable option to aid viability) the deficit is reduced to c.£5.4m, with the scheme returning a profit of c.£4.6m.

Scenario 1

	BCIS as per appraisal	+5%	-5%
GDV as per appraisal	-£11,626,018	-£12,998,723	-£10,253,314
+5%	-£9,489,759	-£10,862,464	-£8,117,054
-5%	-£13,762,278	-£15,134,983	-£12,389,573

Scenario 3

	BCIS as per appraisal	+5%	-5%
GDV as per appraisal	-£9,015,227	-£10,387,932	-£7,642,522
+5%	-£6,834,432	-£8,207,137	-5,461,728
-5%	-£11,196,021	-£12,568,726	-£9,823,316

APPENDIX I – ACCOMODATION SCHEDULE

Schedule 1

Market Housing					
Type	Sqft	M2	No.	Total sqft	Total M ²
2b semi / end	732	68.0	40	29,280	2,720
2b mid	732	68.0	11	8,052	748
3b semi	796	74.0	15	11,940	1,109
3b semi / end	902	83.8	28	25,256	2,346
3b mid	902	83.8	2	1,804	168
3b semi	902	83.8	2	1,804	168
3b semi	910	84.5	6	5,460	507
3b semi	1079	100.2	5	5,395	501
3b det	1079	100.2	17	18,343	1,704
3b det	1079	100.2	18	19,422	1,804
3b det	1077	100.1	18	19,386	1,801
4b det	1283	119.2	9	11,547	1,073
4b det	1310	121.7	8	10,480	974
4b det	1442	134.0	5	7,210	670
4b det	1546	143.6	13	20,098	1,867
4b det	1578	146.6	4	6,312	586
4b det	1770	164.4	2	3,540	329
			203	205,329	19,076

Affordable rented housing					
Type	Sqft	M2	No.	Total sqft	Total M ²
1b quad	575	53.4	4	2,300	214
2b semi / end	732	68.0	2	1,464	136
2b mid	732	68.0	1	732	68
3b semi / end	902	83.8	2	1,804	168
4b semi	1120	104.1	2	2,240	208
			11	8,540	793

Affordable intermediate housing					
Type	Sqft	M2	No.	Total sqft	Total M ²
2b semi / end	732	68.0	2	1,464	136
3b semi / end	902	83.8	2	1,804	168
			4	3,268	304

Schedule 2

Type	Sqft	M2	No.	Total sqft	Total M²
1b quad	575	53.4	4	2,300	214
2b semi / end	732	68.0	44	32,208	2,992
2b mid	732	68.0	12	8,784	816
3b semi	796	74.0	15	11,940	1,109
3b semi	902	83.8	32	28,864	2,682
3b semi	902	83.8	2	1,804	168
3b semi	902	83.8	2	1,804	168
3b semi	910	84.5	6	5,460	507
3b semi	1079	100.2	5	5,395	501
3b det	1079	100.2	17	18,343	1,704
3b det	1079	100.2	18	19,422	1,804
3b det	1077	100.1	18	19,386	1,801
4b semi	1120	104.1	2	2,240	208
4b det	1283	119.2	9	11,547	1,073
4b det	1310	121.7	8	10,480	974
4b det	1442	134.0	5	7,210	670
4b det	1546	143.6	13	20,098	1,867
4b det	1578	146.6	4	6,312	586
4b det	1770	164.4	2	3,540	329
			218	217,137	20,173

APPENDIX II – SALES VALUES

Broadgate Homes

Address			Sq m	£ psm	Price	Date	Type
6	MELVILLE WAY	SPALDING	72	£2,542	£182,995	15/09/2023	Terr
9	BLYTON LANE	SPALDING	72	£2,569	£184,995	14/12/2023	Semi
			72	£2,555			
13	BLYTON LANE	SPALDING	82	£2,549	£208,995	08/03/2024	Det
3	GASKELL PLACE	SPALDING	83	£2,542	£210,995	02/08/2024	Semi
5	GASKELL PLACE	SPALDING	83	£2,542	£210,995	12/07/2024	Semi
			83	£2,542			
50	CIRCUS APPROACH	SPALDING	114	£2,105	£239,995	14/06/2024	Semi
52	CIRCUS APPROACH	SPALDING	114	£2,061	£235,000	22/08/2024	Semi
54	CIRCUS APPROACH	SPALDING	114	£2,070	£235,995	28/03/2024	Semi
2	SALINGER WALK	SPALDING	114	£2,061	£234,995	29/08/2024	Terr
6	SALINGER WALK	SPALDING	114	£2,096	£238,995	17/10/2024	Terr
1	HUXLEY AVENUE	SPALDING	114	£2,079	£236,995	17/10/2024	Terr
3	HUXLEY AVENUE	SPALDING	114	£1,947	£221,995	27/11/2024	Terr
			114	£2,060			

CPV compared these values to those used in RGP's appraisal for Horseshoe Lane and commented as follows:

- Semi / Terr pf 68.60 sq m have values of £2,587 to £2,660 psm. This compares to £2,555 psm above. The uplift in RGP's appraisal is deemed to be a reasonable reflection of sales price inflation since the above sales were.

- A semi of 83 sqm which achieved on average £2,542 psm, against a semi of 83.40 sqm at the subject site which has a proposed value of £2,728 psm and a semi of 83.10 sqm which has a proposed value of £2,738 psm. Again, RGP's adopted values appear reasonable in the context of the Broadgate Homes scheme, taking into account house price inflation.

- A detached dwelling of 82 sqm which achieved £2,549 psm against a detached of 86.80 sqm at the subject site which has a proposed value of £2,765 psm. Again, this appears reasonable in the context of this evidence.

- At this development semi/terraced dwelling of 114 sqm achieved on average £2,060 psm, at the subject site a detached property of 113.80 sqm is proposed at a value of £2,790 psm. This appears to be a reasonable uplift to reflect the uplift in value for a detached and inflation.

Keston Fields

Address				SQM	£ psm	Price	Date	Type
10	RAVENSBOURNE ROAD	PINCHBECK	SPALDING	106	£ 2,358	£ 250,000	18/12/2023	Semi
14	RAVENSBOURNE ROAD	PINCHBECK	SPALDING	106	£ 2,443	£ 259,000	08/09/2023	Semi
22	RAVENSBOURNE ROAD	PINCHBECK	SPALDING	106	£ 2,443	£ 259,000	01/11/2023	Semi
24	RAVENSBOURNE ROAD	PINCHBECK	SPALDING	106	£ 2,358	£ 250,000	11/03/2024	Semi
				106	£ 2,401			
18	RAVENSBOURNE ROAD	PINCHBECK	SPALDING	132	£ 2,500	£ 330,000	01/12/2023	Det
20	RAVENSBOURNE ROAD	PINCHBECK	SPALDING	132	£ 2,462	£ 325,000	12/08/2024	Det
				132	£ 2,481			

- A semi of 106 sqm achieved an average of £2,401 psm whilst a detached property of 107.40 sqm has a proposed value of £2,770 psm.

- A detached property of 132 sqm achieved £2,481 on average with a larger detached property of 143 sqm at the subject site has a proposed value of £2,517 psm. Please note, when considering a specific dwelling type, the larger the unit the lower the rate per sq m, for reasons of quantum.

Bellway, Pinchbeck Fields

The Chandler	3 bed semi	£250,000	87 sqm (£2,874 psm)
The Chandler	3 bed semi	£290,000	87 sqm (£3,333 psm)
The Thespian	3 bed detached	£270,000	84 sqm (£3,214 psm)
The Scrivener	4 bed detached	£320,000	111 sqm (£2,883 psm)
The Milliner	4 bed detached	£375,000	118 sqm (£3,178 psm)

CPV were able to compare:

- A 3-bed semi of 87 sqm which at Pinchbeck Fields has an asking price of between £2,874 and £3,333 psm and a 3-bed semi at the subject site of 83.40 sqm which has a proposed value of £2,728 psm.
- A 3-bed detached of 84 sqm which has an asking price of £3,214 psm with a 3-bed detached at the subject site of 86.60 sqm which has a proposed value of £2,714 psm.
- A 4-bed detached of 111 sqm which has an asking price of £2,883 psm and a 4-bed detached of 107.40 sqm which has a proposed value of £2,770 psm.
- A 4-bed detached of 118 sqm has an asking price of £3,178 psm whilst a 4-bed detached at the subject site has a proposed value of £2,504 to £2,770 psm.

CPV commented that for each of the properties listed above the values proposed at the subject site (Horseshoe Lane) are lower than the advertised prices at Pinchbeck Fields. However, as indicated above, these are asking prices only, and the final value may be subject to negotiation or incentives. Furthermore, we note that a number of the dwellings have been marketed for extended periods of time and have been subject to recent price reductions at the start of September 2025. This suggests that demand levels have been limited.

Ashwood Homes would further add that Bellway Homes have been marketing £20,000 savings in recent promotional material, as well as 105% part-exchange deals.

From the types listed above, we have knowledge of a Thespian sold in 2024 for £237,000, £33,000 below the asking price.

Additionally, the Milliner house type are currently advertised for sale at £340,000, opposed to the £375,000 recorded by CPV around September 2025, a £35,000 reduction, demonstrating the lack of strength in the market. It should also be noted that the this reduced price is still subject to marketing deals and incentives.

CPV summarised that RGP's suggested values (set out at 3.3 of this Viability Assessment) are above the nearby sales evidence shown at Broadgate Homes' scheme (circa 300m away), which were achieved in 2023/2024.

Since 2023/2024 the UK House Price Index suggests that general values across South Holland District (i.e. new builds and resales) have been 'flat'. However, the data does suggest there has been some uplift in new build sales during this period, albeit in recent months this uplift is now slowing. As for the new build asking prices in the marketplace, these higher than the RGP values at the subject scheme, however the majority of the dwellings have been marketed for extended periods with price reductions applied.

Furthermore, it is anticipated that sales incentives will be used to drive transactions, which means net sales prices are likely to be below the current asking price levels. In short, we remain unconvinced, given market conditions, that the current new build asking prices identified will reflect net sales values and in reality we would expect discounts from these levels. Having considered the above, we therefore conclude that RGP's adopted values are broadly reasonable for the purposes of the viability testing given current market conditions. We have subsequently adopted the same in our appraisal.

Appendix III – Abnormals Schedule

Ref.	Item	Cost	Comment
1	E/O piled plots	£2,180,000	Required to all plots at a rate of £10,000 per plot
2	E/O piled garages	£382,000	Equating to a cost of £2,497 per garage space
3	E/O road fill 6F5 to road below capping layer	£569,630	
4	Triax Geogrid to Roads and Footpaths	£93,737	
5	Concrete protection to shallow drainage	£120,625	
6	Constrained working due to HP gas main	£55,000	Includes £5,000 for Cadent watching brief
7	Dewatering and shoring excavations	£150,000	
8	Storm attenuation crates	£1,004,900	
9	Wheolite storage to pump station	£30,260	
10	Phase 2 pump station to enable foul to be pumped over existing gas main	£180,000	
11	E/O fill to raise levels	£2,670,500	3,092m ³ at a rate of £70m ³
12	E/O to raise slab levels	£54,500	Due to flood risk
13	Clearance of riparian ditch on site	£10,000	
14	LEAP	£70,000	
15	Railing/ fence and gates to LEAP	£10,990	
16	Electric POC E/O	£109,000	For 300mm main in lieu of 180mm
17	Electric substation	£45,000	
18	Archaeology works	£63,405	Total £139,405 less £76,000 for phase 1
19	Acoustic fencing	30,720	As per acoustic report. At a cost of £80/m for 384m.
20	Acoustic ventilation	£66,000	As per acoustic report. A cost of £1,500 per dwelling to 44 dwellings
21	Network Rail spec fence along railway boundary	£27,000	At a cost of £120/m at 225m
22	Retaining. Gravel board/slab on edge	£39,375	
TOTAL:		£7,962,642	

Appendix IV – Scenario 1 Viability Appraisal

APPRAISAL SUMMARY

Land at Yews Farm, Phase 2 (218 units)
H14-1218-21 (Outline) & H14-0083-26 (Reserved Matters)

Scenario 1

Appraisal Summary (7% affordable housing and £8,028 per home s106 financial contributions, as per Phase 1)

Currency in £

REVENUE

Sales Valuation	Units	ft²	Sales Rate ft²	Unit Price	Gross Sales
Market Value	203	205,329	252.66	255,563	51,879,288
Affordable Rent	11	8,540	119.39	92,691	1,019,599
Shared ownership	4	3,268	170.17	139,026	556,104
Totals	218	217,137			53,454,991

NET REALISATION

53,454,991

OUTLAY**ACQUISITION COSTS**

Residualised Price (12.63 Ha @ 250,000/Ha)	3,473,250	
		3,473,250
Stamp Duty	163,163	
Effective Stamp Duty Rate	4.70%	
Legal Fee	22,000	
		185,163

CONSTRUCTION COSTS

Construction	ft²	Build Rate ft²	Cost
Market Value	205,329	121.57	24,962,627
Affordable Rent	8,540	121.57	1,038,240
Shared ownership	3,268	121.57	397,303
Totals	217,137		26,398,170
Contingency		4%	1,055,927
EV charging	218	750	163,500
ASHP	218	6,962	1,517,716
Building Safety Levy	22010	22.79	501,608
Garages spaces	153	12,176.47	1,863,000
Abnormals			7,962,642
s106 contributions	218	8,028	1,750,104
s106 Indexation			0
			41,212,667
Other Construction			
Externals			6,623,692
			6,623,692

PROFESSIONAL FEES

Professional fees	1,825,442
	1,825,442

DISPOSAL FEES

Marketing & sales	3%	1,556,379
Legals - Market Value	203	203,000
Legals - Affordable		10,000
		1,769,379

Additional Costs

Arrangement Fee & valuation	20,000
	20,000

FINANCE

Debit Rate X%, Credit Rate Y% (Nominal)

Land	
Construction	
Total Finance Cost	798,000

TOTAL COSTS

55,907,592

PROFIT

-2,452,601

Performance Measures

Profit on Cost%	-4.39%
Profit on GDV%	-4.59%

Appendix V – Scenario 2 Viability Appraisal

APPRAISAL SUMMARY

Land at Yews Farm, Phase 2
H14-1218-21 (Outline) & H14-0083-26 (Reserved Matters)

(218 units)

Appraisal Summary

Scenario 2
(0% affordable housing and £5,000 per home s106 financial contributions)

Currency in £

REVENUE					
Sales Valuation	Units	ft²	Sales Rate ft²	Unit Price	Gross Sales
Market Value	218	217,137	252.66	251,664	54,862,746
Totals	218	217,137			54,862,746

NET REALISATION

54,862,746

OUTLAY

ACQUISITION COSTS					
Residualised Price (12.63 Ha @ 250,000/Ha)			3,473,250		
				3,473,250	
Stamp Duty			163,163		
Effective Stamp Duty Rate		4.70%			
Legal Fee		0.63%	22,000		
				185,163	

CONSTRUCTION COSTS					
Construction	ft²	Build Rate ft²	Cost		
Market Value	217,137	121.57	26,398,170		
Totals	217,137		26,398,170		
Contingency		4%	1,055,927		
EV charging	218	750	163,500		
ASHP	218	6,962	1,517,716		
Building Safety Levy	23107	22.79	526,609		
Garages spaces	153	12,176.47	1,863,000		
Abnormals			7,962,642		
s106 contributions	218	5,000	1,090,000		
s106 Indexation			0		
				40,577,564	
Other Construction					
Externals			6,623,692		
				6,623,692	

PROFESSIONAL FEES					
Professional fees			1,825,442		
				1,825,442	

DISPOSAL FEES					
Marketing & sales		3%	1,645,882		
Legals - Market Value	218	1000	218,000		
Legals - Affordable			0		
				1,863,882	

Additional Costs					
Arrangement Fee & valuation			20,000		
				20,000	

FINANCE					
Debit Rate X%, Credit Rate Y% (Nominal)					
Land					
Construction					
Total Finance Cost				798,000	

TOTAL COSTS

55,366,992

PROFIT

-504,246

Performance Measures	
Profit on Cost%	-0.91%
Profit on GDV%	-0.92%

Appendix VI – Scenario 3 Viability Appraisal

APPRAISAL SUMMARY

Land at Yews Farm, Phase 2 (218 units)
H14-1218-21 (Outline) & H14-0083-26 (Reserved Matters)

Appraisal Summary (0% affordable housing and £0 in s106 financial contributions)

Currency in £

REVENUE					
Sales Valuation	Units	ft²	Sales Rate ft²	Unit Price	Gross Sales
Market Value	218	217,137	252.66	251,664	54,862,746
Totals	218	217,137			54,862,746

NET REALISATION54,862,746

OUTLAY

ACQUISITION COSTS			
Residualised Price (12.63 Ha @ 250,000/Ha)		3,473,250	
			3,473,250
Stamp Duty		163,163	
Effective Stamp Duty Rate	4.70%		
Legal Fee	0.63%	22,000	
			185,163

CONSTRUCTION COSTS			
Construction	ft²	Build Rate ft²	Cost
Market Value	217,137	121.57	26,398,170
Totals	217,137		26,398,170
Contingency		4%	1,055,927
EV charging	218	750	163,500
ASHP	218	6,962	1,517,716
Building Safety Levy	23107	22.79	526,609
Garages spaces	153	12,176.47	1,863,000
Abnormals			7,962,642
s106 contributions	218	0	0
s106 Indexation			0
			39,487,564
Other Construction			
Externals			6,623,692
			6,623,692

PROFESSIONAL FEES		
Professional fees	1,825,442	
		1,825,442

DISPOSAL FEES		
Marketing & sales	3%	1,645,882
Legals - Market Value	218	1000
Legals - Affordable		0
		1,863,882

Additional Costs		
Arrangement Fee & valuation	20,000	
		20,000

FINANCE		
Debit Rate X%, Credit Rate Y% (Nominal)		
Land		
Construction		
Total Finance Cost		798,000

TOTAL COSTS54,276,992

PROFIT585,754

Performance Measures	
Profit on Cost%	1.08%
Profit on GDV%	1.07%
Profit on NDV%	
IRR% (without Interest)	
Profit Erosion (finance rate)	