

Project Experience

Stratford-upon-Avon Core Strategy EIP – McCarthy & Stone

Background

AspinallVerdi was originally retained by McCarthy & Stone to –

- complete an independent review and critique of the Council's economic viability evidence,
- prepare our own independent financial appraisal of a 'typical' extra-care scheme and
- to prepare evidence which was submitted to the Council/Planning Inspector.

The Council's original viability report had not considered the specific viability of extra-care housing typologies. The Council subsequently published a technical note/appraisal for retirement and extra care typologies which we critiqued for the examination in public.

Scope

As part of our evidence for the examination in public we re-modelled the Council's scheme typologies using more realistic development assumptions. In doing so we identified a number of major flaws which cumulatively had a significant impact on the overall viability. These were -

- Net to Gross ratio – the Councils viability consultants had used a net to gross ratio which was way too high and therefore failed to take into consideration the non-saleable communal space.
- Unit sizes – the Councils consultants had simply used an 'average' unit size for all units in the typology which failed to take into account any 2 bedroom flats in the scheme mix.
- Site Density – finally the consultants assumed a site development density which was far too high.

Outcome

We were able to provide robust evidence to the Inspect to support our revised assumptions and to demonstrate that the impact of these erroneous assumptions was to render extra-care schemes unviable. The Inspector therefore accepted our recommendations for amendments to the affordable housing policy wording.

