

Cardiff LDP Viability Testing

Cardiff Council

28 September 2026

Contents

1. Executive Summary3

2. Avison Young Credentials4

3. Introduction5

4. Method7

5. Industry Consultation.....8

6. Viability Modelling Considerations9

7. Gross Development Value22

8. Viability Appraisals.....30

9. Conclusion36

Appendices

Appendix I Public Consultation Survey

Report title: Cardiff LDP Viability Testing
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For and on behalf of Avison Young (UK) Limited

1. Executive Summary

- 1.1.1. We have carried out a comprehensive review of the Cardiff residential market, including construction costs and open market sales values.
- 1.1.2. 16 indicative sites have been chosen that represent a cross-section of the development market, giving examples of different development sizes, site types and locations.
- 1.1.3. Appraisals have been carried out on each of these sites, including cash flow analysis. Two scenarios have then been appraised, reflecting different tenure mixes of affordable housing, and a sensitivity analysis carried out on each of these scenarios reflecting different levels of affordable housing, from 0% to 50%, in 5% increments. In total, this required 288 development appraisals.
- 1.1.4. We have used market-facing data to reach the assumptions used to produce these appraisals. The results of these appraisals are sensitive to small changes in the inputs. However, clear trends emerge.
- 1.1.5. While some greenfield or large-scale sites in affluent areas have proven to be viable at a higher threshold, we believe a more deliverable level across the range of greenfield sites should remain at 30%.
- 1.1.6. In respect of brownfield sites, whilst development viability is more challenging for the reasons outlined in this report. We are of the opinion that the level should remain at 20% to capture the brownfield sites where viability remains positive.

2. Avison Young Credentials

- 2.1.1. Avison Young is the world's fastest-growing commercial real estate services firm. Headquartered in Toronto, Canada, Avison Young is a collaborative, global firm owned and operated by its Principals. Founded in 1978, with legacies dating back more than 200 years, the company comprises approximately 5,000 real estate professionals in 108 offices in 15 countries. The firm's experts provide value-added, client-centric investment sales, leasing, advisory, management and financing services to clients across the office, retail, industrial, multi-family, residential and hospitality sectors.
- 2.1.2. Avison Young creates real economic, social and environmental value as a global real estate advisor, powered by people. As a private company, our clients collaborate with an empowered partner who is invested in their success. Our integrated talent realises the full potential of real estate by using global intelligence platforms that provide clients with insights and advantages. Together, we can create healthy, productive workplaces for employees, cities that are centres for prosperity, and built spaces and places that create a net benefit to the economy, the environment and the community.
- 2.1.3. The Cardiff office of Avison Young contains a multi-disciplinary team providing a wide range of property services including development advisory, investment agency, occupational agency and cross-sector valuation advisory services. The office also benefits from building surveying and planning that cover the whole of the UK.

3. Introduction

- 3.1.1. Avison Young have been retained to assess the economic viability of the proposals being brought forward under the Replacement Local Development Plan (RLDP). Avison Young were originally instructed in March 2024 to undertake the viability assessment and were subsequently re-instructed in September 2026 to review and update the assessment to reflect the latest available evidence, assumptions and policy requirements.
- 3.1.2. To assess this, we will take into account the viability modelling considerations outlined in Table 24 of the LDP Manual.
- 3.1.3. As is made clear in Table 24, a balance must be struck between ensuring development provides sufficient value towards mitigation, infrastructure, and policy requirements such as affordable housing, whilst maintaining deliverability, particularly focused on an appropriate profit margin that reflects developers' risk.
- 3.1.4. This study aims to inform the preparation of the Replacement LDP in making informed decisions regarding this balance between the policy goals of achieving sustainable development and the practical considerations of economic viability.
- 3.1.5. This report proceeds by establishing an evidence base of the costs and values of different types of residential development throughout Cardiff. This will generate an appropriate figure for the total contributions that a development can provide towards these priorities, whilst still enabling a developer to bring that development forward.
- 3.1.6. By analysing a range of sites and typologies, we seek to generate an evidence base that can be used to assess both the overall viability of the RLDP and specific viability appraisals submitted for candidate sites.
- 3.1.7. This report has been updated in September 2026 to support the Cardiff Replacement Local Development Plan (RLDP) Examination process. The assessment reflects the Deposit Plan, evidence available to the Council as at autumn 2026, and matters raised by the Inspectors regarding the cumulative viability implications of emerging policy requirements.
- 3.1.8. This report and the accompanying appraisals have been prepared in line with RICS valuation guidance. However, it is first and foremost a supporting document to inform the drafting of the developer contributions evidence base and provide an evidence base for the preparation of the Replacement LDP.

3.1.9. As per Professional Standards 1 of the RICS Valuation Standards - Global Standards (2022), the advice expressly given in the preparation for, or during the course of, negotiations or possible litigation does not form part of a formal "Red Book" valuation and should not be relied upon as such. No responsibility whatsoever is accepted to any third party who may seek to rely on the content of the report for such purposes.

Method

3.1.10. In order to ensure consistency and comparability with previous viability evidence prepared for the Plan, this assessment adopts the same methodology used in the Council's 2024 viability assessment, whilst updating the underlying assumptions, values, costs and policy requirements where appropriate.

3.1.11. Welsh Government's 2020 *Development Plans Manual (Edition 3)* defines viability thus:

"Development can be considered viable if, after taking account of all known costs including: Government policy/regulations, all construction and infrastructure costs, the cost of and availability of finance, other costs such as fees and a contingency sum, the value of the development will generate a surplus sufficient to provide both an adequate profit margin for the developer and a land value sufficient to encourage a land owner to sell for the proposed use. Development can also be made viable through the availability of Government grants."¹

3.1.12. To test the RLDP's viability, therefore, this report will provide a comprehensive overview of values and costs.

3.1.13. This data will be collated from publicly available datasets, such as the Land Registry or BCIS, and supplemented with input from members of the development community, including developers, landowners, RSL's and other interested parties.

3.1.14. These will then be applied to a range of indicative sites that will provide a cross-section of development scales, typologies, and greenfield/brownfield development.

3.1.15. Following requests from the Examination Inspectors, the viability assessment has been broadened beyond affordable housing testing to consider:

- Strategic Access Management and Monitoring Measures (SAMM) and Suitable Alternative Natural Greenspace (SANG) requirements;
- The viability implications associated with bringing forward brownfield regeneration sites;
- The cumulative effect of Deposit Plan policy requirements on development viability;
- The impact of policy requirements on both development costs and net developable area.

¹ Welsh Government (March 2020) - *Development Plans Manual (Edition 3)* 2020 – Section 5.86

4. Industry Consultation

- 4.1.1. Following the guidance of the Development Plans Manual, we have sought consultation with local developers and Registered Social Landlords. The questionnaire was reissued on 26 August 2026. Given the absence of any material change in residential development market conditions, responses from both the previous and current consultation exercises have been taken into account within this assessment.
- 4.1.2. Feedback from previous similar reports and consultations shows that attendance of in-person Stakeholder meetings is often poor, and unstructured conversations can often lead to unclear conclusions. Therefore, Avison Young have created a succinct online questionnaire canvassing the views of knowledgeable individuals at private developers and RSL's in order to boost the feedback from industry.
- 4.1.3. The list of companies contacted is presented below:

Company	Type	Response Received
Barratts	Housebuilder	
Bellway	Housebuilder	
Edenstone	Housebuilder	
Lewis Homes	Housebuilder	
Persimmon/Charles Church	Housebuilder	
Redrow	Housebuilder	
Taylor Wimpey	Housebuilder	
Cadwyn	RSL	
Cardiff Community	RSL	Y (2024)
Cardiff Council Development Team	LA	
Hafod	RSL	Y (2024)
LINC	RSL	
Pobl Group	RSL	
Codi	RSL	Y (2026)
Taff Housing	RSL	
United Welsh	RSL	
Wales & West Housing	RSL	Y (2024)
Crossmark	Developer	Y (2024)
Dandara	Developer	
Watkin Jones	Developer	Y (2026)
Rightacres	Developer	Y (2024)
Urban Centric	Developer	Y (2024)
Watkin Jones	Contractor	

5. Viability Modelling Considerations

5.1 Welsh Government Development Plans Manual

5.1.1. Table 24 of Welsh Government's Development Plans Manual sets out the core modelling considerations which should be taken into account when progressing high level viability testing.

5.1.2. Below, we set out our response and/or assumptions relating to each of these considerations.

5.2 Review of Emerging Policy Requirements

5.2.1. We have analysed the policy requirements set out in Cardiff Council's January 2025 Deposit Plan for Consultation document, produced as part of the process of producing the Replacement LDP. Below we identify the policies that directly relate to planning obligations.

Policy Code	Plan Policy	Cost Implication?	Type of Development	Nature of Costs
SP3	Ensuring a masterplanning approach	No	Strategic sites, 100+ units or multiple phases	Preparation of masterplan, design codes, GI strategy and supporting studies (*professional fees rather than planning obligation costs).
SP4	Securing good quality and sustainable design	Yes	All Development	Enhanced design standards, placemaking, inclusive design, sustainable construction, landscaping, active travel and energy efficiency measures.
SP5	Securing new Infrastructure	Yes	All Development	On and/or off site costs associated with general infrastructure requirements.
SP6	Securing planning obligations	Yes	All Development	On and/or off site contributions and/or costs associated with the demands of the development.
SP12	Delivering sustainable neighbour hoods, social cohesion and affordable housing	Yes	All Development	Provision of a range of dwelling types, including affordable. Provision of local shopping facilities. Provision of a range of community, health, religious, and educational facilities.
SP13	Securing health and wellbeing and resilience	Yes	Major and Residential Developments	Health infrastructure, community spaces, green/blue infrastructure,

				healthy food provision and Health Impact Assessments where required.
SP15	Securing and enhancing opportunities to grow the Welsh language	Yes	Major Developments and Sensitive Schemes	Welsh Language Statements/Impact Assessments, bilingual signage, naming and mitigation measures.
SP20	Securing climate resilience, decarbonisation and renewable energy in new developments	Yes	All Developments	Net-zero measures, renewable energy, low carbon construction, flood resilience, tree planting and climate adaptation measures.
SP21	Maintaining and enhancing green infrastructure and biodiversity	Yes	All Development	Green Infrastructure Assessments, biodiversity net gain, habitat creation, landscaping and ecological mitigation.
H3	Affordable housing	Yes	All developmetns larger than 5 dwellings	20% affordable housing on brownfield sites and 30% on greenfield sites.
C3	Community safety/creating safe environments	Yes	All Developments	Secure by Design measures, lighting, surveillance, public realm improvements and community safety infrastructure.
C4	Planning for schools	Yes	Residential Developments Generating Pupil Demand	School land provision and/or education contributions, particularly for Welsh-medium education.
HF1	Health, wellbeing and food sustainability	Yes	Major Residential and Mixed-Use Development	Healthcare access, active travel, healthy food provision, green space and wellbeing measures.
HF2	The provision of allotments	Yes	Residential Developments	Provision of allotments (typically one 250m ² allotment per 45 dwellings) or financial contribution.
HF3	Provision of food growing space in new developments	Yes	Residential Dvelopment	Community growing spaces, raised beds, orchards and associated infrastructure.
WL1	Welsh language	Yes	Major Developments	Welsh Language Assessments, bilingual signage, naming strategies and enhancement measures.
BG4	Net benefits for biodiversity and the green infrastructure statement	Yes	Significant Developments	Green Infrastructure Statement, biodiversity net

				gain, habitat enhancement and ecological management.
BG5	Trees, woodlands and hedgerows	Yes	All Development	Tree protection, replacement planting (minimum 3:1 ratio), woodland creation and arboricultural works.
BG7	Severn estuary and Cardiff beech woods recreational pressure	Yes	Relevant Developments Affecting Designated	Financial contributions towards bus services, rapid transit and transport infrastructure improvements.
T2	Strategic rapid transit, bus corridors and bus enhancement	Yes	Developments Impacting Transport Network	Financial contributions towards bus services, rapid transit and transport infrastructure improvements.
T7	Electric vehicle charging	Yes	Most New Development	EV charging points and associated electrical infrastructure.
OS2	Provision for open space, outdoor recreation, childrens play and sport	Yes	Residential Development (5+ units)	Open space provision, play areas, recreation facilities or financial contributions.
P1	Play and informal recreation	Yes	Residential Developments	Children's play spaces, informal recreation areas and inclusive play provision.
RE2	Net zero development	Yes	Major and Strategic Developments	Energy statements, on-site renewables, low-carbon technologies and potential offset contributions.
W1	Water sensitive design	Yes	All Development	SuDS, rainwater harvesting, water efficiency measures, flood management and nature-based drainage solutions.

5.3 Strategic Access Management and Monitoring Measures (SAMM) and Suitable Alternative Natural Greenspace (SANG).

- 5.3.1. The Examination Inspectors requested that the viability assessment considers the potential implications of Strategic Access Management and Monitoring Measures (SAMM) and Suitable Alternative Natural Greenspace (SANG) requirements.
- 5.3.2. Since the preparation of the earlier viability evidence, Cardiff Council has commissioned specialist ecological consultants to prepare a draft SAMM/SANG Strategy and associated cost framework. The draft evidence identifies indicative mitigation contributions for residential development within the relevant ecological catchment areas.
- 5.3.3. At the date of reporting, the Council's commissioned evidence indicates that residential development located within the Severn Estuary Strategy catchment area (12.6km) would be subject to a draft mitigation contribution of approximately £333.94 per dwelling. In addition, residential development within the Cardiff Beechwoods Strategy catchment area (6km) would be subject to an additional draft mitigation contribution of approximately £1,083.28 per dwelling.
- 5.3.4. Where developments fall within both catchment areas, the Council's consultants indicate that the combined contribution would be in the order of £1,400 to £1,500 per dwelling. The catchment plans prepared by the Council's consultants indicate that the Severn Estuary catchment covers the majority of Cardiff, whilst the Cardiff Beechwoods catchment primarily affects sites within the northern parts of the city.
- 5.3.5. The viability assessment has adopted these draft contribution rates as the basis for testing the implications of emerging SAMM/SANG requirements. The assumptions are derived directly from the Council's commissioned evidence and therefore represent the most up-to-date information currently available regarding the likely scale of ecological mitigation costs.
- 5.3.6. To provide context and a further point of reference, a review was undertaken of established recreational mitigation schemes operating elsewhere in the UK. Whilst not directly comparable, existing schemes have secured contributions which typically range from several hundred pounds per dwelling to in excess of £10,000 per dwelling depending on the nature of the protected habitat, occupancy assumptions, strategic greenspace requirements and long-term management obligations.

Authority / Scheme	Indicative Contribution
Guildford Borough Council	Combined SANG and SAMM contributions currently range from approximately £5,383 to £13,241 per dwelling, depending on dwelling size.
Royal Borough of Windsor and Maidenhead	Combined Strategic SANG and SAMM contributions currently range from approximately £10,596 to £16,075 per dwelling.
Runnymede Borough Council	Contributions comprise a SANG tariff of approximately £903.50 per occupant and a SAMM tariff of approximately £457.29 per occupant.
Surrey Heath Borough Council	Contributions comprise a SAMM tariff of approximately £425.78 per occupant, with SANG contributions assessed on a site-specific basis and varying according to the SANG capacity required.

- 5.3.7. The viability assessment has adopted the draft SAMM/SANG contribution rates provided by Cardiff Council's appointed ecological consultants. These figures represent the most up-to-date evidence currently available and have been prepared by specialist advisers commissioned to assess recreational mitigation requirements arising from residential development. Accordingly, the assessment relies upon this expert evidence as the most appropriate basis for viability testing.
- 5.3.8. Cardiff Council has also provided draft SAMM contribution figures from other local authorities within the emerging Severn Estuary recreational mitigation framework for benchmarking purposes. The information supplied indicates that Monmouthshire County Council is considering a draft contribution of approximately £597.15 per dwelling, whilst the Forest of Dean, Gloucester City, Stroud District, Tewkesbury Borough and Cheltenham Borough authorities are considering a draft contribution of approximately £521.96 per dwelling. Although these figures remain subject to the progression and adoption of the respective strategies, they are of a similar order of magnitude to the draft Cardiff Severn Estuary contribution and provide additional confidence that the assumptions adopted for viability testing are reasonable and consistent with the wider approach being developed across the Severn Estuary authorities.
- 5.3.9. Notwithstanding the relatively modest scale of the proposed contributions, SAMM/SANG requirements would represent an additional development cost alongside infrastructure provision, biodiversity enhancement, affordable housing, transport mitigation and other Deposit Plan policy requirements.
- 5.3.10. The impact is likely to be greatest on:
- Brownfield regeneration sites with substantial abnormal development costs;
 - Apartment-led developments with lower residual surpluses;

- Schemes already supporting significant affordable housing provision; and
- Sites requiring substantial infrastructure investment.

5.3.11. Accordingly, whilst not a negotiable sum, SAMM and SANG (on or off site) costs should be considered as part of the cumulative viability assessment rather than in isolation. As the Council's Strategy and associated delivery mechanisms continue to evolve, the viability evidence should be reviewed and updated where necessary to reflect any subsequent amendments to the proposed contribution rates.

5.4 Sites

5.4.1. A range of indicative sites have been selected to represent a comprehensive cross section of development across Cardiff, with a range of development sizes, tenures, sub-markets and land type (greenfield or brownfield) presented. This list is reproduced below:

No	Ward	Dwellings (2021-2036)	Greenfield / Brownfield
1	Pontprennau and Old St Mellons	2	Greenfield
2	Plasnewydd	5	Brownfield
3	Trowbridge	10	Greenfield
4	Splott	46	Brownfield
5	Gabalfa	65	Brownfield
6	Llandaff	90	Brownfield
7	Pontprennau and Old St Mellons	135	Greenfield
8	Rhiwbina	140	Brownfield
9	Whitchurch and Tongwynlais	140	Brownfield
10	Cathays	175	Brownfield
11	Grangetown	200	Brownfield
12	Ely	250	Greenfield
13	Lisvane and Thornhill	250	Greenfield

14	Butetown	315	Brownfield
15	Grangetown	500	Brownfield
16	Radyr and Morganstown	850	Greenfield

5.5 Development Mix / Tenure Mix

5.5.1. As stated within the Development Plans Manual, House type and tenure mix of a site can impact significantly on viability. However, it is essential to ensure that the tenure mix is indicative of what can be delivered in practice.

5.5.2. Our appraisals have been carried out testing two tenure mix scenarios:

1. 80% Social Rented / 20% Low Cost Home Ownership (LCHO)

2. 100% Social Rented

5.5.3. Affordable values have been set at the following levels:

1. **Social Rent** – Fixed Capital Payments (figures for April 2026) (provided by Cardiff Council)

House Type	2026/2027
1 Bed Flat/Maisonette	£75,433
2 Bed Flat/Maisonette	£97,495
2 Bed House/Bungalow	£112,935
3 Bed House/Bungalow	£138,294
4 Bed House/Bungalow	£180,510
5 + Bed House	£180,510

2. **LCHO** – 70% of open market value

5.6 Land Values

5.6.1. Guidance calls for a Benchmark Land Value (BLV), that represents the financial level that would realistically entice a landowner to sell for the proposed use in an area or sub-market area.

5.6.2. As we are appraising a range of site typologies, it would be inappropriate to simply apply a blanket figure per acre or unit across all the proposed schemes. Development density and tenure type, location, and potential enabling works all influence benchmark land value. Land value can be sensitive and needs to carefully balance price per acre, price per unit and overall land value to reach a realistic price. To do so, we have had reference to comparable evidence, our own market experience and feedback from the consultation period from private developers and RSL's.

Benchmark land Value Comparable Evidence

Site	Location	Price Paid	Acres	Hectares	P per Acre	P per Ha	Type
Clos Cae Coch 1	Pontprennau	£21,000,000	25.1	10.17	£835,455	£2,064,453	Greenfield
Clos Permint 1	Pontprennau	£7,589,400	20.3	8.20	£374,711	£925,931	Greenfield
Clos Chwe Erw (Llantrisant Rd)	Radyr	£3,709,450	11.5	4.67	£321,499	£794,439	Greenfield
Heol Gwern Edyddan	St Fagans	£9,307,470	11.1	4.49	£838,586	£2,072,190	Greenfield
The Parish, Llanilltern Village	Creigiau	£1,259,615	4.5	1.84	£276,899	£684,233	Greenfield
Clos Gwenllian	Lisvane	£1,000,000	0.9	0.38	£1,077,586	£2,662,771	Greenfield
Brains Brewery	City Centre	£14,183,700	9.2	3.73	£1,540,033	£3,805,500	Brownfield CC
Anchor Way Industrial Estate	City Centre	£8,000,000	2.3	0.94	£3,448,276	£8,520,868	Brownfield CC
Central Quay - Sytner Garage	City Centre	£5,400,000	1.8	0.74	£2,968,664	£7,335,722	Brownfield CC
BJM (Second Sale)	City Centre	£6,500,000	1.0	0.39	£6,784,969	£16,766,008	Brownfield CC
BJM (First Sale)	City Centre	£3,000,000	1.0	0.39	£3,131,524	£7,738,158	Brownfield CC
Williams House, Trade Street	City Centre	£1,350,000	0.8	0.31	£1,753,247	£4,332,363	Brownfield CC
Riverside House, Penarth Rd	City Centre	£2,500,000	0.6	0.24	£4,152,824	£10,261,842	Brownfield CC
Bradley Court, Park Place	City Centre	£6,050,000	0.5	0.20	£12,100,000	£29,899,725	Brownfield CC
Landore Court, Charles Street	City Centre	£4,750,000	0.4	0.17	£11,202,830	£27,682,772	Brownfield CC
Crawshay Court, Curran Road	City Centre	£1,400,000	0.3	0.13	£4,204,204	£10,388,806	Brownfield CC
Atlantic House, Dumballs Road	City Centre	£1,200,000	0.3	0.12	£4,000,000	£9,884,207	Brownfield CC
Ty Glas Road	Llanishen	£8,000,000	18.6	7.51	£431,058	£1,065,166	Brownfield

- 5.6.3. The evidence from the three residential land transactions completed since our 2024 report suggests that land values have softened over the intervening period. In our view, this reflects a combination of continued construction cost inflation, which has placed pressure on development margins, relatively subdued house price growth, limiting revenue uplift, and an increasingly demanding policy environment.
- 5.6.4. The cumulative impact of affordable housing requirements, biodiversity enhancements, infrastructure contributions and wider planning obligations has increased development costs and reduced residual land values. As a result, the more recent transactions indicate a modest downward adjustment in market land values when compared with the evidence available at the time of our 2024 assessment.
- 5.6.5. Reflecting on the latest transactional evidence and the ongoing pressures on build cost inflation, we have reduced the benchmark land values adopted within our appraisals by 10% from those applied in our previous assessment. In our opinion, this adjustment provides a reasonable and evidence-based reflection of current market conditions and the additional pressures currently affecting residential development viability.

Consultation Responses

The responses set out below were all provided as part of our 2024 consultation. Our assessment of the market is that land values have softened slightly since that time, which is supported by the evidence outlined above.

Company	What value per acre would you apply to -	What plot value per dwelling would you apply to -
	Greenfield land	Brownfield Land
Wales & West Housing Association	depends on density/ but as a rough rule - £1.25m/acre	depends on size - but rough rule £30k 1 bed flat / 2 bed house £40k / 3 bed house £45k
Urban Centric	depends on the area, but typically £750k - £1m per acre	£30k - £40k per unit
Hafod Housing Association	£15-£40k per plot	£10k

5.7 Brownfield Regeneration Sites Analysis

- 5.7.1. Brownfield regeneration sites often present a range of opportunities and constraints that require careful consideration the planning, design and development process. The nature and extent of these constraints will vary depending on the site's previous use, location, physical characteristics and surrounding environment.
- 5.7.2. Market analysis of planning consents and site-level data from the first half of 2025 indicates that residential development on brownfield land typically progresses more slowly than on greenfield sites. On average, brownfield schemes take around 3 to 6 months longer to move from the grant of planning permission to the commencement of construction, compared with greenfield developments. Build periods for brownfield development are also shown to be longer than that for greenfield sites. Furthermore, we understand that the disparity has widened in recent years, with construction times on brownfield developments having doubled since 2020, compared with a circa 50% increase for greenfield schemes.
- 5.7.3. Other common issues may include:
- Land Contamination
 - Ground Stability
 - Demolition requirements
 - Existing Infrastructure
 - Utilities
 - Access constraints

5.8 Build Costs

- 5.8.1. Residential build costs are based upon industry data from the Build Cost Information Service (BCIS) which is published by the Royal Institution of Chartered Surveyors (RICS). The data is published by RICS on a quarterly basis. BCIS offers a range of prices dependent on the final specification.
- 5.8.2. BCIS figures, taken on 25 July 2026 and rebased for Cardiff, are presented below. For each site appraised, the most appropriate Building Function has been selected, with the median value (Decile 5) used. All figures are £ per SqM. We would note that there is an inherent time lag between the publication of BCIS data and current market conditions, meaning the figures may not fully reflect present-day costs and values.

Sub-Class	Mean	Lower quartile	Decile 5 (median)	Upper quartile
Housing, mixed developments	£1,680	£1,450	£1,621	£1,845
Estate housing				
Generally	£1,649	£1,393	£1,574	£1,806
Single storey	£1,886	£1,578	£1,820	£2,050
2-storey	£1,592	£1,369	£1,540	£1,752
3-storey	£1,682	£1,432	£1,614	£1,856
4-storey or above	£3,847	-	£3,794	-
Estate housing detached	£2,297	£1,740	£2,000	£2,620
Estate housing semi detached				
Generally	£1,661	£1,405	£1,608	£1,818
Single storey	£1,846	£1,608	£1,817	£2,000
2-storey	£1,592	£1,393	£1,557	£1,765
3-storey	£1,595	£1,269	£1,513	£1,844
Estate housing terraced				
Generally	£1,658	£1,366	£1,555	£1,793
Single storey	£1,835	£1,555	£1,765	£2,238
2-storey	£1,595	£1,361	£1,517	£1,729
3-storey	£1,695	£1,456	£1,602	£1,852
Flats (apartments)				
Generally	£1,971	£1,616	£1,843	£2,247
1-2 storey	£1,905	£1,579	£1,765	£2,184
3-5 storey	£1,932	£1,604	£1,825	£2,194
6 storey or above	£2,290	£1,897	£2,192	£2,558
'One-off' detached (3 units or less)				
Generally	£3,052	£2,085	£2,699	£3,662
Single storey	£2,602	£1,821	£2,490	£3,160
2-storey	£2,979	£2,084	£2,621	£3,560
3-storey	£3,417	£2,567	£3,409	£3,987
'One-off' semi-detached (3 units or less)	£2,180	£1,764	£1,986	£2,461
'One-off' terraced (3 units or less)	£2,050	£1,572	£1,784	£2,282

Externals & Abnormals

- 5.8.3. We have made an allowance for externals to cover the elements of the site development such as internal access roads and landscaping that are outside the build costs of the dwellings. We have also made an allowance for abnormal costs. These are elements that will be identified when a site undergoes detailed investigation, but to represent the likely costs, we have applied a market standard 12% of build costs to all sites.

5.9 Developer's Profit

5.9.1. In line with the Development Plans Manual (Edition 3) March 2020 (Table 24) we have applied a developers profit of:

- Profit on Open Market Housing – 20%
- Profit on Affordable Housing – 6%

5.10 Contingency

5.10.1. We have applied a market standard 5% contingency to construction costs.

5.11 Fees

Site Acquisition Costs

5.11.1. We have allowed for the accepted market rates as stated below:

- Land Transaction Tax (Wales) at the prevailing rate
- Agent's fee – 1% of land value
- Legal fee – 0.5% of land value

Disposal Costs

5.11.2. We have allowed the following market rates:

- Sales Agent's fee – 1% of GDV
- Legal fee – 0.5% of GDV
- Marketing Costs - 0.5% of GDV

Professional Fees

5.11.3. We have applied a market standard 12% of construction costs to cover professional fees for services such as surveys, architects etc.

5.12 Finance

5.12.1. We have followed RICS guidance in applying development finance to 100% of the development costs, including the land purchase.

5.12.2. We have applied an interest rate of **7.00%** on the development finance. This rate will be subject to variations – with larger national housebuilders likely able to command lower rates than SME developers. However, we believe this is the most realistic rate for the “average” developer.

6. Gross Development Value

6.1 Cardiff Residential Market Overview

6.1.1. Cardiff Continues to Benefit from Strong Underlying Demand Fundamentals

6.1.2. Avison Young's research indicates that Cardiff remains one of the strongest residential markets in Wales, supported by its position as the nation's capital city, its role as Wales' principal employment centre and a comparatively young demographic profile. Whilst higher borrowing costs have moderated housing market activity nationally, Cardiff's diverse economy, significant higher education sector and continued household formation continue to support underlying housing demand.

6.1.3. Cardiff remains the largest local authority in Wales, with a resident population of approximately 362,400 people. Office for National Statistics Census data shows that the city recorded population growth of 4.7% between 2011 and 2021, significantly outperforming the Welsh average of 1.4%.

6.1.4. The city's appeal extends beyond its role as an administrative centre. Cardiff continues to attract students, graduates, young professionals and families from across Wales and the wider UK, creating a diverse and resilient occupier base across both the owner-occupier and rental sectors. The scale of Cardiff's higher education offer remains a key driver of demand, with Cardiff University alone accommodating over 31,500 students

6.1.5. House Prices Have Proven Resilient Despite Affordability Pressures

6.1.6. Avison Young analysis suggests that the higher interest rate environment has shifted the market from one characterised by rapid house price inflation to one displaying greater stability and increased price sensitivity. While affordability remains a challenge for many households, Cardiff's housing market has demonstrated a notable degree of resilience.

6.1.7. Latest housing market statistics published by the Office for National Statistics indicate that the average house price in Cardiff reached approximately £270,000 in June 2026, representing annual growth of 2.1%. This compared favourably with the average rate of growth recorded across Wales over the same period. Avison Young's interpretation of current market conditions is that pricing is being supported by ongoing supply constraints rather than exceptionally strong demand. While transactions have moderated from pandemic-era highs, the market continues to function at broadly sustainable levels, with buyers remaining active where pricing and affordability align.

- 6.1.8. Compared with many English cities, Cardiff continues to offer relatively attractive price points for homebuyers. The city's average house price remains broadly in line with, but slightly below, the UK average, supporting demand from first-time buyers as well as households relocating from higher-value housing markets.
- 6.1.9. Avison Young's interpretation of current market conditions is that pricing is being supported by a combination of demographic demand and constrained housing supply. Whilst transaction levels have moderated from the exceptionally active post-pandemic period, the market continues to operate at sustainable levels where affordability and pricing expectations align. Market evidence published by the Royal Institution of Chartered Surveyors continues to point towards restricted levels of new housing supply entering the market.

Measure	June 2026
Average House Price (Cardiff)	£270,000
Annual Growth (Cardiff)	2.1%
Average House Price (Wales)	£213,000
Annual Growth (Wales)	1.8%

Source: Office for National Statistics; HM Land Registry.

6.1.10. Demographic Growth Continues to Support Housing Demand

- 6.1.11. Avison Young research identifies Cardiff's demographic profile as one of its principal long-term strengths. The city benefits from a substantial working-age population, supporting household formation, economic activity and long-term housing demand.
- 6.1.12. Evidence from the 2021 Census demonstrates that Cardiff recorded population growth of approximately 4.7% between 2011 and 2021, making it one of the fastest-growing local authority areas in Wales. The city remains the largest population centre in the country and continues to act as a focal point for employment, education and investment.
- 6.1.13. Cardiff's demographic characteristics are further strengthened by its relatively youthful population profile. Census-based demographic analysis indicates that Cardiff has the youngest median age of any Welsh local authority, at approximately 34 years. This reflects the city's role as a major university destination and employment hub.

6.1.14. The combination of continued population growth and household formation provides a strong foundation for future housing demand. As household sizes continue to reduce and living preferences evolve, Avison Young anticipates growing demand for a broader range of housing products, including apartments, rented accommodation and higher-density residential development.

Year	Population
2011	346,100
2021	362,400

Area	Growth
Cardiff	4.7%
Wales	1.4%
England & Wales	6.3%

Source: Office for National Statistics Census 2021.

6.1.15. Rental Market Fundamentals Remain Favourable

6.1.16. Avison Young's analysis suggests that Cardiff's rental market continues to benefit from favourable structural fundamentals despite the moderation in rental growth observed nationally.

6.1.17. Whilst rental growth has eased from the exceptional increases recorded during 2023 and 2024, supply remains constrained and available stock continues to sit below historic norms. Data published by the Office for National Statistics shows that average private rents across Wales increased by 4.5% during the year to July 2026.

6.1.18. Within Cardiff, demand is supported by a range of occupier groups, including students, graduates, young professionals and households unable to access owner occupation due to affordability constraints.

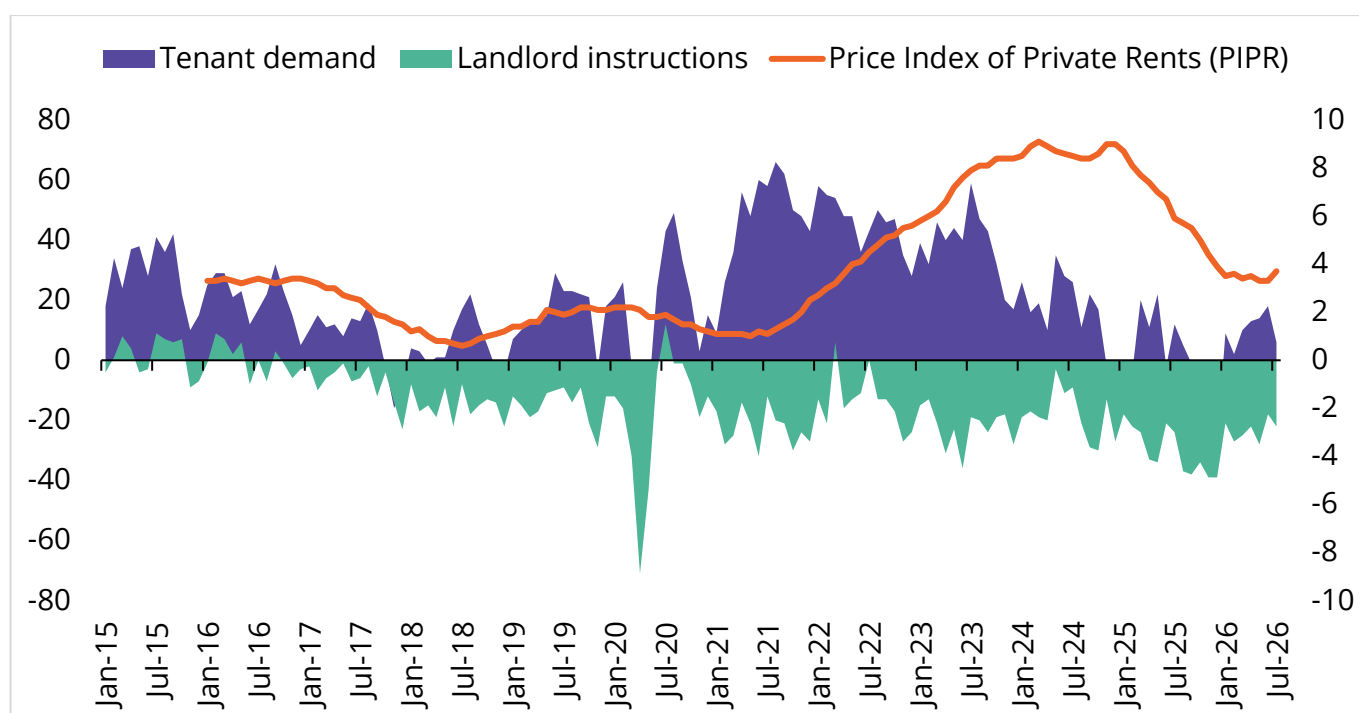
6.1.19. The latest rental market data indicates that average private rents in Cardiff reached approximately £1,169 per calendar month in July 2026, representing annual growth of 3.4%. Whilst growth has moderated compared with previous years, these figures continue to demonstrate a market where demand remains ahead of available supply.

6.1.20. Additional evidence from the Royal Institution of Chartered Surveyors suggests that landlord instructions remain subdued, highlighting ongoing supply pressures across the rental market. These

conditions are expected to continue supporting demand for professionally managed rental accommodation and Build-to-Rent developments across the city.

Measure	July 2026
Average Rent (Cardiff)	£1,169 pcm
Annual Rental Growth (Cardiff)	3.4%
Average Rent (Wales)	£861 pcm
Annual Rental Growth (Wales)	4.5%

Source: Office for National Statistics.



6.1.21. Cardiff's resident profile reflects its role as Wales' capital city and primary employment centre

6.1.22. Cardiff's resident profile reflects the city's status as Wales' principal economic, educational and administrative centre. The city accommodates a significant proportion of students, graduates, young professionals and established family households, supporting demand across multiple housing tenures and product types.

6.1.23. Demographic evidence indicates that Cardiff contains a larger proportion of residents associated with urban living and private renting than many other Welsh local authorities. This is a function of the city's employment opportunities, higher education institutions and relatively young age structure..

6.1.24. These characteristics support an active residential market spanning owner occupation, private rented housing and emerging institutionally-funded rental products. At the same time, affordability remains

an important consideration for many households, reinforcing the need for a diverse housing offer across a range of tenures and price points.

6.1.25. **Conclusions**

6.1.26. Avison Young expects Cardiff to remain one of the most attractive residential markets in Wales over the medium to long term. Whilst higher mortgage rates and wider economic uncertainty may continue to influence transaction volumes in the short term, the city's fundamental demand drivers remain robust.

6.1.27. Strong demographic performance, a youthful population structure, a substantial student population and Cardiff's status as the primary economic centre in Wales continue to underpin housing demand. At the same time, ongoing housing supply constraints are expected to support both residential values and rental levels. From an Avison Young research perspective, the combination of demographic growth, economic significance and housing supply pressures continues to make Cardiff one of the most fundamentally sound residential markets in Wales.

6.1.28. Although future house price growth is likely to remain relatively modest compared with the exceptional market conditions seen during the pandemic recovery period, Cardiff appears well positioned to continue outperforming many locations facing more severe affordability challenges. From an Avison Young research perspective, the combination of demographic growth, economic significance and constrained housing supply continues to make Cardiff one of the most fundamentally robust residential markets in Wales.

6.2 **Development Appraisals**

6.2.1. To provide a comprehensive overview of the Cardiff market, we have collated all sales since June 2025 in the target wards. In total, this gives a sample size of 2,965 sales. This data is derived primarily from Land Registry records, resulting in a slight lag from the market. However, we believe the scope and timescale of the review gives a largely accurate representation of the market.

6.2.2. Avison Young have then carried out an analysis by property type and ward. We have focused on type (detached, semi-detached, terrace, flat) rather than bedroom numbers. We have made the assumption that the proportion of bedrooms in the market (e.g. 3 and 4-bed semi-detached properties) is broadly reflective of the mix that would be provided within a new development, and therefore an average of the market can also be applied to the proposed sites.

- 6.2.3. We have provided the average and the upper quartile of the data in our analysis. To take into account the fact that the developments will be providing new build properties, with the inherent premium over the wider market, the upper quartiles form the foundation of our opinion of value. We believe in the majority of cases that new build prices will be at or above this upper quartile figure.
- 6.2.4. For some areas small numbers of sales has meant that individual sales of unusual properties could distort the analysis. We have addressed these outliers in two ways. Firstly, we have collected the wards into larger overall regions. For example, the wards of Whitchurch and Tongwynlais, Lisvane and Thornhill, Rhiwbina and Llandaff have been collected under the region of North Cardiff. This provides larger pools of data to smooth out outliers. Secondly, Avison Young have reviewed the figures, alongside current asking prices, and applied our own opinion of value.
- 6.2.5. An overview of the raw data in this market analysis can be found on the following pages. The applied values can be found in the site-by-site overview within the Viability Appraisals section.

PRICES	Detached	Semi-detached	Terrace	Flat	Total Average	Detached	Semi-detached	Terrace	Flat	Total Average
Sector	Avg	Avg	Avg	Avg	Avg	UQ	UQ	UQ	UQ	UQ
Butetown		£303,500	£292,000	£179,500	£183,500		£405,000	£333,000	£200,000	£209,000
Cathays	£1,150,000		£247,500	£150,500	£153,500			£265,500	£171,500	£178,000
Ely	£402,000	£250,000	£225,000	£133,500	£228,000	£450,000	£303,000	£275,000	£149,500	£290,000
Gabalfa	£930,000	£366,500	£325,000	£184,000	£309,500		£537,000	£351,000	£213,000	£336,500
Grangetown	£289,500	£280,500	£264,500	£159,000	£178,000	£362,500	£320,000	£292,500	£180,000	£205,000
Lisvane and Thornhill	£397,500	£316,000	£251,500	£166,000	£254,000	£475,000	£344,500	£287,000	£175,000	£310,000
Llandaff	£532,500	£414,000	£321,000	£195,500	£312,500	£621,500	£515,000	£361,500	£233,500	£345,000
Plasnewydd	£286,500	£319,500	£279,500	£180,000	£233,000	£352,000	£440,000	£304,500	£208,000	£291,500
Pontprennau and Old St Mellons	£396,000	£285,000	£246,500	£146,500	£243,500	£380,000	£297,500	£270,000	£175,000	£286,000
Radyr and Morganstown	£496,500	£401,500	£306,000	£192,500	£319,500	£543,000	£441,000	£372,000	£218,500	£370,000
Rhiwbina	£589,500	£452,000	£343,500	£159,000	£366,000	£747,000	£550,000	£407,000	£190,000	£467,000
Splott	£314,500	£217,000	£372,000	£131,000	£181,500	£401,500	£241,500	£256,500	£139,000	£227,500
Trowbridge	£345,500	£260,500	£206,500	£136,500	£238,000	£406,000	£304,000	£230,000	£152,500	£285,000
Whitchurch and Tongwynlais	£490,000	£393,000	£294,000	£179,500	£337,500	£570,000	£462,500	£330,000	£200,000	£429,000

£ PSF	Detached	Semi-detached	Terrace	Flat	Total Average	Detached	Semi-detached	Terrace	Flat	Total Average
Sector	Avg	Avg	Avg	Avg	Avg	UQ	UQ	UQ	UQ	UQ
Butetown		£325	£270	£240	£240		£400	£345	£275	£275
Cathays	£520		£185	£265	£260			£205	£290	£290
Ely	£290	£240	£235	£220	£240	£350	£285	£265	£255	£280
Gabalfa	£290	£265	£280	£265	£260		£325	£305	£310	£310
Grangetown	£300	£305	£265	£245	£250	£425	£330	£265	£265	£270
Lisvane and Thornhill	£300	£295	£260	£265	£280	£335	£335	£310	£295	£330
Llandaff	£330	£345	£310	£305	£325	£385	£390	£350	£350	£360
Plasnewydd	£285	£335	£265	£270	£285	£380	£430	£295	£320	£330
Pontprennau and Old St Mellons	£300	£290	£260	£225	£270	£340	£325	£325	£270	£315
Radyr and Morganstown	£355	£320	£335	£265	£300	£395	£360	£355	£280	£345
Rhiwbina	£360	£335	£300	£235	£305	£425	£365	£345	£275	£360
Splott	£245	£235	£380	£220	£225	£325	£285	£245	£250	£270
Trowbridge	£250	£240	£210	£190	£230	£295	£270	£230	£225	£265
Whitchurch and Tongwynlais	£325	£330	£310	£265	£315	£375	£370	£350	£305	£365

PRICES	Detached	Semi-detached	Terrace	Flat	Total Average	Detached	Semi-detached	Terrace	Flat	Total Average
Region	Avg	Avg	Avg	Avg	Avg	UQ	UQ	UQ	UQ	UQ
NE Cardiff	£383,000	£270,500	£231,000	£143,000		£392,500	£300,000	£255,000	£158,500	£285,500
N City Fringe	£930,000	£366,500	£325,000	£184,000	£309,500	£930,000	£537,000	£351,000	£213,000	£336,500
E City Fringe	£307,500	£239,500	£318,500	£160,500	£208,500	£375,500	£256,500	£287,000	£185,000	£260,500
N Cardiff	£471,000	£382,000	£296,000	£177,500	£312,000	£530,000	£450,000	£345,000	£197,000	£390,000
City Centre	£1,150,000	£303,500	£272,500	£176,500	£180,500	£1,150,000	£405,000	£314,000	£198,000	£204,500
W City Fringe	£289,500	£280,500	£264,500	£159,000	£178,000	£362,500	£320,000	£292,500	£180,000	£205,000
Ely	£402,000	£250,000	£225,000	£133,500	£228,000	£450,000	£303,000	£275,000	£149,500	£290,000
Radyr	£496,500	£401,500	£306,000	£192,500	£319,500	£543,000	£441,000	£372,000	£218,500	£370,000

£ PSF	Detached	Semi-detached	Terrace	Flat	Total Average	Detached	Semi-detached	Terrace	Flat	Total Average
Region	Avg	Avg	Avg	Avg	Avg	UQ	UQ	UQ	UQ	UQ
NE Cardiff	£285	£260	£240	£215	£250	£335	£300	£295	£240	£295
N City Fringe	£290	£265	£280	£265	£260	£290	£325	£305	£310	£310
E City Fringe	£255	£260	£315	£250	£260	£325	£300	£280	£300	£310
N Cardiff	£320	£325	£300	£270	£305	£355	£365	£345	£320	£355
City Centre	£520	£325	£235	£240	£245	£520	£400	£285	£275	£280
W City Fringe	£300	£305	£265	£245	£250	£425	£330	£265	£265	£270
Ely	£290	£240	£235	£220	£240	£350	£285	£265	£255	£280
Radyr	£355	£320	£335	£265	£300	£395	£360	£355	£280	£345

7. Viability Appraisals

7.1.1. An appraisal of each of the 16 scenarios has been carried out, including a cash flow analysis.

7.1.2. The assumptions made for each site are set out across the following pages.

Site Name	Land adjacent to Began House	Yard rear of 20/22 Richmond Road	Land off Clos Medwy	Star Centre	Land south of Mynachdy Road	Rookwood Hospital	Land at Bridge Road	Greenhill Special School	Velindre Cancer Centre	Land at Custom House Street	Bessemmer Fruit Market	Land at Archer Road	Land at Church Farm	Land at Callaghan Square	Former Gas Works	Goitre Fawr Plasdwr
Ward	Pontprennau and Old St Mellons	Plasnewydd	Trowbridge	Splott	Gabalfa	Llandaff	Pontprennau and Old St Mellons	Rhiwbina	Whitchurch and Tongwynlais	Cathays	Grangetown	Ely	Lisvane and Thornhill	Butetown	Grangetown	Radyr and Morganstown
Region	NE Cardiff	N City Fringe	NE Cardiff	E City Fringe	N City Fringe	N Cardiff	NE Cardiff	N Cardiff	N Cardiff	City Centre	W City Fringe	Ely	N Cardiff	City Centre	W City Fringe	Radyr
Dwellings (2021-2036)	2	5	10	46	65	90	207	140	140	175	200	250	250	315	500	1425
Greenfield / Brownfield	Greenfield	Brownfield	Greenfield	Brownfield	Brownfield	Brownfield	Greenfield	Brownfield	Brownfield	Brownfield	Brownfield	Greenfield	Greenfield	Brownfield	Brownfield	Greenfield
Site Area (Ha)	0.1	0.1	0.55	0.44	1.83	3.4	8.28	3.8	3.98	0.009	4.8	4.7	14.16	3.36	10.24	57

Benchmark Land Value	Land adjacent to Began House	Yard rear of 20/22 Richmond Road	Land off Clos Medwy	Star Centre	Land south of Mynachdy Road	Rookwood Hospital	Land at Bridge Road	Greenhill Special School	Velindre Cancer Centre	Land at Custom House Street	Bessemmer Fruit Market	Land at Archer Road	Land at Church Farm	Land at Callaghan Square	Former Gas Works	Goitre Fawr Plasdwr
BLV (pHa)	£1,650,000	£1,350,000	£650,000	£2,000,000	£650,000	£1,100,000	£1,100,000	£2,200,000	£2,200,000	£700,000	£1,550,000	£1,100,000	£1,100,000	£3,350,000	£1,550,000	£800,000
BLV per Acre (2026)	£675,000	£540,000	£270,000	£810,000	£270,000	£450,000	£450,000	£900,000	£900,000	£254,952,000	£630,000	£450,000	£450,000	£1,350,000	£630,000	£315,000
Site Value	£165,000	£135,000	£357,500	£880,000	£1,189,500	£3,740,000	£9,108,000	£8,360,000	£8,756,000	£6,300,000	£7,440,000	£5,170,000	£15,576,000	£11,256,000	£15,872,000	£45,600,000
p Dwelling	£82,500	£27,000	£35,750	£19,130	£18,300	£41,556	£44,000	£59,714	£62,543	£36,000	£37,200	£20,680	£62,304	£35,733	£31,744	£32,000
Unit Density p Ha	20	50	18	105	36	26	25	37	35	19444	42	53	18	94	49	25

Unit Mix	Land adjacent to Began House	Yard rear of 20/22 Richmond Road	Land off Clos Medwy	Star Centre	Land south of Mynachdy Road	Rookwood Hospital	Land at Bridge Road	Greenhill Special School	Velindre Cancer Centre	Land at Custom House Street	Bessemmer Fruit Market	Land at Archer Road	Land at Church Farm	Land at Callaghan Square	Former Gas Works	Goitre Fawr Plasdwr
Greenfield / Brownfield	Greenfield	Brownfield	Greenfield	Brownfield	Brownfield	Brownfield	Greenfield	Brownfield	Brownfield	Brownfield	Brownfield	Greenfield	Greenfield	Brownfield	Brownfield	Greenfield
Houses	2	0	10	10	0	90	135	140	140	0	200	250	250	0	500	850
Flats	0	5	0	36	65	0	0	0	0	175	0	0	0	315	0	0
Market Detached	100%	-	-	-	-	-	50%	20%	-	-	-	40%	40%	-	-	40%
Market Semi-detached	-	-	100%	22%	-	35%	30%	30%	30%	-	-	40%	40%	-	30%	40%
Market Terrace	-	-	-	-	-	35%	20%	50%	50%	-	70%	20%	20%	-	50%	20%
Market Flat	-	100%	-	78%	100%	30%	-	-	20%	100%	30%	-	-	100%	20%	-

GDV	Land adjacent to Began House	Yard rear of 20/22 Richmond Road	Land off Clos Medwy	Star Centre	Land south of Mynachdy Road	Rookwood Hospital	Land at Bridge Road	Greenhill Special School	Velindre Cancer Centre	Land at Custom House Street	Bessemers Fruit Market	Land at Archer Road	Land at Church Farm	Land at Callaghan Square	Former Gas Works	Goitre Fawr Plasdwr
Ward	Pontprennau and Old St Mellons	Plasnewydd	Trowbridge	Splott	Gabalfa	Llandaff	Pontprennau and Old St Mellons	Rhiwbina	Whitchurch and Tongwynlais	Cathays	Grangetown	Ely	Lisvane and Thornhill	Butetown	Grangetown	Radyr and Morganstown
Region	NE Cardiff	N City Fringe	NE Cardiff	E City Fringe	N City Fringe	N Cardiff	NE Cardiff	N Cardiff	N Cardiff	City Centre	W City Fringe	Ely	N Cardiff	City Centre	W City Fringe	Radyr
Detached Cap Value	£575,000	£425,000	£400,000	£425,000	£550,000	£550,000	£415,000	£550,000	£550,000		£400,000	£350,000	£550,000		£400,000	£550,000
Semi-detached Cap Value	£297,500	£375,000	£325,000	£350,000	£537,000	£475,000	£325,000	£475,000	£475,000		£350,000	£275,000	£475,000	£405,000	£350,000	£475,000
Terrace Cap Value	£270,000	£315,000	£275,000	£275,000	£351,000	£400,000	£275,000	£400,000	£400,000	£265,500	£300,000	£225,000	£350,000	£333,000	£300,000	£350,000
Flat Cap Value	£175,000	£185,000	£185,000	£185,000	£213,000	£265,000	£175,000	£265,000	£265,000	£275,000	£200,000	£149,500	£200,000	£275,000	£200,000	£200,000
Detached EPSM	£5,227	£3,864	£3,636	£3,864	£5,000	£5,000	£3,773	£5,000	£5,000		£3,636	£3,182	£5,000		£3,636	£5,000
Semi-detached EPSM	£3,132	£3,947	£3,421	£3,684	£5,653	£5,000	£3,421	£5,000	£5,000		£3,684	£2,895	£5,000	£4,263	£3,684	£5,000
Terrace EPSM	£3,375	£3,938	£3,438	£3,438	£4,388	£5,000	£3,438	£5,000	£5,000	£3,319	£3,750	£2,813	£4,375	£4,163	£3,750	£4,375
Flat EPSM	£2,734	£2,891	£2,891	£2,891	£3,328	£4,141	£2,734	£4,141	£4,141	£4,297	£3,125	£2,336	£3,125	£4,297	£3,125	£3,125
Construction Costs	Land adjacent to Began House	Yard rear of 20/22 Richmond Road	Land off Clos Medwy	Star Centre	Land south of Mynachdy Road	Rookwood Hospital	Land at Bridge Road	Greenhill Special School	Velindre Cancer Centre	Land at Custom House Street	Bessemers Fruit Market	Land at Archer Road	Land at Church Farm	Land at Callaghan Square	Former Gas Works	Goitre Fawr Plasdwr
BCIS Category (Houses)	'One-off' housing detached (3 units or less) - Generally	Flats (apartments) - 1-2 storey	Estate housing - Generally	Housing, mixed developments -	Flats (apartments) - Generally	Housing, mixed developments -	Estate housing - Generally	Estate housing - Generally	Estate housing - Generally	Flats (apartments) - 6 storey or above	Housing, mixed developments -	Housing, mixed developments -	Housing, mixed developments -	Flats (apartments) - 6 storey or above	Housing, mixed developments -	Estate housing - Generally
Market Detached Costs	£2,699	£1,765	£1,574	£1,621	£1,850	£1,621	£1,574	£1,574	£1,574	£2,194	£1,621	£1,621	£1,621	£2,194	£1,621	£1,574
BCIS Category (Flats)	Flats (apartments) - 1-2 storey	'One-off' housing terraced (3 units or less) -	Flats (apartments) - 1-2 storey	Flats (apartments) - 1-2 storey	Flats (apartments) - 1-2 storey	Flats (apartments) - 1-2 storey	Flats (apartments) - 1-2 storey	Flats (apartments) - 1-2 storey	Flats (apartments) - 1-2 storey	Flats (apartments) - 6 storey or above	Flats (apartments) - 1-2 storey	Flats (apartments) - 1-2 storey	Flats (apartments) - 1-2 storey	Flats (apartments) - 6 storey or above	Flats (apartments) - 1-2 storey	Flats (apartments) - 1-2 storey
Market Flat Costs	£1,765	£1,784	£1,765	£1,765	£1,765	£1,765	£1,765	£1,765	£1,765	£2,194	£1,765	£1,765	£1,765	£2,194	£1,765	£1,765
Construction Timings	Land adjacent to Began House	Yard rear of 20/22 Richmond Road	Land off Clos Medwy	Star Centre	Land south of Mynachdy Road	Rookwood Hospital	Land at Bridge Road	Greenhill Special School	Velindre Cancer Centre	Land at Custom House Street	Bessemers Fruit Market	Land at Archer Road	Land at Church Farm	Land at Callaghan Square	Former Gas Works	Goitre Fawr Plasdwr

Constructio n Costs START MONTH	3	3	3	3	3	3	6	6	6	6	6	6	6	6	6	6
Constructio n Costs PERIOD	12	12	12	12	18	18	18	18	18	24	30	36	36	30	42	48
Constructio n Costs END	15	15	15	15	21	21	24	24	24	30	36	42	42	36	48	54
Private GDV START MONTH	11	11	11	8	11	11	12	12	12	15	18	21	21	18	24	27
Private GDV PERIOD	0	1	1	5	7	9	21	14	14	18	20	25	25	32	50	143
Private GDV END	11	12	12	13	18	20	33	26	26	33	38	46	46	50	74	170
Affordable GDV START MONTH	15	15	15	15	21	21	24	24	24	30	36	42	42	36	48	54
Affordable GDV PERIOD	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Affordable GDV END	15	15	15	15	21	21	24	24	24	30	36	42	42	36	48	54
FULL PERIOD	15	15	15	15	21	21	33	26	26	33	38	46	46	50	74	170

7.2 Scenario Analysis

- 7.2.1. Each of the appraisals have then been subject to scenario analyses around the agreed outlined different proportions of affordable housing and tenure mix.
- 7.2.2. Under each of these scenarios, the appraisals then produce a figure per square metre of development. This figure, when multiplied by the total floor area of the development, provides the overall sum available for infrastructure contributions beyond the affordable housing provision.
- 7.2.3. If the figure is negative, that scenario is unviable, as there is no further surplus for infrastructure payments. However, it should be noted that the appraisals are sensitive to small changes in market conditions. Therefore scenarios that are shown to be unviable at the date of this report in the following sensitivity table could reach viability in different circumstances or over the duration of the Local Development Plan.
- 7.2.4. The affordable housing scenarios tested for each site are as follows:

Affordable Housing Proportion

Affordable Housing Share	Market Housing Share
0%	100%
5%	95%
10%	90%
15%	85%
20%	80%
25%	75%
30%	70%
35%	65%
40%	60%
45%	55%
50%	50%

Tenure Mix

SCENARIO	Social Rent	Intermediate	LCHO	Total
A	80%	0%	20%	100%
B	100%	0%	0%	100%

- 7.2.5. The results of this analysis are presented on the next page.

Site Number	Ward	Dwellings	Greenfield / Brownfield	Site Area (Ha)	SCENARIO	0%	5%	10%	15%	20%	25%	30%	35%	40%	45%	50%
1	Pontprennau and Old St Mellons	2	Greenfield	0.1	A	-£260	-£260	-£260	-£260	-£260	-£260	-£260	-£260	-£260	-£260	-£260
					B	-£257	-£257	-£257	-£257	-£257	-£257	-£257	-£257	-£257	-£257	-£257
2	Plasnewydd	5	Brownfield	0.1	A	-£810	-£810	-£928	-£928	-£928	-£928	-£1,052	-£1,052	-£1,052	-£1,052	-£1,141
					B	-£806	-£806	-£923	-£923	-£923	-£923	-£1,048	-£1,048	-£1,048	-£1,048	-£1,179
3	Trowbridge	10	Greenfield	0.55	A	£194	£45	£45	-£103	-£103	-£148	-£148	-£297	-£297	-£445	-£445
					B	£198	£48	£48	-£99	-£99	-£245	-£245	-£393	-£393	-£541	-£541
4	Splott	46	Brownfield	0.44	A	-£346	-£366	-£428	-£450	-£504	-£538	-£565	-£624	-£643	-£715	-£736
					B	-£342	-£362	-£428	-£491	-£508	-£584	-£601	-£618	-£684	-£756	-£781
5	Gabalfa	65	Brownfield	1.83	A	-£376	-£407	-£458	-£491	-£527	-£569	-£619	-£656	-£700	-£738	-£792
					B	-£371	-£408	-£459	-£499	-£541	-£584	-£641	-£684	-£729	-£773	-£834
6	Llandaff	90	Brownfield	3.4	A	£845	£753	£664	£532	£451	£350	£222	£127	£44	-£98	-£181
					B	£849	£701	£620	£480	£392	£251	£168	£20	-£116	-£208	-£343
7	Pontprennau and Old St Mellons	207	Greenfield	8.28	A	£209	£143	£68	-£1	-£66	-£136	-£200	-£265	-£334	-£399	-£477
					B	£212	£136	£52	-£19	-£95	-£181	-£256	-£332	-£423	-£494	-£566
8	Rhiwbina	140	Brownfield	3.8	A	£1,085	£965	£860	£740	£632	£512	£390	£271	£152	£55	-£58
					B	£1,089	£957	£828	£688	£550	£396	£286	£137	£26	-£129	-£245
9	Whitchurch and Tongwynlais	140	Brownfield	3.98	A	£725	£611	£515	£403	£301	£202	£89	-£22	-£135	-£221	-£332
					B	£729	£602	£487	£359	£244	£96	-£21	-£144	-£259	-£386	-£503
10	Cathays	175	Brownfield	0.009	A	-£655	-£724	-£793	-£860	-£931	-£1,004	-£1,077	-£1,148	-£1,223	-£1,300	-£1,378
					B	-£651	-£729	-£809	-£881	-£963	-£1,047	-£1,131	-£1,207	-£1,294	-£1,382	-£1,472
11	Grangetown	200	Brownfield	4.8	A	-£118	-£182	-£242	-£306	-£367	-£431	-£496	-£557	-£622	-£682	-£747
					B	-£113	-£184	-£256	-£327	-£398	-£470	-£541	-£613	-£685	-£756	-£827
12	Ely	250	Greenfield	4.7	A	£406	£333	£260	£185	£111	£35	-£38	-£113	-£185	-£260	-£332
					B	£410	£325	£243	£156	£74	-£13	-£95	-£181	-£262	-£349	-£431
13	Lisvane and Thornhill	250	Greenfield	14.16	A	£870	£754	£639	£522	£407	£287	£170	£52	-£64	-£181	-£296
					B	£873	£736	£605	£467	£335	£195	£63	-£77	-£208	-£347	-£479
14	Butetown	315	Brownfield	3.36	A	-£817	-£889	-£962	-£1,031	-£1,103	-£1,179	-£1,256	-£1,329	-£1,408	-£1,488	-£1,566
					B	-£813	-£894	-£976	-£1,054	-£1,139	-£1,225	-£1,311	-£1,394	-£1,483	-£1,574	-£1,666
15	Grangetown	500	Brownfield	10.24	A	-£122	-£195	-£267	-£340	-£412	-£486	-£560	-£635	-£708	-£782	-£855
					B	-£118	-£204	-£285	-£371	-£453	-£541	-£624	-£712	-£795	-£882	-£964
16	Radyr and Morganstown	1425	Greenfield	57	A	£760	£642	£521	£403	£281	£158	£34	-£93	-£220	-£357	-£500
					B	£764	£619	£468	£311	£162	£7	-£158	-£326	-£500	-£684	-£878

8. Conclusion

- 8.1.1. The appraisals above rely on a range of high-level assumptions, including those relating to unit mix, sales values, build costs, abnormal costs, benchmark land values and developer return requirements. The results are therefore sensitive to changes in market conditions and scheme-specific characteristics, making it difficult to identify a single affordable housing requirement that will be viable across all development scenarios. Nevertheless, the assessment identifies clear trends which provide a robust basis for informing policy.
- 8.1.2. Compared with the previous round of testing, the updated viability evidence indicates a deterioration in overall scheme viability across both greenfield and brownfield development typologies. This reflects the well-documented challenges currently facing the development industry, whereby construction and infrastructure costs have increased significantly in recent years, whilst growth in residential sales values has been comparatively modest. The resulting compression of development margins has reduced the capacity of many sites to accommodate planning policy requirements whilst continuing to generate competitive land returns.
- 8.1.3. The evidence demonstrates that development viability varies significantly according to both site type and location. In general, greenfield sites continue to outperform brownfield sites from a viability perspective, reflecting the lower levels of site preparation, remediation, demolition, infrastructure and other abnormal costs typically associated with greenfield development. However, the analysis suggests that even some greenfield sites are now experience viability constraints at lower affordable housing percentages than was evidenced in previous testing, highlighting the impact that changing market conditions have had on development economics.
- 8.1.4. Whilst brownfield sites generally exhibit weaker viability due to higher abnormal development costs and delivery risks, the analysis demonstrates that brownfield sites should not be treated as a homogenous category. A number of brownfield locations within Cardiff's stronger residential markets continue to generate robust residual land values and remain capable of supporting meaningful levels of affordable housing provision. In particular, higher-value locations such as Rhiwbina and Llandaff continue to demonstrate positive viability across a broad range of affordable housing scenarios, illustrating that brownfield development can remain both viable and deliverable where sales values are sufficient to offset the additional costs associated with redevelopment. By contrast, brownfield sites in lower-value locations have considerably less capacity to accommodate additional policy burdens. The evidence therefore supports a differentiated approach which recognises the stronger viability performance generally associated with greenfield development whilst acknowledging that

well-located brownfield sites can perform strongly and should continue to play an important role in housing and affordable housing delivery across Cardiff.

- 8.1.5. It is also important to recognise that viability is cyclical and reflects market conditions at a particular point in time. The current assessment has been undertaken during a period characterised by elevated build costs, ongoing cost uncertainty and relatively subdued house price growth, all of which have placed downward pressure on development viability. Whilst viability evidence should appropriately reflect current market conditions, the plan period extends over many years and it is reasonable to expect that development economics will evolve over that timeframe. Future improvements in sales values, stabilisation of construction costs, reductions in financing costs, or a combination of these factors, may improve scheme viability and increase the capacity of development sites to support policy requirements. Consequently, whilst the current evidence identifies a more challenging viability environment than that which existed previously, the findings should be viewed in the context of a long-term development plan operating across multiple property market cycles.
- 8.1.6. The appraisals continue to assume a five-unit threshold in line with current policy, below which affordable housing provision is not required.

8.2 Recommendations

- 8.2.1. The Council maintain a policy that differentiates between greenfield and brownfield development sites. We would suggest a level of 30% on greenfield, and 20% on brownfield remains an appropriate benchmark figure that would enable the release of sufficient value to cover infrastructure delivery, whilst maintaining a contingency to protect against cost and price variability.
- 8.2.2. By maintaining this figure the policy will deliver a higher level of affordable housing on the higher value viable sites, whilst ensuring a strong base for negotiations upon the less viable schemes.

Appendix I

Public Consultation Survey

Name		
Company		
On a generic scheme, what construction rate (please clarify whether sqm or sqft) would you apply to -		
Houses	Flats (Less than 6 storeys)	Flats (6 storeys+)
What value per acre would you apply to -		
Greenfield Land	Brownfield Land	
What would your estimated construction rate per month be?		
What is your estimated sales rate per month?		
What development finance rate would you currently apply to a development?		
Are you a Registered Social Landlord (RSL)?		
Yes	No	
What is your ideal proportion mix of Social Rent / Intermediate Rented / Shared Equity/Shared Ownership?		
What percentage of Open Market Value would you apply to a Shared Equity/Shared Ownership property in an appraisal?		

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