

For: Bath & North East Somerset Council

**Bath & North East
Somerset Council**

Improving People's Lives

**Affordable Housing Commuted Sums
Methodology Review**

**Appendix 1
(Table 1a-1b)**

**August 2026
DSP26967**

B&NES LPVA Stage 2 - Appendix 1 (Commuted Sums)

Table 1a: Commuted sum outputs by scheme size, typology and affordable housing percentage

Scheme Size	Type	Site Type - Description	% AH	City	Rest of the District	Sommery Valley	City	Rest of the District	Sommery Valley	Cost to Council of providing AH elsewhere (assume median-level cost for the relevant typology/scheme type, plus fixed AH land value of £60k/plot)
				£6,000	£4,750	£4,000	£6,000	£4,750	£4,000	£4,750
				DIFFERENCE in residual value between 100% MH and scheme with AH [£ per AH unit]			DIFFERENCE based on notional 93 m2 dwelling (market value versus blended AH value, 79% Social Rent and 21% Shared Ownership) [£ per AH unit]			Build and land cost £ per AH unit
1	SINGLE UNIT HYPOTHETICAL EXAMPLE (NB not 100% accurate due to AH blended mix, M4(3) requirements etc)	-	100%	£190,649	£122,813	-	Results do not vary by typology			£281,911
1	SINGLE UNIT HYPOTHETICAL EXAMPLE (NB not 100% accurate due to AH blended mix, M4(3) requirements etc)	-	100%	-	-	£81,976	Results do not vary by typology			£281,911
5	Houses	GF	20%	£215,074	£131,354	£83,487	Results do not vary by typology			£291,679
15	Houses	GF	40%	£215,550	£129,149	-	Results do not vary by typology			£297,889
15	Houses	GF	30%	-	-	£58,792	Results do not vary by typology			£297,889
50	Mixed houses and flats	GF	40%	£180,944	£112,171	-	£318,932	£219,771	-	£293,922
50	Mixed houses and flats	GF	30%	-	-	£63,922	-	-	£160,274	£293,922
50	Mixed houses and flats (NB different housing types on PDL sites compared to GF assumptions)	PDL	40%	£198,605	£123,103	-	Results do not vary by typology			£310,033
50	Mixed houses and flats	PDL	30%	-	-	£77,802	Results do not vary by typology			£310,033
75	Flats	PDL	20%	£98,887	£61,836	£42,292	Results do not vary by typology			£234,679

DSP (2026)

B&NES LPVA Stage 2 - Appendix 1 (Commutated Sums)

Table 1b: Alternative housing tenures - Build to Rent, Co-Living and PBSA

Scheme Size	Type	Site Type - Description	% AH	Keen Yield (Higher Development Value)	Baseline Yield	Softer Yield (Lower Development Value)
200	Build to Rent flats, 20% AH at LHA	PDL	20% APR	£45,175	£42,787	£40,099
300	Co-Living dwellings (based on floor area divided by 37 m² (representing 1-bed 1pp dwelling). Testing based on MEDIUM rent level (and varying yields)	PDL	20% equivalent AH provision at reduced rents (20% below market rent)	£36,851	£32,038	£29,276
300	Purpose-built student beds - NB variation in testing is based on varying yields, not based on location. Provision is based on dividing bed spaces by 2.4.	PDL	20% equivalent AH provision at reduced rents (20% below market rent)	£30,561	£26,215	£22,739

DSP (2026)