

Financial Viability /
Enabling
Development
Assessment

**WELWYN
HATFIELD**
BOROUGH COUNCIL



Northaw House,
Coopers Lane,
Northaw,
Potters Bar,
EN6 4NG

Welwyn Hatfield Borough Council

REF: 6/2021/0071/LB & 6/2021/0072/MAJ

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Non-technical Summary

- ES 1 This non-technical summary should be read in conjunction with the main report and general assumptions and definitions attached hereto.
- ES 2 AspinallVerdi have been instructed by Welwyn Hatfield Borough Council (hereafter referred to as “the Council”) to undertake a Financial Viability / Enabling Development Assessment of the proposed development of Northaw House, Coopers Lane, Northaw, Potters Bar, EN6 4NG.
- ES 3 In January 2021, LW Developments LTD (hereafter referred to as “the Applicant”) submitted two planning applications in respect of the site (REF: 6/2021/0071/LB & 6/2021/0072/MAJ – hereafter referred to as “the proposed scheme” or “the 2021 scheme”) which seek full planning permission and listed building consent for:

Repair, refurbishment and conversion of Northaw House to form 11 apartments (including refurbishment of existing single caretaker’s flat) and underground parking area, the Ballroom Wing to form 2 dwellings, the Stable Block to form 1 dwelling, refurbishment of existing dwelling at Oak Cottage, construction of 2 new Gate Lodge dwellings, 4 new dwellings on the East Drive, 3 new dwellings within the Walled Garden, 7 new dwellings within the Settlement Area, refurbishment of the Walled Garden, refurbishment of access routes and reinstatement of old route, provision of hard and soft landscaping, car parking and supporting infrastructure.

- ES 4 The applications propose the conversion of the Grade II listed buildings of Northaw House and its stable block, as well as other buildings within the site boundary to form 15no. dwellings. This element involves a mixture of houses and apartments. An additional 16no. dwellings are also proposed in the grounds surrounding the listed buildings, providing a total of 31no. units.
- ES 5 The proposed scheme follows on from earlier applications submitted by the Applicant in respect of the site (REF: 6/2019/0217/MAJ & 6/2019/0218/LB). These sought full planning permission and listed building consent for the following:

Conversion of Northaw House to form 11 apartments (including refurbishment of existing single caretaker’s flat) and underground parking area, the Ballroom Wing to form 2 dwellings, the Stable Block to form 1 dwelling, refurbishment of existing dwelling at Oak Cottage, 3 dwellings within the Walled Garden, 7 dwellings within the Settlement Area, refurbishment of the Walled Garden, refurbishment of access routes and reinstatement of old route, provision of hard and soft landscaping, car parking and supporting infrastructure

- ES 6 These earlier applications were granted consent in January 2020 (hereafter referred to as “the consented scheme” or “the 2020 scheme”) and proposed a reduced number of residential units (25no.). We understand that earlier iterations of the consented scheme involved a higher number of residential units (initially 31no., then 27no.) but these were eventually reduced to 25no. on the basis of enabling development arguments (i.e. 25no. units shown to be sufficient to cover any viability shortfall related to the conversion of the listed buildings).
- ES 7 Since the 2020 application scheme was granted consent, the Applicant has stated that the need for enabling development has increased and that the condition of the listing buildings and wider site has deteriorated. This view is supported in the documents uploaded to the planning portal alongside the proposed scheme, which confirm that the amount of enabling development approved in the consented scheme (i.e. 25no. units) is insufficient to fund the necessary repairs to Northaw House. This position is used to justify the increase in residential units to 31no. units and forms the basis of the proposed scheme.
- ES 8 In support of their position, the Applicant has provided a Viability Report undertaken by James R Brown LTD in October 2020. This seeks to justify the enabling development case and corresponding increase in residential units by testing development scenarios;
- 25no. unit scheme
 - 27no. unit scheme
 - 31no. unit scheme
- ES 9 Based on their assessment of costs and values, the report shows that none of the proposed schemes are viable. However, on the basis that the 31no. unit scheme (i.e. the proposed scheme) generates the lowest deficit against the viability benchmark, the Applicant’s report concludes that a new consent is required for the additional 6no. units.
- ES 10 The Applicant’s approach assumes that the existing value of Northaw House, based on the refurbishment and continued use as offices, is c. £1.03m. The Applicant has also considered the existing values of the other buildings contained within the site boundary including Stable Block, Oak Cottage, Caretakers Cottage and Walled Garden, which amount to an additional £1.61m. The Applicant’s appraisals for each of the three development scenarios therefore adopt a gross land value / viability benchmark of c. £2.64m.
- ES 11 Despite adopting this benchmark in their appraisals, the Applicant states that the continued use of the building as office is not the optimum viable use (OVU):

‘Although we therefore think the existing value of Northaw House (in isolation) is £1.03m, the refurbishment works we have assumed to arrive at this figure...would not: enhance

*the heritage asset, significantly reduce or remove risk to the heritage asset or **secure the optimum viable use in support of its long term conservation**. They would however keep the building in a minimum acceptable condition, subject to ongoing maintenance.'*

- ES 12 This has been used to justify the proposed scheme, stating that the optimum viable use for the site is residential.
- ES 13 The purpose of this report is to review the James R Brown assessment and appraisals to determine whether an enabling development argument is valid, and if so, whether the level of enabling development proposed is required.

Conclusion and Recommendations

- ES 14 In June 2020, Historic England published the Enabling Development and Heritage Assets Good Practice Advice in Planning Note 4. This document sets out advice on enabling development, against the background of the National Planning Policy Framework (NPPF) and the related guidance given in the Planning Practice Guide (PPG). Notably, this guidance was published after the 2020 application was granted consent. As such, this document and guidance contained therein has formed the basis of our assessment.
- ES 15 We note that the Applicant's approach has shown that the cost of repairs to Northaw House does not exceed the value on completion. Instead, based on the repair of the building and continued use as offices, the Applicant's appraisals show that a positive residual value of c. £1.03m is generated. In accordance with the Historic England guidance, the Applicant's approach demonstrates there is no need for enabling development as a conservation deficit does not exist.
- ES 16 However, we note that the HE guidance also allows practitioners to define the conservation deficit by adopting the 'optimum viable use'. The Applicant is clear in their assessment that they do not consider the continued use as office to be the optimum viable use. Instead, the Applicant states that the optimum viable use of the building is residential and this has seemingly been supported through conversations with the Council.
- ES 17 Accordingly, we sought to determine whether a conservation deficit exists based on the optimum viable use. This was informed by the extant consent for 25no. residential units which was implemented by the Applicant in October 2020. Based on our cost and value assumptions, our appraisals show that the extant consent generates a positive residual value of c. £578,000. On this basis, a conservation deficit does not exist and therefore enabling development is not required.

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For the Attention of William Myers, Principal Development Management Officer

Dear William,

1 Introduction

- 1.2 We refer to your instructions enclosed in an email dated 19 February 2021 requesting a Financial Viability Assessment (FVA) in respect of the planning applications (REF: 6/2021/0071/LB & 6/2021/0072/MAJ) which seek full planning permission and listed building consent for the following:

Repair, refurbishment and conversion of Northaw House to form 11 apartments (including refurbishment of existing single caretaker's flat) and underground parking area, the Ballroom Wing to form 2 dwellings, the Stable Block to form 1 dwelling, refurbishment of existing dwelling at Oak Cottage, construction of 2 new Gate Lodge dwellings, 4 new dwellings on the East Drive, 3 new dwellings within the Walled Garden, 7 new dwellings within the Settlement Area, refurbishment of the Walled Garden, refurbishment of access routes and reinstatement of old route, provision of hard and soft landscaping, car parking and supporting infrastructure.

- 1.3 The proposed scheme follows on from earlier applications submitted by the Applicant in respect of the site (REF: 6/2019/0217/MAJ & 6/2019/0218/LB). These sought full planning permission and listed building consent for the following:

Conversion of Northaw House to form 11 apartments (including refurbishment of existing single caretaker's flat) and underground parking area, the Ballroom Wing to form 2 dwellings, the Stable Block to form 1 dwelling, refurbishment of existing dwelling at Oak Cottage, 3 dwellings within the Walled Garden, 7 dwellings within the Settlement Area, refurbishment of the Walled Garden, refurbishment of access routes and reinstatement of old route, provision of hard and soft landscaping, car parking and supporting infrastructure

- 1.4 These earlier applications were granted consent in January 2020 (hereafter referred to as “the consented scheme” or “the 2020 scheme”) and proposed a reduced number of residential units (25no.). We understand that earlier iterations of the consented scheme involved a higher number of residential units (initially 31no. then 27no.) but these were eventually reduced to 25no. on the basis of enabling development arguments (i.e. 25no. units was sufficient to cover any viability shortfall related to the conversion of the listed buildings). It has been confirmed by the Council that the 25no. unit consented scheme was implemented in October 2020 (Appendix 2).
- 1.5 The documents uploaded alongside the proposed scheme state that the amount of enabling development approved in the consented scheme was insufficient to fund the necessary repairs. Further, the need for enabling development is said to have increased in the intervening time as the condition of the listing buildings and wider site has deteriorated. This position is used to justify the increase in residential units within the proposed scheme (i.e. 31no. units).
- 1.6 In support of their position, the Applicant has provided a Viability Report undertaken by James R Brown LTD in October 2020. This seeks to justify an enabling development argument to increase the number of units required to offset the repairs required to the listed building. To do so, the report tests the viability of three development scenarios;
- 25no. unit scheme
 - 27no. unit scheme
 - 31no. unit scheme
- 1.7 Based on their assessment of costs and values, the report shows that none of the proposed schemes are viable. However, on the basis that the 31no. unit scheme generates the lowest deficit (£2,784,665) against the viability benchmark, the Applicant’s report concludes that consent is required for 31no. units to satisfy the enabling development.
- 1.8 This approach assumes that the existing value of Northaw House, based on the refurbishment and continued use as an office, is c. £1.03m. The Applicant has also considered the existing values of the Stable Block, Oak Cottage, Caretakers Cottage and Walled Garden, which amount to an additional £1.61m. The Applicant’s appraisals for each of the three development scenarios therefore adopt a gross land value of c. £2.64m.
- 1.9 Despite adopting this benchmark in their appraisals, the Applicant states:
- Although we therefore think the existing value of Northaw House (in isolation) is £1.03m, the refurbishment works we have assumed to arrive at this figure...would not: enhance the heritage asset, significantly reduce or remove risk to the heritage asset or **secure the optimum viable use** in support of its long term conservation. They would however keep the building in a minimum acceptable condition, subject to ongoing maintenance.*

- 1.10 The purpose of this report is to review the James R Brown assessment and appraisals to determine whether an enabling development argument is valid, and if so, whether the level of enabling development proposed is required to allow the conversion of the listed buildings to residential use.

RICS Practice Statement

- 1.11 Our FVA has been carried out in accordance with the RICS Financial Viability in Planning: Conducts and Reporting Practice Statement (May 2019).
- 1.12 Our FVA is also carried out in accordance with the following
- RICS Financial Viability in Planning Guidance Note (1st edition, August 2012)
 - National Planning Policy Framework (NPPF, updated February 2019)
 - RICS Financial Viability in Planning: Conduct and Reporting Practice Statement (September 2019)
 - Planning Practice Guidance (PPG, updated June 2019).
 - Historic England 2020 GPA 4: Enabling Development and Heritage Assets.

Objectivity, Impartiality and Reasonableness

- 1.13 We have carried out our review in collaboration with the Council (as Local Planning Authority (LPA)) and the applicant/landowner. At all times we have acted with objectivity, impartially and without interference when carrying out our viability assessment and review.

Confirmation of Instructions

- 1.14 We attach at Appendix 1 our terms of engagement.
- 1.15 We confirm that in preparing this report, no performance-related or contingent fees have been agreed.
- 1.16 We have not been instructed to inspect the site.

Conflicts of Interest

- 1.17 We confirm that we have no conflict of interest in providing this advice and we have acted independently and impartially.

Transparency of Information

- 1.18 Transparency and fairness are key to the effective operation of the planning process. The presumption is that this viability assessment will be published in full, except where this may

compromise the delivery of the proposed application scheme or infringe other statutory and regulatory requirements. In this instance, we have not agreed any exceptions with the LPA.

Area Wide Viability Assessment

- 1.19 We confirm that we have not previously acted for Welwyn Hatfield Borough Council in respect of the preparation of an area-wide Local Plan Viability Assessment, nor have we previously encountered or advised on the site or proposed scheme.

Information Relied Upon

- 1.20 For the purposes of our appraisals, we have relied on the following information:
- Floorplans and Design & Access Statement: Waller Planning
 - Viability Report: James R Brown & Co Ltd
 - Construction Cost Viability Review: Concert
- 1.21 All the above information is logged electronically and can be provided should you require.

Engagement

- 1.22 At all stages of the viability process, we have advocated reasonable, transparent and appropriate engagement between the parties.

Structure

- 1.23 Our approach to assessing the viability of the proposed development is set out as follows:

Chapter Two – Scheme Details

- 1.24 In this chapter, we provide context for the proposed development. We provide the location of the site and set out features and characteristics which will have a bearing on the values it could achieve. We also provide details of the proposed development.

Chapter Three – Planning Policy Review

- 1.25 Chapter Three provides a review of the relevant planning policies that could have a bearing on the site's value or the approach which should be taken to undertaking our assessment. We also provide a brief planning history of the site.

Chapter Four – Residential Market Assessment

- 1.26 Chapter Four sets out our review of the residential property market for the scheme. The market assessment is based on industry recognised published data from the Land Registry and Rightmove.
- 1.27 The output of the market assessment is used to inform the Gross Development Value (GDV) used in our appraisals.

Chapter Five – Analysis of Costs and Values

- 1.28 Chapter Five provides our analysis of the costs and values appropriate for the proposed development, including the heritage works associated with the conversion of Northaw House.

Chapter Six - Conservation deficit

- 1.29 In Chapter Six, we discuss the conservation deficit and the approach that has been adopted by the Applicant in respect of the consented and the proposed schemes.

Chapter Seven – Conclusions

- 1.30 Following analysis of the costs and values, we have undertaken residual appraisals of the proposed scheme to assess viability.
- 1.31 This approach to assessing the scheme viability is in accordance with RICS Guidance¹, Harman Report² and the Historic England 2020 GPA1: Enabling Development and Heritage Assets Guidance.

1 RICS, 2012. Professional Guidance Note 94/2012: Financial Viability in Planning 1st Edition.

2 Local Housing Delivery Group Chaired by Sir John Harman, June 2012. Viability Testing Local Plans: Advice for Planning Practitioner.

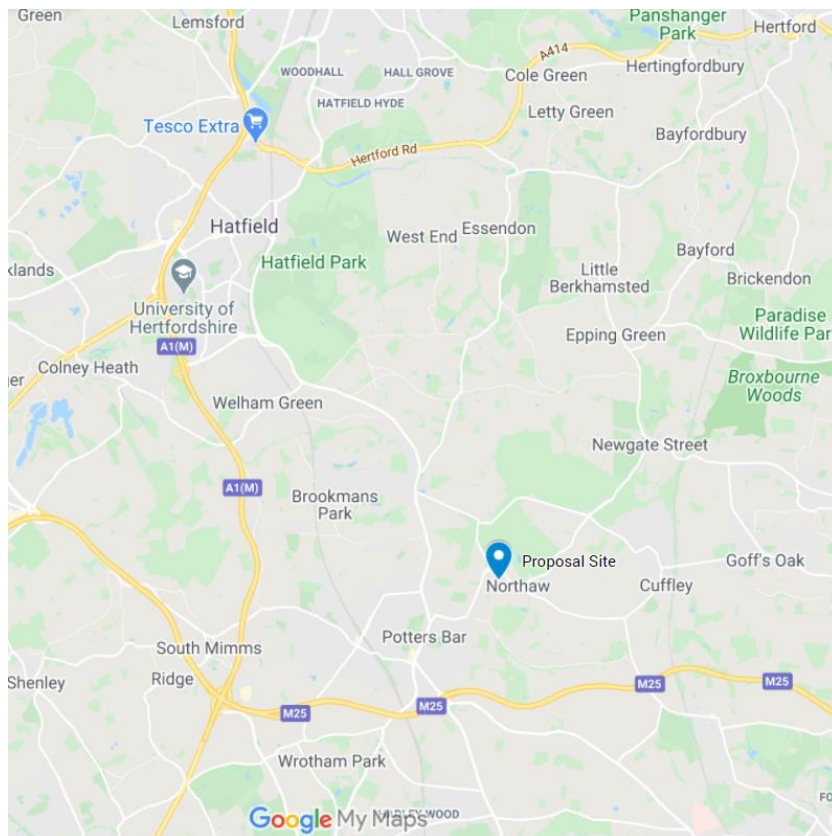
2 Scheme Details

2.1 This section sets out our understanding of the proposed scheme.

Location

2.2 The site is within the locality of Northaw; a village in the county of Hertfordshire at the southern end of Welwyn Hatfield's borough boundary. The macro location is shown in Figure 2-1 below.

Figure 2-1 - Location Map



Source: Google My Maps, 2021.

- 2.3 The proposal site is located approximately 3-miles north of the M25 and c. 1.5-miles north-east of Potters Bar where the nearest mainline station is located. Potters Bar station provides Thameslink services to Kings Cross in c. 20 minutes.
- 2.4 The site's rural location means the surrounding uses are predominantly residential and farmland. Larger centres with more substantial commercial offerings are found in Potters Bar or further afield in Welwyn to the north / Watford to the west.
- 2.5 The proposal site is asymmetrically shaped covering a gross area of c. 10-hectares / 24.7-acres. Figure 2-2 shows the site boundary.

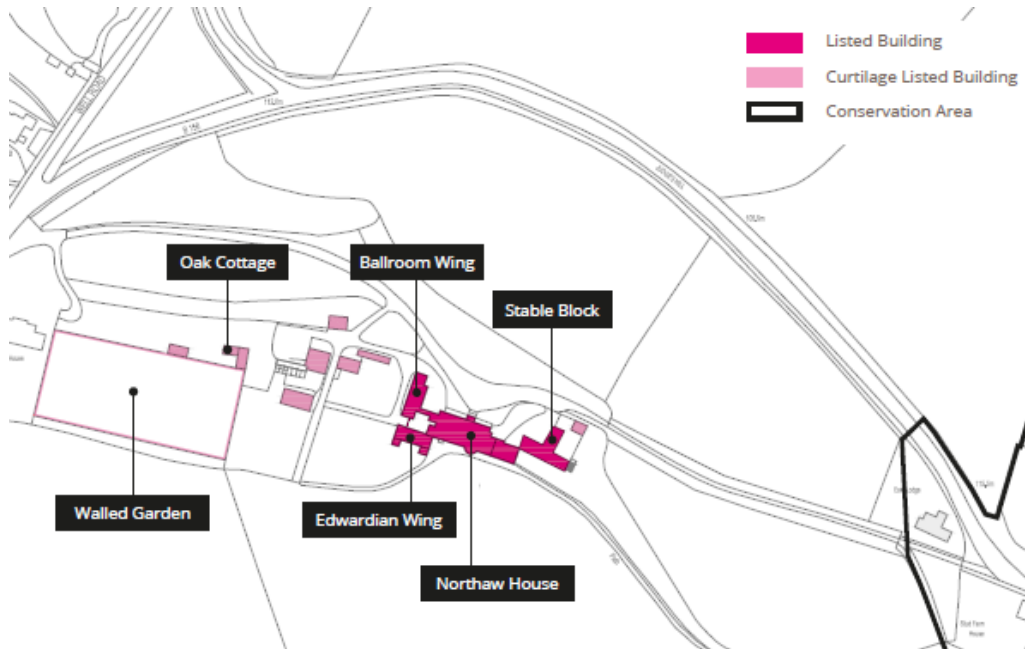
Figure 2-2 - Red Line Site Plan



Source: Waller Planning, 2021.

2.6 The listed buildings on the site are outlined in Figure 2-3.

Figure 2-3 - Site Listed Buildings



Source: Waller Planning, 2021.

Proposed Scheme

2.7 As set out in the planning applications (REF: 6/2021/0071/LB & 6/2021/0072/MAJ) the proposed scheme seeks full planning permission and listed building consent for the following:

Repair, refurbishment and conversion of Northaw House to form 11 apartments (including refurbishment of existing single caretaker's flat) and underground parking area, the Ballroom Wing to form 2 dwellings, the Stable Block to form 1 dwelling, refurbishment of existing dwelling at Oak Cottage, construction of 2 new Gate Lodge dwellings, 4 new dwellings on the East Drive, 3 new dwellings within the Walled Garden, 7 new dwellings within the Settlement Area, refurbishment of the Walled Garden, refurbishment of access routes and reinstatement of old route, provision of hard and soft landscaping, car parking and supporting infrastructure.

2.8 The proposed scheme comprises several different elements, as summarised in the points below:

- Repair, refurbishment & conversion of Northaw House to provide 3 x 1-bed apartments, 4 x 2-bed apartments and 1 x 3-bed apartment;
- Repair, refurbishment & conversion of the Edwardian Wing of Northaw House to provide 1 x 1-bed apartment and 2 x 2-bed apartments;
- Repair, refurbishment & conversion of the Ballroom Wing to provide 2 x 3-bed semi-detached houses;
- Repair, refurbishment & conversion of the Stable Block to provide a single 3-bed detached house;
- Repair & refurbishment of the Oak Cottage to provide a single 3-bed house;
- Construct 3 x 4-bedroom new-build detached houses within the walled garden;
- Construct 2 x 3-bedroom detached houses as Gate Lodges;
- Construct 1 x 3-bedroom detached, 4 x 4-bedroom semi-detached and 2 x 4-bedroom detached houses within the Settlement Area;
- Construct 4 x 3-bedroom houses adjacent to the East Drive.

2.9 In addition to the above, the proposed scheme also involves refurbishments to the wall of the walled garden; construction of new access routes and provision of extensive new landscaping. The proposed site plan is shown in Figure 2-4.

Figure 2-4 - Site Layout Plan



Source: Waller Planning, 2021.

Scheme Mix/Areas

2.10 The Applicant's report has provided a unit-by-unit accommodation schedule for the proposed scheme which we have relied upon for the purposes of our assessment. We summarise the proposed residential areas in Table 2-1. Units 1-15 comprise the conversion elements of Northaw House and surrounding buildings. Units 16-31 are the proposed new-build units.

Table 2-1 - Area Schedule

Unit no.	Plot	Type	Beds	NIA (sqm)	NIA (sqft)	Parking Spaces
1	Northaw House	Basement Flat	1	52.03	560	2
2	Northaw House	Basement Flat	1	108.42	1,167	2
3	Northaw House	Ground-Floor Flat	2	239.41	2,577	2
4	Northaw House	Ground-Floor Flat	2	182.00	1,959	2
5	Northaw House	First-Floor Flat	2	172.99	1,862	2
6	Northaw House	First-Floor Flat	2	125.98	1,356	3
7	Northaw House	Second-Floor Flat	4	170.94	1,840	3
8	Northaw House	Second-Floor Flat	1	68.47	737	2
9	Edwardian Wing	Ground-Floor Flat	2	80.83	870	2

Unit no.	Plot	Type	Beds	NIA (sqm)	NIA (sqft)	Parking Spaces
10	Edwardian Wing	First-Floor Flat	2	79.43	855	2
11	Edwardian Wing	Second-Floor Flat	1	64.20	691	2
12	Coach House	Detached	4	337.24	3,630	5
13	Ballroom Wing	Semi-Detached	3	133.59	1,438	2
14	Ballroom Wing	Semi-Detached	3	134.43	1,447	2
15	Oak Cottage	Detached	3	150.97	1,625	4
16	Walled Garden	Detached	4	294.04	3,165	4
17	Walled Garden	Detached	4	294.04	3,165	4
18	Walled Garden	Detached	4	294.04	3,165	4
19	Gate Lodges	Detached	3	132.02	1,421	2
20	Gate Lodges	Detached	3	132.02	1,421	2
21	Settlement Area	Detached	4	164.16	1,767	2
22	Settlement Area	Semi-Detached House	4	164.16	1,767	2
23	Settlement Area	Semi-Detached	4	164.16	1,767	2
24	Settlement Area	Semi-Detached	4	160.54	1,728	2
25	Settlement Area	Semi-Detached	4	160.54	1,728	2
26	Settlement Area	Semi-Detached	4	191.94	2,066	4
27	Settlement Area	Semi-Detached	3	116.04	1,249	3
28	East Drive	Semi-Detached	3	152.18	1,464	3
29	East Drive	Semi-Detached	3	152.18	1,464	3
30	East Drive	Semi-Detached	3	152.18	1,464	3
31	East Drive	Semi-Detached	3	152.18	1,464	3
Totals				4,977.29	52,879	

Source: James R Brown, 2020.

3 Planning Policy Requirements

3.1 We examine the planning policies and guidance relevant to our assessment in this section.

National Planning Policy Framework

3.2 The National Planning Policy Framework (NPPF) and Planning Practice Guidance (PPG) website set the national statutory planning policies and guidance on implementation.

Heritage and Enabling Development

3.3 Given that the Northaw House is Grade II listed, various heritage policies apply. In determining the planning application, there are several NPPF policies relevant to the site and the proposed development.

3.4 Paragraph 190 states:

'Local planning authorities should identify and assess the particular significance of any heritage asset that may be affected by a proposal (including by development affecting the setting of a heritage asset) taking account of the available evidence and any necessary expertise. They should take this into account when considering the impact of a proposal on a heritage asset, to avoid or minimise any conflict between the heritage asset's conservation and any aspect of the proposal.'

3.5 In terms of enabling development, Paragraph 79 indicates that the development of housing in the countryside should be avoided unless one or more of certain circumstances are met. One of the circumstances listed is:

'the development would represent the optimal viable use of a heritage asset or would be appropriate enabling development to secure the future of heritage assets'.

3.6 Paragraph 202 States:

'Local planning authorities should assess whether the benefits of a proposal for enabling development, which would otherwise conflict with planning policies but which would secure the future conservation of a heritage asset, outweigh the disbenefits of departing from those policies.'

Welwyn Hatfield Local Plan

3.7 Welwyn Hatfield Borough Council are currently in the process of updating their Local Plan which, once adopted, will shape development across the Borough up to 2032. The Local Plan (2016) was submitted for examination in May 2017 and has since been through various rounds of

consultation. The original programme envisaged that the new Local Plan would be adopted in Spring / Summer 2020, however at the time of our assessment, this remains to be enacted.

- 3.8 Whilst the new Local Plan awaits formal adoption, the saved policies from the Welwyn Hatfield District Plan (2005) form the statutory development plan / framework. Below, we summarise the policies in both the adopted and draft plans relevant to the proposed scheme.

Heritage & Historic Environment

- 3.9 Policy R27 of the adopted Local Plan (2005) states that Listed Building Consent for the complete or partial demolition of any building of special architectural or historic interest will not be granted other than in exceptional circumstances. These are as follows:

- Clear and convincing evidence has been provided that it is not practicable to continue to use the building for its present or previous use and that no viable alternative uses can be found, and that preservation in some form of charitable or community ownership is not possible;
- The physical condition of the building has deteriorated, to a point that it can be demonstrated that demolition is essential in the interests of public safety. A comprehensive structural report will be required to support this criterion;
- Demolition or major alteration will not be considered without acceptable detailed plans for the site's development. Conditions will be imposed in order to ensure a contractual obligation has been entered into for the construction of the replacement building(s) and / or the landscaping of the site prior to the commencement of demolition; and
- Where, exceptionally, consent is granted for the demolition or major alteration to a listed building, before any demolition or major alteration takes place, applicants will be required to record details of the building by measured drawings, text and photographs, and this should be submitted to and agreed by the Council.

- 3.10 Policy SADM 15 of the Draft Local Plan (2016) sets out the Council's Heritage policy, including guidance for proposals that affect designated heritage assets and the wider historic environment. We summarise the relevant extracts below:

- Proposals that affect designated heritage assets and the wider historic environment should consider the potential to sustain and enhance the heritage asset and historic environment in a manner appropriate to its function and significance;
- Proposals should respect the character, appearance and setting of the asset and historic environment in terms of design, scale, materials and impact on key views;
- Proposals that result in less than substantial harm to the significance of a designated heritage asset will also be refused unless the need for, and benefits of, the development

in that location significantly outweigh that harm and the desirability of preserving the asset, and all feasible solutions to avoid and mitigate that harm have been fully implemented.

Green Belt

3.11 The proposal site lies within the Metropolitan Green Belt. The adopted plan (2005) sets out the following objectives in respect of the district's Green Belt:

- To maintain the Green Belt as the principal means of restraining the physical expansion of the district's urban areas;
- To maintain areas of special restraint between the urban area and the Green Belt, to be safeguarded to meet future growth needs beyond the Plan period and thereby ensure the permanence of the Green Belt boundaries.

3.12 Paragraph 4.12 of the adopted plan states:

The district comprises a number of smaller settlements, including rural villages and areas of sporadic or ribbon development, which reflect the historical settlement pattern of the district based around agriculture. These are Essendon, Northaw, Newgate Street, Lemsford, Ayot St Lawrence, Ayot Green and St Peter, Burnham Green, Stanborough, Mill Green, Bullen's Green, Bell Bar, Swanley Bar, Wild Hill and Woodside. They are all located within the Green Belt and as such are subject to the general presumption against inappropriate development in the Green Belt set out in PPG2. The forms of development considered appropriate within the Green Belt are identified in Policy RA1, which applies to all of these settlements.

3.13 Policy 6 of the Structure Plan recognises that development in smaller Green Belt settlements can be accommodated to support facilities and services needed and to meet the employment and housing needs for the settlement and its surrounding area.

3.14 The Draft Local Plan (2016) states the following in regards to the Green Belt:

- Policy SP 25 – Rural Development:
 - *Limited infill development and the re-use or conversion of existing buildings will be supported where these are compatible with their Green Belt location, the settlement strategy and the protection of critical assets*
- Policy SADM 34 – Development within the Green Belt:
 - *Applicants will need to demonstrate that extensions and alterations to a building would not result, either individually or cumulatively, in disproportionate additions over and above the size of the original building, in terms of bulk, scale, height or massing. Account will be taken of the extent to which the extension and/or alteration would be*

consistent with the general pattern of development and character of the area and its prominence within the landscape.

- *Proposals for change of use will need to demonstrate that they are consistent with both the settlement and rural areas strategies as well as the principles of sustainable development set out in the Local Plan. Existing buildings must be of permanent and substantial construction and capable of conversion without the need for substantial demolition and rebuilding.*
- *Where a change of use of land is proposed applicants will need to demonstrate that the proposal would preserve the openness of the Green Belt and minimise any impact on the landscape.*

Affordable Housing

- 3.15 Paragraph 202 of the NPPF suggests that there may be cases where conservation of a heritage asset justifies a departure from policy. This is often applied to affordable housing policies where enabling development is proposed in the Green Belt. This is because departure from this policy will mean that fewer numbers of homes are required to enable the conservation of the heritage asset.

Enabling Development and Heritage Assets – Historic England (2020)

- 3.16 This document sets out guidance on how practitioners should interpret policies relating to Heritage Assets and enabling development. It also sets out advice on enabling development, against the background of the National Planning Policy Framework (NPPF) and the related guidance given in the Planning Practice Guide (PPG).
- 3.17 This document clarifies that enabling development should be seen as development that will secure the conservation of a heritage asset but which would otherwise be contrary to planning policies, as per Paragraph 202 of the NPPF.
- 3.18 The document sets out the approach taken to assessing the level of enabling development required to bring an asset back into use. Firstly, a practitioner needs to identify the Optimum Viable Use (OVU). In the glossary to this guidance, the OVU is defined as follows:
- ‘if there is only one viable use, that use is the optimum viable use. If there is a range of alternative economically viable uses, the optimum viable use is the one likely to cause the least harm to the significance of the asset, not just through necessary initial changes, but also as a result of subsequent wear and tear and likely future changes.’*
- 3.19 Then, they must establish the Conservation Deficit – the amount by which the cost of bringing the asset into its OVU outweighs the market value once the works have been undertaken. Paragraph 9 of the document states:

'The case for enabling development rests on there being a conservation deficit. Simply put, this is the amount by which the cost of repair (and conversion to optimum viable use if appropriate) of a heritage asset exceeds its market value on completion of repair or conversion, allowing for appropriate development costs.'

- 3.20 Once these steps have been undertaken, then the practitioner will be able to establish how much development is required to cover the Conservation Deficit by use of financial appraisals. Paragraph 54 of the guidance states the following:

'In order to calculate the amount of enabling development that might be needed, it is good practice for two development appraisals to be carried out one after another. They will be produced by the applicant and it is advisable these be audited by an independent firm of chartered surveyors. The first appraisal is to establish whether there is a conservation deficit and if so, how much. The second is to demonstrate the minimum amount of enabling development needed to meet the identified deficit. It is also good practice for accompanying sensitivity analysis to be produced to assist in the decision-making process.'

- 3.21 Ultimately, the advice intends to help all those involved in enabling development proposals (local authorities, planning and other consultants, owners, applicants and other interested parties) to work through possible options in relation to the asset in question and to understand whether they are acceptable.

Planning History

- 3.22 We summarise the site's relevant planning history in Table 3-1.

Table 3-1 - Relevant Planning History

REF	Description	Decision	Decision Date
S6/2004/0573/FP	Conversion, alteration and change of use of Northaw House to a single residential unit, stable block to 1 residential unit, Ballroom Wing to 3 residences, 7 new build dwellings (3 of which live/work), extension, alterations and refurbishment of Oak Cottage, plus associated car parking, driveway and access, and landscaping, including some demolition	Granted / Now Lapsed	1/10/09
S6/2013/1225/FP	Change of Use from offices (Use Class B1) to residential (Use Class C3)	Granted	29/10/13

6/2019/0217/MAJ & 6/2019/0218	Conversion of Northaw House to form 11 apartments (including refurbishment of existing single caretaker's flat) and underground parking area, the Ballroom Wing to form 2 dwellings, the Stable Block to form 1 dwelling, refurbishment of existing dwelling at Oak Cottage, 3 dwellings within the Walled Garden, 7 dwellings within the Settlement Area, refurbishment of the Walled Garden, refurbishment of access routes and reinstatement of old route, provision of hard and soft landscaping, car parking and supporting infrastructure.	Granted	07/01/20 & 10/01/20
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Source: Welwyn & Hatfield Borough Council, 2021

4 Review of Gross Development Value

- 4.1 We set out below our review of the gross development value (GDV) of the scheme. This includes an analysis of the residential property market in the areas surrounding the proposal site.

COVID-19 Notice

- 4.2 The outbreak of the Novel Coronavirus (COVID-19), declared by the World Health Organisation as a “Global Pandemic” on 11 March 2020, continues to impact financial markets across the world. Whilst the ongoing economic consequences remain uncertain, we are faced with unprecedented circumstances upon which to base our professional judgement for the purposes of valuation and financial appraisal. This has been recognised by the RICS, who issued a practice statement (updated 06 November 2020) noting access to evidential data and restrictions on information as considerations that may affect the work carried out by Regulated Members.³
- 4.3 Accordingly, we have conducted our market research using the evidence available at the time of our assessment and with due consideration for the ‘RICS Impact of Covid-19 on Valuation’ supplement (November 2020) and the ‘RICS Beyond COVID-19: Valuation approaches and evidence during the COVID-19 health crisis’ document (June 2020). Given the unknown future impacts that COVID-19 may have on real estate markets, the cost and value inputs adopted may be subject to change and we recommend that the conclusions of this report are kept under review.

Residential Market Review

- 4.4 This section reviews the market for new-build accommodation in Northaw and the surrounding area. We have based our analysis on the proposed accommodation including flatted units, semi-detached and detached housing.
- 4.5 In support of their value assumptions, the Applicant has sought advice from local estate agent, Statons. The pricing schedule, dated 14 September 2020, provides a breakdown of the unit-by-unit values for all three scenarios (i.e. 25-, 27- and 31no. units). The Applicant has not supplemented this with any evidence arising from new-build transactions or new-build listings. The GDV and subsequent blended £ / psf rates for each scenario are shown in Table 4-1 overleaf.

³ RICS, 2020. *Valuation Practice Alert – Coronavirus*. (Available online: <https://www.rics.org/uk/upholding-professional-standards/sectorstandards/valuation/valuation-coronavirus/>)

Table 4-1 - Scenario Values

Scenario	GDV	Blended £ / psf Value
25no. units	£20,725,000	£469
27no. units	£ 22,115,000	£470
31.no units	£ 25,015,000	£473

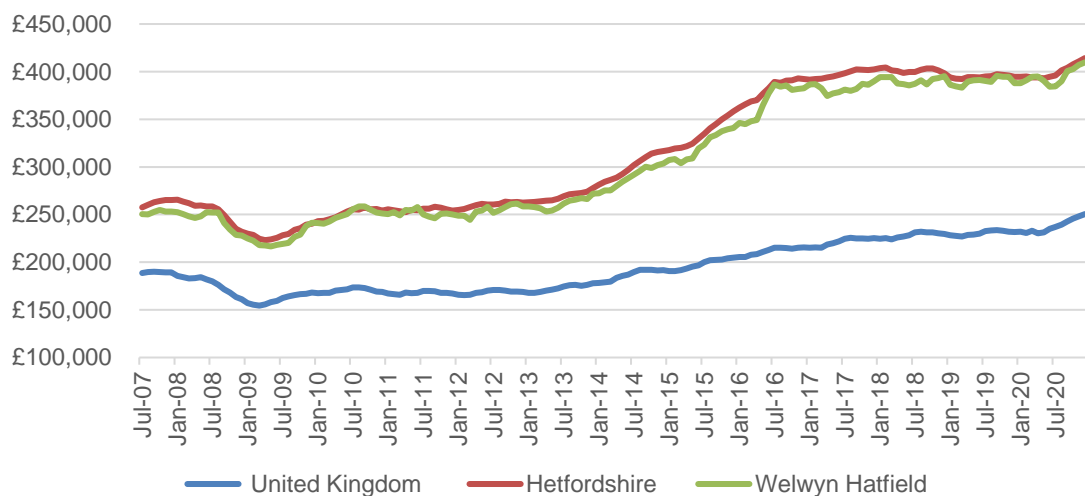
Source: James R Brown, 2021.

4.6 We have undertaken our own analysis of comparable evidence from completed new-build transactions and supplemented this by reviewing the listing prices for new-build properties currently advertised for sale. We have also undertaken agent consultations to establish a local view of the housing market and the levels of supply / demand in the area. This ensures our value assumptions are informed by recent market activity and are reasonable within the context of the proposed development; the site & location; and the general market sentiment.

National & Regional Context

4.7 Following the Global Financial Crisis, property markets in the Home-Counties and the UK experienced a prolonged period of growth. Demand was driven by both owner-occupiers and investors, resulting in a market imbalance and outstripped supply. The supply constraints led to average prices rising at significant rates, notably between 2013 and late 2016. However, the rate of growth decelerated following the outcome of the UK's European Union membership referendum in 2017. Since then, prices have shown a less consistent pattern of growth and decline.

Figure 4-1 - Land Registry Average Property Prices



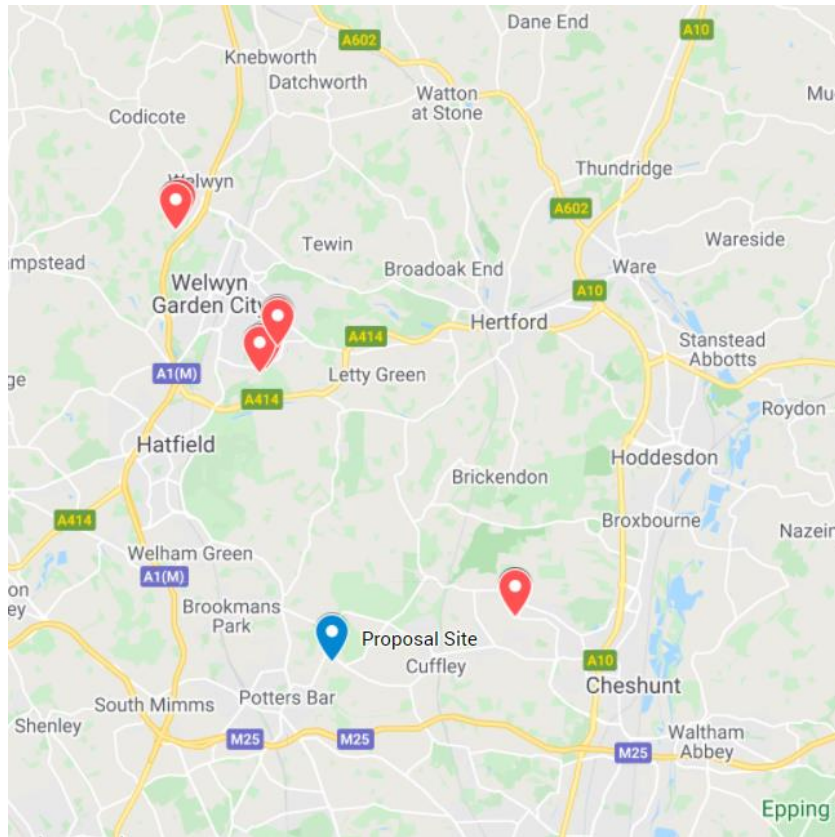
Source: Land Registry, 2021.

- 4.8 Figure 4-1 shows the average prices for properties in the UK, Hertfordshire and Welwyn Hatfield. Welwyn Hatfield has seen prices rise on a similar trajectory to Hertfordshire in recent years. In comparison to the UK as a whole, both Welwyn Hatfield and Hertfordshire average prices have consistently trended higher. By the end of 2020, the average price in Welwyn Hatfield (£410,000) was c. 1% lower than in Hertfordshire (£414,000). However, the average price in Welwyn Hatfield (£410,000) was c. 64% higher than the UK average (£250,000).
- 4.9 In the last year, property prices in Welwyn Hatfield have risen by c. 5% despite the backdrop of uncertainty surrounding the COVID-19 pandemic. This follows national housing market trends. Economic incentives such as the stamp duty holiday appear to have acted as a catalyst for growth over this period. However, it is difficult to predict how the market will change in the aftermath of the pandemic.

New-Build Housing Achieved Values

- 4.10 We have reviewed transactions of new-build units which have completed in areas surrounding the proposal site since April 2019. Achieved value data has been obtained from the Land Registry, however this does not disclose the unit type, size or specification. To obtain the corresponding floor area, we have relied on the Energy Performance Certificate (EPC) Register and cross-referenced the data sets. We have relied on other sources such as online portals (Rightmove, Zoopla), property particulars and development brochures to confirm other details such as the number of bedrooms, development features and specifications.
- 4.11 The site's rural location and proportion of surrounding green belt land mean there is limited evidence of new-build development. As such, we have reviewed sales from Welwyn Hatfield and the adjacent districts and relied on our professional judgement to benchmark the Applicant's assumptions.
- 4.12 Our search revealed 28no. housing transactions, we had further difficulty identifying the number of bedrooms or scheme particulars for the transacted units. The locations of the schemes are shown in Figure 4-2 overleaf.

Figure 4-2 - New-Build Scheme Locations



Source: Google MyMaps, 2021.

4.13 The new-build house transactions are summarised in Table 4-2, with a full list detailed in Appendix 3.

Table 4-2 - New Build Houses Achieved Data

Scheme	Type	No. Sold	Price Range	Size Range (sqft)	Avg, (£ / psf)
Tomlinson Court, AL6 9GD	Semi-Detached	1	£800,000	1,819	£440
	Detached	1	£770,000	1,819	£423
Butterwick Way, AL6 9GH	Semi-Detached	2	£835,000 - £896,000	1,819	£476
Queens Avenue, AL7 4BZ	Terraced	4	£520,000 - £535,000	1,324 - 1,507	£362
	Semi-Detached	1	£535,000	1,324	£404

Chapelfield Close, AL7 4FU	Semi-Detached	1	£397,000	915	£434
	Detached Bungalow	2	£395,000 - £425,000	678	£605
Willow Brook Lane, EN7 6EL	Detached	3	£550,000 - £760,000	1,087 - 1,755	£482
Hazelfield Way, EN7 6EQ	Detached	3	£550,000 - £555,000	1,012 - 1,087	£524
Old Oak Avenue, EN7 6EW	Semi-Detached	4	£410,000 - £525,000	764 - 1,076	£516
	Detached	6	£540,000 - £680,000	1,087 - 1,389	£494

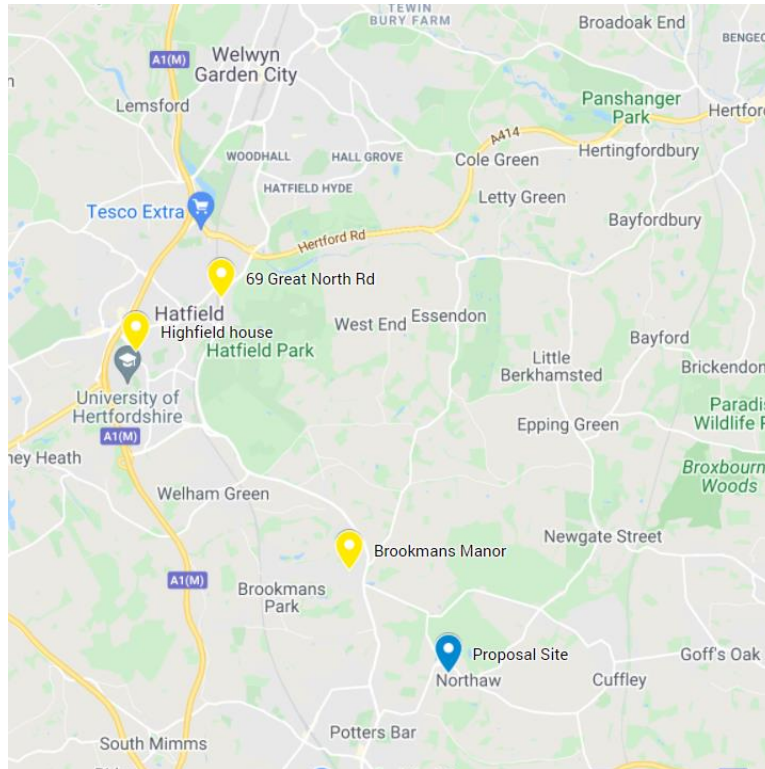
Source: Land Registry, 2021.

- 4.14 Achieved values range from £345 - £627 psf, with an average of £464 psf. Due to a lack of information on the particulars of the developments identified we are unable to draw comparisons between the pricing of units of different types. The Applicants blended rate of £473 is c. 2% higher than the average price identified in transacted units.
- 4.15 Of the schemes identified there was very limited unit-specific information available. The number of beds and specification of development are generally useful for comparing a proposed scheme with transacted units. However, in the absence of this kind of information, we have looked at the schemes identified from a general perspective. None of the schemes identified shared the unique features and listed nature of the proposed scheme. Further, the transacted units tended to be of a general new-build standard, in-keeping with minimum space requirements. The units in the proposed scheme are widely varied in size and do not conform to normal unit-type sizes. This makes a direct comparison to the transacted units difficult.
- 4.16 Based on the evidence available, the Applicant's blended average rate of £473 psf sits within a reasonable tolerance of the values which have been identified from the transacted units. Whilst the proposed scheme provides bespoke homes in a large protected site akin to a gated community, the sizes of the units are not directly comparable to those identified in our market review. As such, if we were to apply some of the higher £ / psf rates shown in our review of available evidence, then the headline unit values would be significantly higher. On this basis, the housing values adopted by the Applicant appear to be reasonable.

New-Build Flatted Achieved Values

4.17 We have undertaken a similar review of flatted transactions. Our search revealed 17no. flatted transactions from three schemes, as shown in Figure 4-3.

Figure 4-3 - New-Build Flatted Scheme Locations



Source: Google MyMaps, 2021.

4.18 The new-build flatted transactions are summarised in Table 4-3.

Table 4-3 - New-Build Flatted Achieved Values

Scheme	Type	No. Sold	Price Range	Size Range (sqft)	Avg, (£ / psf)
69 Great North Road, AL9 5FB	1 -Bed	6	£258,500 - £310,000	614 - 689	£427
	2 -Bed	6	£320,000 - £410,000	775 - 1,055	£389
Highfield House, AL10 0FP	2 -Bed	3	£265,000 - £331,000	646 - 915	£382
Brookmans Manor, AL9 7BZ	2 -Bed	2	£585,000 - £600,000	1,184 - 1,259	£486

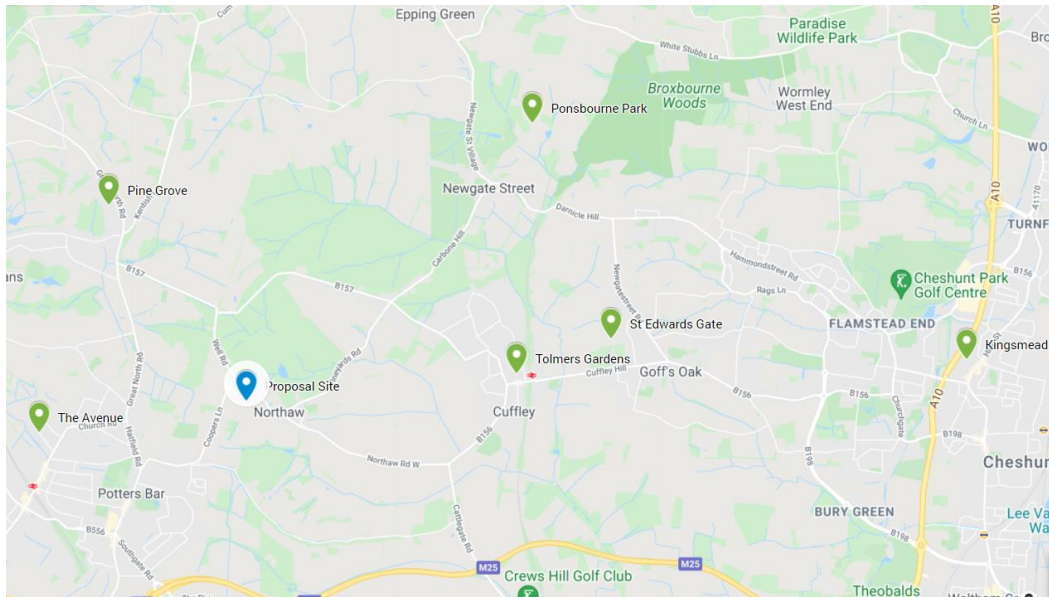
Source: Land Registry, 2021.

- 4.19 Achieved values ranged from £350 - £507 psf with an average of £413. The Applicant's blended £ / psf value for flatted units is £452, which is c. 9.5% higher than the average for the identified transactions.
- 4.20 The flatted units identified in our search were generally of standard new-build quality and also of similar size to the national minimum space standards. As with the new-build housing transactions identified, it is difficult to make a direct comparison between the identified transactions and the proposed scheme given the significant difference in the nature of the development.
- 4.21 The flatted units in the proposed scheme are considerably larger than many of those identified in our searches. To illustrate, the largest of the flats in the proposed scheme exceeds the minimum national space standards for a 6-bedroom house by c. 75%. When compared to the market rate identified for new-build housing the proposed scheme's blended rate for flatted units sits within a much smaller tolerance (c. 2.6%). The fact that the flatted units are so large in the proposed scheme suggests that comparison to the identified new-build housing psf values could be unreliable.
- 4.22 Further, most of the identified transactions completed over 18 months ago. Due to this, it is likely the values seen in Table 4-3 are not representative of the values which could be achieved in the present day.
- 4.23 Based on the limited evidence available, the Applicant's blended rate of £452 for flatted units sits within a reasonable tolerance of the values identified in the transacted units. Despite the difference in the £ / psf values between market values and proposed scheme values (c. 8.6%), there are clear justifications for this. Namely, the identified transacted units were all close to the minimum space requirements, built out to a standard new-build specification and did not share the premium features found in the proposed scheme. Also, as discussed above, comparison to the market rate identified for housing is likely more appropriate given the size of the flatted units.

New-Build Listings

- 4.24 To supplement the transactional data, we have reviewed the asking prices for new-build units currently listed for sale in the areas surrounding the proposal site. This also provides an insight into the volume and type of housing that is due to be delivered in the coming months. Our search revealed 14no. listings, of which 11 were housing units and 3 were flatted units. The locations of the identified listings in relation to the proposed scheme can be seen in Figure 4-4.

Figure 4-4 - New Build Listing Locations



Source: Google MyMaps, 2021.

4.25 The details of the listings identified are summarised in Table 4-4.

Table 4-4 - New Build Listings

Scheme	Unit Type	No. Listings	Price Range	Size Range (sqft)	Avg. £ / sqft
Pine Grove, AL9	5-Bed Detached	1	£1,475,000	-	-
St Edwards Gate, EN7	4-Bed Detached	6	£950,000 - £1,300,000	1,924 - 2,465	£513
Kingsmead, EN8	5-Bed Detached	1	£1,200,000	2,844	£422
The Ridings, SG13	4-Bed Detached	3	£1,095,000 - £1,195,000	2,140 - 2,292	£518
Tolmers Gardens, EN6	2-Bed Flat	3	£560,000 - £595,000	981 - 1,011	£582

Source: Rightmove, accessed 21st April 2021

4.26 The listings identified above produce an average price of £507 psf for housing units, an increase of £43 psf (9.2%) upon the average value achieved from the completed transactions identified earlier. This suggests that the new-build market in Welwyn Hatfield has performed well amidst the political and economic uncertainty experienced over the past 2-years.

4.27 The average prices for the 3no. flatted-unit listings equates to £582 psf; this is in line with general market trends where flatted units command a higher rate psf than housing units. We note that some units identified above have been on the market for a number of months, suggesting that achieved data will provide a more reliable source when considering the values of the proposed scheme.

4.28 We note the following in regards to the schemes above:

- **St Edwards Gate** - A development by Chase Homes offering 23, 4- and 5- bed houses. Located near Cuffley Station (c. 1 mile), this development offers garage parking, private gardens and a high-spec interior. This development is the most comparable to the proposed scheme in terms of scale but has higher listing prices psf, albeit marginally. We expect this is explained by the proximity to Cuffley station.
- **The Ridings** - Gated development of seven 3- and 4- bed homes. This development shares some features with the proposed scheme. It is private, unique and benefits from private parking and gardens. However, The Ridings is a smaller scheme than the proposed scheme and this is reflected in the slightly higher psf value in the listing prices. Developments with a small number of units can achieve higher psf values due to the exclusivity.
- **Tolmers Gardens** - Flatted development of 8no. units located c. 0.1 miles from Cuffley Station. Units are all around 1,000 sqft. Allocated parking and high specification finish inside the property. Not considered directly comparable to the proposed scheme due to their more standardised style and proximity to Cuffley Station. It is also noted that these units have been on the market for c. 6 months which shows the listing price may be aspirational rather than realistic.



4.29 There are evident differences between each of the developments above and the proposed scheme. The St Edwards Gate development is the most comparable to the proposed scheme in terms of scale and design and subsequently has the most similar £ / psf values. The other listings

identified share similar characteristics, however they are generally smaller in scale, both in terms of size of development and unit sizes. On this basis, and given the wider benefits associated with each scheme, we would expect the units at the proposed scheme to achieve lower £ / psf values.

Agent Consultation

4.30 We have consulted local agents to supplement the property data. This helps provide an understanding of the type of buyers who are currently active in the market along with an insight into whether the value data is consistent with the local market trends. We summarise the main comments in the bullet points below:

- The area surrounding the proposed scheme offers great variety in terms of size, specification and period features. As such, determining psf values can be difficult as many housing units are largely unique when compared to others locally.
- Demand for 3- and 4- bed houses is highest in the area. It is a high-value area and as a result, is a location targeted by families and high earners who seek the sort of space that is scarce in the London housing market.
- Flatted units are more of an unknown, with some evidence of demand but very little supply of this unit type. The proximity of the proposed scheme to the M25 and London means there is some demand from the commuter demographic.
- Flatted units will command considerably higher rates psf when located within walking distance of stations, due to the nature of the occupiers of these units. Particularly the fact they tend to prioritise time of commute and proximity to transport when choosing locations.
- The high proportion of the Borough of Welwyn Hatfield that fall under the 'Green Belt' means that new-build developments are few and far between. This supported our findings in Paragraph 4.11 of our report.

Residential Conclusion

4.31 Our review of the new-build market in the area surrounding Northaw House has indicated that, given the nature of the proposed scheme, the blended £ / psf rate of £473 adopted by the Applicant is reasonable. Whilst our search identified that average prices for new-build transactions were marginally lower than the proposed scheme, we believe the Applicant's assumptions have been appropriately adjusted to reflect the nature of the proposed scheme.

4.32 Conversely, the average psf values identified in the new-build listing prices available were higher than the proposed scheme. We believe the primary reason for this is the size of the units in the proposed scheme. Market trends generally indicate that larger units will command a lower psf rate than smaller units. Therefore, the flatted units in the proposed scheme appear appropriately valued due to the fact they are of a similar size to many new-build houses, in some cases bigger.

The same comment can be applied to the generously sized housing-units in the proposed scheme.

5 Cost and Value Analysis

5.1 This section provides an assessment of the cost and value assumptions adopted for the proposed scheme. Where relevant, we have referred back to the area-wide assessment undertaken in support of the Local Development Plan, as promoted by Paragraph 008 of the Viability PPG. This chapter has therefore considered the Local Plan Viability Update Report (LPVUR) undertaken by BNP Paribas Real Estate in August 2016 as this is the most up to date.

Costs

Construction Costs

5.2 The Applicant has provided three cost plans undertaken by Madlins Construction & Property Consultants in September 2020 – one for each development option. All three options incorporate the refurbishment works to the existing buildings at Northaw House and include the need for garden wall repairs and highway improvements. We summarise the estimates below:

- 25no. unit scheme: £13,656,075
- 27no. unit scheme: £14,139,481
- 31no. unit scheme: £15,124,287

5.3 We have instructed cost consultants, Concert, to review the estimate provided by the Applicant and ensure the allowances are reasonable. Concert have identified slight discrepancies between the figures set out in the Madlins cost plans and those adopted in the Applicant's appraisal. For consistency, we have considered the figures set out in the Madlins estimate. The differences between the Applicant's costs and Concert's estimates are summarised in the tables below, with a full review in Appendix 4.

Table 5-1 – Cost Review (25no. units)

Component	Madlins	Concert	Difference
Refurbishment	£7,156,315	£6,573,800	-£582,515
New Build	£5,920,226	£5,753,205	-£167,021
Total Construction Cost	£13,076,541	£12,327,005	-£749,536
Garden Wall Repairs	£511,309	£393,709	-£117,600
Highway Improvements	£68,225	£63,112	-£5,113
Total	£13,656,075	£12,783,826	-£872,249

Source: Madlins, 2020 & Concert, 2021.

Table 5-2 - Cost Review (27no. units)

Component	Madlins	Concert	Difference
Refurbishment	£7,156,315	£6,573,800	-£582,515
New Build	£6,403,632	£6,268,096	-£135,536
Total Construction Cost	£13,559,947	£12,841,896	-£718,051
Garden Wall Repairs	£511,309	£393,709	-£117,600
Highway Improvements	£68,225	£63,112	-£5,113
Total	£14,139,481	£13,298,717	-£840,764

Source: Madlins, 2020 & Concert, 2021.

Table 5-3 – Cost Review (31no. units)

Component	Madlins	Concert	Difference
Refurbishment	£7,156,315	£6,573,800	-£582,515
New Build	£7,388,438	£7,209,126	-£179,312
Total Construction Cost	£14,544,752	£13,782,926	-£761,827
Garden Wall Repairs	£511,309	£393,709	-£117,600
Highway Improvements	£68,225	£63,112	-£5,113
Total	£15,124,287	£14,239,747	-£884,540

Source: Madlins, 2020 & Concert, 2021.

5.4 We have adopted Concert's revised costs in our appraisals.

Contingency

5.5 Concert have noted the following in regards to contingency:

Construction Contingencies have been specifically excluded from the individual Cost Assessments however a Design Development allowance amounting to approximately 5% overall on the combined cost of refurbishment works and the new build options has been included. We have recommended that Contingency of 5% is included (in honour) but in lieu of Design Development and this is illustrated in our detailed cost reviews

5.6 Given that the consented scheme is being implemented (as confirmed through application REF: 6/2020/2771/COND – dated October 2020), we believe a reduced contingency of 3% could be

applied. However, for consistency, we have adopted the same rate as the Applicant in our appraisals (5%).

S106 Costs

5.7 The Applicant had adopted the following S106 costs:

- 25-unit scheme: £173,539
- 27-unit scheme: £189,625
- 31-unit scheme: £221,796

5.8 The Applicant had adopted the following S106 costs:

- 25-unit scheme: £173,539 (£6,942 / unit)
- 27-unit scheme: £189,625 (£7,023 / unit)
- 31-unit scheme: £221,796 (£7,155 / unit)

5.9 We have received an updated estimate from the Council of the S106 costs expected from the 31no. unit proposed scheme. This amounts to £146,827 (£4,736 / unit) and includes:

- Primary education: £67,308
- Secondary education: £72,507
- Library service: £5,593
- Youth service: £1,419

5.10 For the 25no. and 27no. unit scenarios, we have calculated the S106 contributions on a pro-rata basis (i.e. £4,736 per unit).

Professional Fees

5.11 The Applicant has included an allowance of 10% for professional fees, we consider this allowance to be reasonable given the nature of the scheme proposed i.e works to a listed building.

5.12 Furthermore, the plan-wide assessment assumes a flat allowance of 10% which is said to be at the middle-to-higher end of the range for most schemes. On this basis, we have elected to adopt the same professional fees allowance as the Applicant.

Disposal Costs

5.13 The Applicant has adopted sales and marketing fees of 1.5% for the residential units. Legal fees for the residential units are assumed at 0.5% of GDV. An additional 1.25% of GDV has been allowed for marketing.

5.14 The plan wide assessment adopts a gross disposal cost of 3.0%, inclusive of the three components above. We have therefore assumed 3% in our appraisals

Land Acquisition

5.15 The Applicant has included the following land acquisition allowances:

- Land Agent: 1.00%
- Land Legal: 0.80%

5.16 The plan-wide assessment does not include acquisition allowances. From our experience, such costs typically range from 1% for smaller greenfield sites up to 2% for larger more complex brownfield sites. Given the nature and size of the proposal site, we have adopted the same allowances as the Applicant.

5.17 The Applicant has also included Stamp Duty Land Tax in their appraisals. We have based our SDLT on the bandings shown in Figure 5-1.

Figure 5-1 – Commercial Stamp Duty Banding

Property or lease premium or transfer value	SDLT rate
Up to £150,000	Zero
The next £100,000 (the portion from £150,001 to £250,000)	2%
The remaining amount (the portion above £250,000)	5%

Source: HMRC, 2021.

Finance Costs

5.18 The Applicant has assumed an all-inclusive development finance rate comprising 7.0% debit and 0.5% credit.

5.19 The plan-wide assessment assumes that development finance can be secured at a rate of 7%, inclusive of arrangement and exit fees. We have therefore assumed the same debit finance rate as the Applicant.

Phasing

5.20 The Applicant has assumed the following phasing / timescales:

- Pre-construction: 2-months
- Construction: 24-months
- Residential sale: 10-months

5.21 We consider the above timescales to be reasonable.

Developers Profit

- 5.22 The Applicant has set out a target developer's profit at 22% on GDV.
- 5.23 The level of profit developers will expect varies depending on the strength of the market, nature of the scheme and the risk involved. In the current market, we are typically seeing profit requirements between 17% - 20% of the GDV for market residential units. Paragraph 015 of the PPG considers a return of between 15-20% to be reasonable for private sale units.
- 5.24 The plan-wide assessment sets a target profit of 20% on GDV for private market housing. Given there is a consent already in place (and currently being implemented), we consider the risk associated with this scheme to be less. Accordingly, we have adopted a target profit rate of 20% on GDV which is also in line with the plan wide assessment.

Revenue

Market Housing

- 5.25 As concluded in Chapter Four, we consider the Applicant's value assumptions to be reasonable. Despite there being a lack of directly comparable evidence, our review has shown the value assumptions to be reasonable within the context of the new-build flatted and housing market in Northaw & the surrounding areas. We have therefore adopted the same value assumptions in our appraisals.

Cost and Value Summary

- 5.26 Table 5-4 sets out the key areas of difference between the Applicant's assumptions and our own.

Table 5-4 - Appraisal Input Summary

Item	Applicant	AspinallVerdi	Difference
Values			
GDV (25no. unit)	£20,725,000	£20,725,000	-
GDV (27no. unit)	£22,115,000	£22,115,000	-
GDV (31no. unit)	£25,015,000	£25,015,000	-
Costs			
Construction cost (25no. unit)	£13,656,075	£12,783,826	-£872,249
Construction cost (27no. unit)	£14,139,481	£13,298,717	-£840,764

Item	Applicant	AspinallVerdi	Difference
Construction cost (31no. unit)	£15,124,827	£14,239,747	-£884,540
Contingency	5%	5%	-
Professional Fees	10%	10%	-
S106 Costs (25no. unit)	£173,539	£118,400	-£55,139
S106 Costs (27no. unit)	£189,625	£127,872	-£61,753
S106 Costs (31no. unit)	£221,796	£146,827	-£74,969
Residential Marketing	1.25%	1.00%	-0.25%
Residential Sales Agent	1.0%	1.0%	-
Residential Sales Legal	0.5%	0.5%	-
Land Agent	1.0%	1.0%	-
Land Legal	0.8%	0.8%	-
Finance Debit Rate	7.0%	7.0%	-
Finance Credit Rate	0.5%	-	-0.50%
Private Residential Profit	22% on GDV	20% on GDV	-2% on GDV

Source: James R Brown, 2020 & AVL, 2021.

6 Conservation Deficit

- 6.1 The Historic England – Enabling Development & Heritage Assets Good Practice Advice (2020) is clear in that the case for enabling development rests on there being a conservation deficit. The conservation deficit is the amount by which the cost of repair of a heritage asset / conversion to optimum viable use exceeds its market value of completion of repair or conversion. In other words, if the costs exceed the values, then a deficit exists and an enabling development case is relevant. Conversely, if the values exceed the costs, there is no deficit nor need for enabling development.
- 6.2 The principle of establishing a conservation deficit is established in Paragraph 46 of the HE Guidance:

‘In order to understand how much money the enabling development will be required to raise an applicant will need to assess the market value of the asset in its current state and when completed. If the current value plus the cost of the reasonably required repairs and (if appropriate) conversion to optimum viable use exceeds the value when completed, then there is a conservation deficit’

Applicant’s Assessment of Conservation Deficit & Site Value

- 6.3 The presence of a conservation deficit was considered by the Applicant when the consented scheme was assessed. The Applicant stated that the continued office use was not the optimum viable use despite generating a positive residual land value of c. £1.03m (£1.6m including the additional blocks). Based on our understanding of the Guidance, this undermines the case for enabling development which relies entirely on the presence of a deficit.
- 6.4 However, the Applicant was arguing that the continued use of Northaw House as offices was not the optimum viable use, and in a letter dated 15 October 2018, BNPPRE (the Council’s viability consultants at the time) stated:

‘The Applicant argues that retention of the existing office use would not be the optimum viable use. They argue that the building could be re-let as an office but that over successive years, previous office occupiers have failed to invest in the building and this lack of investment would, in their view, continue with future office occupiers. The Applicant therefore argues that the Council should reflect the value of the Site as offices (based on its potential re-occupation for this use) but that this would not be the optimum viable use as there would be no significant investment in the buildings.

We do not disagree that the buildings are capable of occupation, subject to some major interventions to address decay and prevent further deterioration due to water ingress, but demand would be limited (as demonstrated by the Applicant’s marketing exercise).’

- 6.5 In this instance, BNPPRE agreed with the Applicant and a positive site value of £1.6m was adopted as the benchmark land value. This meant, as per the Applicant's approach / method, that the residual land value generated by the consented scheme needed to exceed £1.6m. However, the Historic England guidance does not promote the use of benchmark land values in determining enabling development. Instead, the use of a conservation deficit is favoured.
- 6.6 In the latest viability statement, the total value of the building for office use and the additional buildings is c. £2.64m, which is c. £1m more than the £1.6m adopted by BNPPRE; this difference is explained due to errors in the floorspace and the level of profit adopted by BNPPRE. This further undermines the need for enabling development, as it increases the value of the assets and moves further away from the presence of a deficit. This also contradicts Paragraph 46 of the HE guidance, which states:

*'Where this [the presence of a conservation deficit] is the case, the **existing market value of the property will usually be nominal.***

AVL Assessment of Conservation Deficit

- 6.7 As discussed above, the case for enabling development rests on there being a conservation deficit. We note that the Applicant's approach has shown that the cost of repairs to Northaw House do not exceed the value on completion assuming the building continues to operate as offices. On this basis, their approach has not demonstrated that a conservation deficit exists and therefore enabling development is not required.
- 6.8 However, we note that the HE guidance also allows practitioners to define the conservation deficit by adopting the 'optimum viable use'. In this regard, we refer to the Applicant's comments regarding the continued use of Northaw House as offices:

*'Although we therefore think the existing value of Northaw House (in isolation) is £1.03m, the refurbishment works we have assumed to arrive at this figure...would not: **enhance the heritage asset, significantly reduce or remove risk to the heritage asset or secure the optimum viable use in support of its long term conservation.** They would however keep the building in a minimum acceptable condition, subject to ongoing maintenance.'*

- 6.9 This view is supported in the Planning Statement submitted alongside the proposed scheme, which states:

*'Its previous **office use was also clearly not optimal**, as it **failed to provide the investment required to maintain**, let alone refurbish, the listed buildings and wider estate.'*

6.10 Accordingly, we sought to identify the optimum viable use of Northaw House. We refer back to the definition of the Optimum Viable Use, as set out in the Glossary of the Historic England Guidance:

*‘If there is only one viable use, that use is the optimum viable use. If there is a range of alternative economically viable uses, the **optimum viable use is the one likely to cause the least harm to the significance of the asset**, not just through necessary initial changes, **but also as a result of subsequent wear and tear and likely future changes.**’*

6.11 Given that there is an extant consent in place (which has since been implemented - October 2020), we have considered the prospect of residential use instead of offices. This approach is supported by the following extracts obtained from the Planning Statement for the proposed scheme:

*‘The Council have also agreed, both in pre-application discussions and their determination of the previous applications, that **residential accommodation represents the optimum viable use for this building.**’*

*‘Quite clearly in this case, **the office use is not the optimum viable use**, due to its inability to preserve the heritage assets in the long term. However, the **proposed residential use would be able to meet this test**. It would both **generate the funding required for the extensive repairs required**, and also ongoing **funding for future maintenance of public areas**, and an incentive and means for the **maintenance of individual buildings.**’*

*‘We have established in Section 6, and it has been agreed with the Council, that the **proposed multiple residential use represents the optimum viable use of the estate.**’*

6.12 Based on the extracts above, there is a clear consensus that the optimum viable use is to convert Northaw House and the associated heritage assets to residential uses. There is also a strong alignment with the definition of the optimum viable use within the HE guidance – specifically in regards to the preservation and maintenance of the asset.

6.13 On this basis, we have undertaken a residual appraisal of the extant consent. Our cost and value inputs are based on those reviewed in Chapter 5 of our assessment, which are ultimately informed by the assumptions adopted by the Applicant in their appraisals.

- 6.14 The outcome of this appraisal demonstrates that the consented scheme generates a positive residual land value of c. £578,000. Accordingly, there is no case or need for enabling development.
- 6.15 A copy of our residual appraisal is provided in Appendix 5.

7 Conclusions

7.1 This chapter sets out both the results of both the Applicant's and AspinallVerdi's viability assessments.

Applicant's Results

7.2 The Applicant has provided a Viability Report undertaken by James R Brown LTD in October 2020. This seeks to justify an enabling development case and the increase in residential units by testing development scenarios;

- 25no. unit scheme
- 27no. unit scheme
- 31no. unit scheme

7.3 Based on their assessment of costs and values, the report shows that none of the proposed schemes are viable. However, on the basis that the 31no. unit scheme generates the lowest deficit (£2,784,665) against the viability benchmark, the Applicant's report concludes that consent is required for 31no. units to satisfy the enabling development.

AspinallVerdi's Assessment

7.4 Our assessment has demonstrated that the Applicant's approach does not comply with the Historic England guidance on enabling development (June 2020) as their appraisals demonstrate that a conservation deficit does not exist. This approach is based on the refurbishment of Northaw House and continued use as offices.

7.5 However, the Applicant is clear in that the continued use as offices is not considered the optimum viable use. This point is supported in the corresponding Planning Statement and also appears to have been agreed to by the Council. Instead, it is evident that the optimum viable use of the building is residential.

7.6 Accordingly, we sought to determine whether a conservation deficit exists based on the optimum viable use. This was informed by the extant consent for 25no. residential units which was implemented by the Applicant in October 2020. Based on our cost and value assumptions, our appraisals show that the extant consent generates a positive residual value of c. £578,000. On this basis, a conservation deficit does not exist and therefore, enabling development is not required.

Sensitivity Analysis

7.7 We have carried out a sensitivity analysis to demonstrate the impact of variable build costs and sales values on the extant scheme (i.e. conservation deficit appraisal). This is to:

- allow both the Applicant and decision-maker to consider how changes in inputs to a financial appraisal affect the enabling development case;
- understand the extent of these results, to arrive at an appropriate conclusion on the need for enabling development for the application scheme;
- form part of an exercise to 'stand back' and apply a judgment to the outcome of a report.

7.8 The profit level has remained consistent at 20.0% on GDV. The cell highlighted blue shows the base scenario (i.e. without adjustments). Those scenarios which generate deficits are shown in brackets. Our sensitivity analysis is shown in Table 7-1.

Table 7-1 – Sensitivity Analysis

		Construction: Gross Cost				
		-5.0%	-2.5%	0.00%	2.5%	5.0%
Sales Values	-5.0%	£521,178	£215,859	(£92,664)	(£410,036)	(£729,809)
	-2.5%	£854,980	£549,662	£244,343	(£63,160)	(£380,348)
	0.00%	£1,188,783	£883,464	£578,145	£272,827	(£33,656)
	2.5%	£1,522,585	£1,217,267	£911,948	£606,629	£301,311
	5.0%	£1,856,388	£1,551,069	£1,245,750	£940,432	£635,113

Source: AVL, 2021.

7.9 Unsurprisingly, with increased construction costs and decreased sales values, the consented scheme begins to generate a deficit. For example, with a 5.0% increase in costs and corresponding decrease in sales values, the appraisal shows a deficit of c. £730,000 (shaded red). In this instance, an enabling development case would be valid as the optimum viable for the asset is shown to generate a funding gap. Conversely, if sales values were to increase and construction costs decreased, then the positive surplus value increase further to c. £1.86m.

Authorisation

7.10 Should you have any questions or queries in respect of any aspect of this report, please do not hesitate to contact AspinallVerdi.

7.11 For and on behalf of Aspinall Verdi Ltd:

Yours faithfully,



Parminder Dosanjh MRICS MRTPI
Executive Director

0207 183 7580
parm@aspinallverdi.co.uk



Matthew Olive BSc (Hons) MSc
Senior Consultant

0207 183 7580
matthewo@aspinallverdi.co.uk

Appendix 1 – Terms of Engagement

AspinallVerdi – Property Regeneration Consultants

Standard Terms of Appointment

Definitions

“AspinallVerdi” refers to Aspinall Verdi Limited trading as AspinallVerdi – Property Regeneration Consultants providing professional planning and surveying services for property development and regeneration.

“Client” refers to the client named in the Fee Proposal provided with these terms. In the case of sub-contract commissions the Client is the lead contractor for these purposes.

“Fee Proposal” refers to any letter, email, proposal document, tender, Invitation To Negotiate, Invitation To Tender, bid submission, etcetera, taken all together, containing a description of the scope of the services and professional fees.

Description of services to be provided

AspinallVerdi shall provide the services described within the Fee Proposal.

In the event of any inconsistency, the Fee Proposal will apply over these Standard Terms of Appointment.

Professional Fees

All fees for work carried out by AspinallVerdi will be as agreed in the Fee Proposal.

Client’s obligations

The Client will provide in a timely manner all necessary information reasonably required, enabling AspinallVerdi to carry out the services during the appointment.

The Client acknowledges that AspinallVerdi is entitled to rely upon the accuracy, sufficiency and consistency of any information supplied to it by the Client. AspinallVerdi accepts no liability for any inaccuracies contained in any information provided by the Client or any third party on behalf of the Client.

The Client shall ensure that they have a representative authorised to make decisions on their behalf.

Unless otherwise specifically agreed, the Client authorises AspinallVerdi to speak to or meet with any other person it may need to contact in order to provide the services during the appointment.

Changes to the scope of instructions

The Client shall notify AspinallVerdi in writing of any instruction to vary the services.

Abortive work - AspinallVerdi reserves the right to make additional charges in the event that the scope of the services is modified during the appointment, or additional information is provided by the Client requiring additional or abortive work, or any other unforeseen circumstance prevents the timely completion of the appointment.

Unforeseen delays - Where information required to carry out the services is not provided by the Client in a timely manner, or any other unforeseen circumstance prevents the timely completion of the appointment, AspinallVerdi reserves the right to issue an interim invoice based on the tasks in the Fee Proposal that have been completed and/or by reference to time incurred (in hours/days) on the Client’s behalf multiplied by the previously agreed hourly/daily rates.

Material variations - Where there are material variations to the scope of the appointment our professional fees will be based on an amended Fee Proposal or by reference to time incurred (in hours/days) on the Client’s behalf multiplied by the previously agreed hourly/daily rates.

Additional meetings / conference calls – Where the Client requires additional formal meetings or conference calls in lieu of meetings over and above those specified in the Fee Proposal, these will be charged based on the agreed hourly/daily rates.

AspinallVerdi reserves the right to amend these terms of appointment as a consequence of any variation of the services.

Conflicts of Interest

AspinallVerdi will undertake a search of other clients, properties and roles to protect its Clients against any potential conflicts of interest that may exist within the firm.

AspinallVerdi employees must not accept or carry out any instruction where there may be, or reasonably construed to be, a conflict of interest.

If such a conflict of interest arises or becomes known after the instruction has been accepted, AspinallVerdi will withdraw from any instruction unless such conflict of interest is fully disclosed in writing to all relevant parties and all such parties agree that the instruction may be accepted or continued by AspinallVerdi.

Disbursements

The Client will pay all incidental expenses incurred by AspinallVerdi, including without limitation, all travel expenses incurred, accommodation, subsistence, special delivery postage/carrier services, copying, photography, advertising and other goods and services purchased on the Client’s behalf (e.g. Land Registry Title plans, Ordnance Survey plans etc), unless otherwise agreed in the Fee Proposal.

These expenses will be recharged to the Client at cost.

Car mileage will be recharged at 0.55 pence per mile.

Any disbursements properly incurred but not yet processed at the time of any invoice will be invoiced separately.

Payment Terms

The Client shall pay the agreed fees and disbursements to AspinallVerdi for the performance of the services in such instalments as are set out in the Fee Proposal.

All fees and charges are exclusive of Value Added Tax which if due shall be paid concurrently in addition.

Payment shall be made within 30 days of the invoice date.

AspinallVerdi reserves the right to charge interest and debt recovery costs in respect of any amounts that remain unpaid after the date for payment. Interest will be calculated at a rate of 3% per month or part month from the due date on any invoice which remains unpaid 30 days after the invoice date.

Documentation

The copyright in all documents prepared by AspinallVerdi in providing the services shall remain the property of AspinallVerdi. Subject to payment by the Client of the fees properly due to AspinallVerdi under this agreement AspinallVerdi grants to the Client an irrevocable non-exclusive royalty-free licence to copy and use the documents for any purpose related to the project. The costs of copying any documents for the Client by AspinallVerdi shall be recharged to the Client.

AspinallVerdi shall not be liable for any use of the documents for any purpose other than that for which they were prepared and provided by AspinallVerdi or for any use by a third party. No reliance will be placed by the Client on draft reports or other work products (oral or written) provided by AspinallVerdi as these may vary significantly from any final report or work product.

Intellectual Property

The Client will keep confidential and not disclose any methodologies and/or technology utilised by AspinallVerdi in providing the services.

AspinallVerdi does not normally release digital copies of spreadsheets, valuations and/or development appraisals, although hard copies and pdf copies can be provided.

AspinallVerdi is the beneficial owner of all Intellectual Property Rights arising out of or in connection with the provision of the services to the Client.

Reporting

Unless otherwise agreed, AspinallVerdi will provide an electronic pdf version of the final report/output plus 1 paper copy (if requested).

Incidental expenses for additional copies will be recharged together with administration time for the preparation and collation of further reports.

Should the Client require AspinallVerdi to present the final report, the time costs and disbursements associated with this service will be recharged, unless otherwise agreed in the Fee Proposal.

Data Protection

As a result of AspinallVerdi's relationship with the Client, AspinallVerdi will hold personal data about individuals within the Client's business. AspinallVerdi will process that information only in connection with providing the services and for the purpose of contacting them about other services AspinallVerdi may offer.

Confidentiality

All the work carried out by AspinallVerdi is on a confidential basis.

AspinallVerdi will not disclose any confidential information relating to the Client, which it obtains during the course of the instruction, to any person other than its own advisors.

AspinallVerdi will only disclose its files if required to do so by a court or other tribunal of competent jurisdiction or otherwise only with the Client's written consent.

Assignment

Neither the Client nor AspinallVerdi shall assign the whole or any part of this agreement without the consent of the other in writing. Such consent shall not be unreasonably withheld.

Complaints

In the event that the Client has a complaint the Client shall be entitled to have access to the complaints handling procedure maintained by AspinallVerdi, copies of which are available on request from a Director.

A dispute resolution service is available should the complaint not be settled satisfactorily between the parties.

Notice

Any notice to be given under this Agreement shall be in writing and delivered by hand or sent by recorded delivery post to the party at the address showing in this Agreement or to such an

address as the other party may have specified from time to time by written notice to the other.

Suspension and termination

If the Client materially breaches its obligations under this agreement AspinallVerdi may serve on the Client a notice specifying the breach and requiring its remedy within 28 days, and if the Client thereafter fails to remedy that breach within that period AspinallVerdi may terminate this agreement by giving written notice to the Client. The Client shall pay the fees and disbursements to AspinallVerdi for work incurred prior to the termination.

The Client has the right to terminate this agreement at any time on giving reasonable notice to AspinallVerdi and AspinallVerdi has the right to terminate this agreement at any time on giving reasonable notice to the Client.

If a conflict arises during the course of AspinallVerdi's work with the Client it may not be able to continue to act for the Client. If such a conflict arises AspinallVerdi will discuss the position with the Client and agree an appropriate course of action.

Professional indemnity insurance

AspinallVerdi is required to comply with the regulations of the Royal Institution of Chartered Surveyors and the Royal Town Planning Institute in respect of the maintenance of professional indemnity insurance.

The level of PI Insurance cover appropriate for the instruction being undertaken is limited to £1 million. AspinallVerdi shall on the written request of the Client provide evidence that PI insurance is in place.

AspinallVerdi's liability to the Client arising out of these terms of appointment shall be limited to the amount specified above. AspinallVerdi will not be liable for any consequential, special, indirect or exemplary damages, costs or losses or any damages, costs or losses attributable to lost profits or opportunities.

Liability of Employees

The duties and responsibilities owed to the Client are solely and exclusively those of AspinallVerdi. No employee of AspinallVerdi shall be liable to you for any loss or damage howsoever arising as a consequence of the acts or omissions of such employee (including negligent acts or omissions) save and to the extent that such loss or damage is caused by the fraud, dishonesty, wilful misconduct or unauthorised conduct on the part of such employee.

RICS Regulation

AspinallVerdi is regulated by the RICS for the provision of surveying services. This means we agree to uphold the RICS Rules of Conduct for firms and all other applicable mandatory professional practice requirements of the RICS, which can be found at www.rics.org. As an RICS regulated firm we have committed to cooperating with the RICS in ensuring compliance with its standards. The firm's nominated RICS Responsible Principal is Atam Verdi, MRICS Chairman.

Law

English law shall apply to this agreement and if there is any dispute, the English courts will have exclusive jurisdiction.

190405 AspinallVerdi Standard Terms and Conditions_v5

Appendix 2 – Consented Scheme Conditions Discharge

Application for approval of details reserved by condition.
 Town and Country Planning Act 1990
 Planning (Listed Buildings and Conservation Areas) Act 1990

Privacy Notice

This form is provided by Planning Portal and based on the requirements provided by Government for the sole purpose of submitting information to the Local Planning Authority in accordance with the legislation detailed on this form and 'The Town and Country Planning (Development Management Procedure) (England) Order 2015 (as amended).

Please be aware that once you have downloaded this form, Planning Portal will have no access to the form or the data you enter into it. Any subsequent use of this form is solely at your discretion, including the choice to complete and submit it to the Local Planning Authority in agreement with the declaration section.

Upon receipt of this form and any supporting information, it is the responsibility of the Local Planning Authority to inform you of its obligations in regards to the processing of your application. Please refer to its website for further information on any legal, regulatory and commercial requirements relating to information security and data protection of the information you have provided.

Local Planning Authority details:

Development Management

Welwyn Hatfield Borough Council
 The Campus, Welwyn Garden City, Herts AL8 6AE
 T: 01707 357000 F: 01707 357255 E: planning@welhat.gov.uk www.welhat.gov.uk



Publication of applications on planning authority websites

Information provided on this form and in supporting documents may be published on the authority's planning register and website.

Please ensure that the information you submit is accurate and correct and does not include personal or sensitive information. If you require any further clarification, please contact the Local Planning Authority directly.

If printed, please complete using block capitals and black ink.

It is important that you read the accompanying guidance notes and help text as incorrect completion will delay the processing of your application.

1. Applicant Name and Address	2. Agent Name and Address
Title: <input type="text" value="MR"/> First name: <input type="text" value="LEE"/>	Title: <input type="text"/> First name: <input type="text"/>
Last name: <input type="text" value="WILLIAMSON"/>	Last name: <input type="text"/>
Company (optional): <input type="text" value="L W DEVELOPMENTS LT"/>	Company (optional): <input type="text"/>
Unit: <input type="text"/> House number: <input type="text"/> House suffix: <input type="text"/>	Unit: <input type="text"/> House number: <input type="text"/> House suffix: <input type="text"/>
House name: <input type="text" value="REGENCY HOUSE"/>	House name: <input type="text"/>
Address 1: <input type="text" value="WHITE STUBBS FARM"/>	Address 1: <input type="text"/>
Address 2: <input type="text" value="WHITE STUBBS LAKE"/>	Address 2: <input type="text"/>
Address 3: <input type="text"/>	Address 3: <input type="text"/>
Town: <input type="text" value="BROXBOROUGH"/>	Town: <input type="text"/>
County: <input type="text" value="HERTS"/>	County: <input type="text"/>
Country: <input type="text"/>	Country: <input type="text"/>
Postcode: <input type="text" value="EN10 7QA"/>	Postcode: <input type="text"/>

3. Site Address Details

Please provide the full postal address of the application site.

Unit:	<input type="text"/>	House number:	<input type="text"/>	House suffix:	<input type="text"/>
House name:	NORTHAW HOUSE				
Address 1:	COOPERS LANE				
Address 2:	NORTHAW				
Address 3:	<input type="text"/>				
Town:	ZETTES BAY				
County:	HERTS				
Postcode (optional):	EN6 4PS				
Description of location or a grid reference. (must be completed if postcode is not known):					
Easting:	<input type="text"/>	Northing:	<input type="text"/>		
Description: <input type="text"/>					

4. Pre-application Advice

Has assistance or prior advice been sought from the local authority about this application? Yes No

If Yes, please complete the following information about the advice you were given. (This will help the authority to deal with this application more efficiently).

Please tick if the full contact details are not known, and then complete as much as possible:

Officer name:	<input type="text"/>
Reference:	<input type="text"/>
Date (DD/MM/YYYY): (must be pre-application submission)	<input type="text"/>
Details of pre-application advice received? <input type="text"/>	

5. Description Of Your Proposal

Please provide a description of the approved development as shown on the decision letter, including the application reference number and date of decision in the sections below:

CONVERSION NORTHAW HOUSE TO FORM 11 APARTMENTS. BALCONY WING TO 2 DWELLINGS. STABLE BUILT TO DWELLING. REFURBISHMENT OF COTTAGE. 3 DWELLINGS TO WALLEY GARDEN. 7 DWELLINGS TO SETTLEMENT AREA

Reference number: Date of decision: (Date must be pre-application submission) (DD/MM/YYYY)

Please state the condition number(s) to which this application relates:

1.	2B & 2C	6.	
2.	7	7.	
3.	8	8.	
4.	10	9.	
5.	11	10.	

Has the development already started? Yes No

If Yes, please state when the development started (DD/MM/YYYY): (date must be pre-application submission)

Has the development been completed? Yes No

If Yes, please state when the development was completed (DD/MM/YYYY): (date must be pre-application submission)

6. Discharge Of Condition

Please provide a full description and/or list of the materials/details that are being submitted for approval:

SUBMITTED VIA EMAIL

7. Part Discharge Of Condition(s)

Are you seeking to discharge only part of a condition? Yes No

If Yes, please indicate which part of the condition your application relates to:

<input type="text"/>

8. Planning Application Requirements - Checklist

Please read the following checklist to make sure you have sent all the information in support of your proposal. Failure to submit all information required will result in your application being deemed invalid. It will not be considered valid until all information required by the Local Planning Authority (LPA) has been submitted.

The original and 3 copies* of a completed and dated application form:

The original and 3 copies* of other plans and drawings or information necessary to describe the subject of the application:

The correct fee:

*National legislation specifies that the applicant must provide the original plus three copies of the form and supporting documents (a total of four copies), unless the application is submitted electronically or, the LPA indicate that a smaller number of copies is required. LPAs may also accept supporting documents in electronic format by post (for example, on a CD, DVD or USB memory stick). You can check your LPA's website for information or contact their planning department to discuss these options.

9. Declaration

I/we hereby apply for planning permission/consent as described in this form and the accompanying plans/drawings and additional information. I/we confirm that, to the best of my/our knowledge, any facts stated are true and accurate and any opinions given are the genuine opinions of the person(s) giving them.

Signed - Applicant:

Or signed - Agent:



Date (DD/MM/YYYY):

28/10/20

(date cannot be pre-application)

10. Applicant Contact Details

Telephone numbers

Country code: National number: Extension number:

Country code: Mobile number (optional):

Country code: Fax number (optional):

Email address (optional):

11. Agent Contact Details

Telephone numbers

Country code: National number: Extension number:

Country code: Mobile number (optional):

Country code: Fax number (optional):

Email address (optional):

12. Site Visit

Can the site be seen from a public road, public footpath, bridleway or other public land? Yes No

If the planning authority needs to make an appointment to carry out a site visit, whom should they contact? (Please select only one)

Agent Applicant Other (if different from the agent/applicant's details)

If Other has been selected, please provide:

Contact name:

Telephone number:

Email address:

Appendix 3 – Comparable Data

		Postcode	Date Sold	Price	Type	Beds	SQM	SQFT	£ / sqft
TOMLINSON COURT	WELWYN	AL6 9GD	20/12/2019	£770,000	D		169	1819	£ 423
TOMLINSON COURT	WELWYN	AL6 9GD	18/10/2019	£800,000	S		169	1819	£ 440
BUTTERWICK WAY	WELWYN	AL6 9GH	31/07/2019	£896,000	S		169	1819	£ 493
BUTTERWICK WAY	WELWYN	AL6 9GH	14/06/2019	£835,000	S		169	1819	£ 459
QUEENS AVENUE	WELWYN GARDEN CITY	AL7 4BZ	29/05/2019	£534,995	S		123	1324	£ 404
QUEENS AVENUE	WELWYN GARDEN CITY	AL7 4BZ	24/05/2019	£529,995	T		140	1507	£ 352
QUEENS AVENUE	WELWYN GARDEN CITY	AL7 4BZ	26/04/2019	£519,995	T		140	1507	£ 345
QUEENS AVENUE	WELWYN GARDEN CITY	AL7 4BZ	30/04/2019	£524,995	T		140	1507	£ 348
QUEENS AVENUE	WELWYN GARDEN CITY	AL7 4BZ	31/07/2019	£534,995	T		123	1324	£ 404
CHAPELFIELD CLOSE	WELWYN GARDEN CITY	AL7 4FU	14/08/2020	£425,000	D-B	2	63	678	£ 627
CHAPELFIELD CLOSE	WELWYN GARDEN CITY	AL7 4FU	15/09/2020	£397,000	S	2	85	915	£ 434
CHAPELFIELD CLOSE	WELWYN GARDEN CITY	AL7 4FU	11/09/2020	£395,000	D-B	2	63	678	£ 582
WILLOW BROOK LANE	CHESHUNT, WALTHAM CROSS, BROXBORNE	EN7 6EL	31/10/2019	£550,000	D		101	1087	£ 506
WILLOW BROOK LANE	CHESHUNT, WALTHAM CROSS, BROXBORNE	EN7 6EL	31/10/2019	£550,000	D		101	1087	£ 506
WILLOW BROOK LANE	CHESHUNT, WALTHAM CROSS, BROXBORNE	EN7 6EL	28/02/2020	£760,000	D		163	1755	£ 433
HAZELFIELD WAY	CHESHUNT, WALTHAM CROSS, BROXBORNE	EN7 6EQ	26/06/2020	£550,000	D		94	1012	£ 544
HAZELFIELD WAY	CHESHUNT, WALTHAM CROSS, BROXBORNE	EN7 6EQ	19/06/2020	£555,000	D		100	1076	£ 516
HAZELFIELD WAY	CHESHUNT, WALTHAM CROSS, BROXBORNE	EN7 6EQ	17/04/2020	£555,000	D		101	1087	£ 511
OLD OAK AVENUE	CHESHUNT, WALTHAM CROSS, BROXBORNE	EN7 6EW	31/10/2019	£420,000	S		71	764	£ 550
OLD OAK AVENUE	CHESHUNT, WALTHAM CROSS, BROXBORNE	EN7 6EW	28/11/2019	£540,000	D		101	1087	£ 497
OLD OAK AVENUE	CHESHUNT, WALTHAM CROSS, BROXBORNE	EN7 6EW	06/04/2020	£410,000	S		71	764	£ 536
OLD OAK AVENUE	CHESHUNT, WALTHAM CROSS, BROXBORNE	EN7 6EW	31/10/2019	£680,000	D		129	1389	£ 490
OLD OAK AVENUE	CHESHUNT, WALTHAM CROSS, BROXBORNE	EN7 6EW	20/12/2019	£540,000	D		101	1087	£ 497
OLD OAK AVENUE	CHESHUNT, WALTHAM CROSS, BROXBORNE	EN7 6EW	12/12/2019	£525,000	S		100	1076	£ 488
OLD OAK AVENUE	CHESHUNT, WALTHAM CROSS, BROXBORNE	EN7 6EW	31/07/2020	£525,000	S		100	1076	£ 488
OLD OAK AVENUE	CHESHUNT, WALTHAM CROSS, BROXBORNE	EN7 6EW	20/12/2019	£540,000	D		102	1098	£ 492
OLD OAK AVENUE	CHESHUNT, WALTHAM CROSS, BROXBORNE	EN7 6EW	20/12/2019	£540,000	D		101	1087	£ 497
OLD OAK AVENUE	CHESHUNT, WALTHAM CROSS, BROXBORNE	EN7 6EW	31/01/2020	£540,000	D		102	1098	£ 492

Address	Postcode	Date Sold	Price	Beds	SQM	SQFT	£ / sqft
FLAT 14 HIGHFIELD HOUSE ROE GREEN LANE	HATFIELD AL10 0FP	29/10/2019	£331,000	2	82	883	£375
FLAT 16 HIGHFIELD HOUSE ROE GREEN LANE	HATFIELD AL10 0FP	29/10/2019	£331,000	2	85	915	£362
FLAT 9 HIGHFIELD HOUSE ROE GREEN LANE	HATFIELD AL10 0FP	19/12/2019	£265,000	2	60	646	£410
FLAT 2 69 GREAT NORTH ROAD	HATFIELD AL9 5FB	10/10/2019	£267,500	1	64	689	£388
FLAT 3 69 GREAT NORTH ROAD	HATFIELD AL9 5FB	11/03/2020	£325,000	2	72	775	£419
FLAT 4 69 GREAT NORTH ROAD	HATFIELD AL9 5FB	19/11/2019	£267,500	1	59	635	£421
FLAT 7 69 GREAT NORTH ROAD	HATFIELD AL9 5FB	06/12/2019	£267,500	1	59	635	£421
FLAT 9 69 GREAT NORTH ROAD	HATFIELD AL9 5FB	01/11/2019	£322,000	2	72	775	£415
FLAT 10 69 GREAT NORTH ROAD	HATFIELD AL9 5FB	28/02/2020	£265,000	1	59	635	£417
FLAT 11 69 GREAT NORTH ROAD	HATFIELD AL9 5FB	15/11/2019	£335,000	2	89	958	£350
FLAT 12 69 GREAT NORTH ROAD	HATFIELD AL9 5FB	06/03/2020	£335,000	2	89	958	£350
FLAT 13 69 GREAT NORTH ROAD	HATFIELD AL9 5FB	24/07/2020	£258,500	1	59	635	£407
FLAT 14 69 GREAT NORTH ROAD	HATFIELD AL9 5FB	13/09/2019	£320,000	2	72	775	£413
FLAT 15 69 GREAT NORTH ROAD	HATFIELD AL9 5FB	08/07/2019	£310,000	1	57	614	£505
FLAT 18 69 GREAT NORTH ROAD	HATFIELD AL9 5FB	03/07/2019	£410,000	2	98	1055	£389
5 BROOKMANS MANOR, 2 GEORGES WOOD ROAD	HATFIELD AL9 7BZ	03/06/2019	£585,000	2	117	1259	£465
6 BROOKMANS MANOR, 2 GEORGES WOOD ROAD	HATFIELD AL9 7BZ	28/06/2019	£600,000	2	110	1184	£507

Development	Listing Price	Beds	SQM	SQFT	£ / sqft	STC?
The Avenue	£2,850,000	6	504	5425	£ 525.3	No
Pine Grove	£1,475,000	5	-	-	-	Yes
St Edwards Gate	£950,000	4	179	1924	£ 493.8	No
St Edwards Gate	£950,000	4	179	1924	£ 493.8	No
St Edwards Gate	£1,000,000	4	179	1927	£ 518.9	No
St Edwards Gate	£1,000,000	4	179	1927	£ 518.9	No
St Edwards Gate	£1,300,000	4	229	2465	£ 527.4	No
St Edwards Gate	£1,300,000	4	229	2465	£ 527.4	No
Kingsmead	£1,200,000	5	264	2844	£ 421.9	Yes
Ponsbourne Park	£1,195,000	4	213	2292	£ 521.4	Yes
Ponsbourne Park	£1,195,000	4	213	2292	£ 521.4	Yes
Ponsbourne Park	£1,095,000	4	199	2140	£ 511.7	No

Average £ / psf

£ 507

Development	Listing Price	Beds	SQM	SQFT	£ / sqft	STC?
Tolmers Gardens	£595,000	2	94	1011	£ 588.5	No
Tolmers Gardens	£575,000	2	91	979	£ 587.3	No
Tolmers Gardens	£560,000	2	91	981	£ 570.8	No

Average £ / psf

£ 582

Appendix 4 – Concert Cost Review

Northaw House Potters Bar Hertfordshire

Aspinall Verdi

Construction Cost Viability Review

Project No. 9572

29 March 2021

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1.0 **NOTES**

- This commentary has been prepared to assist Aspinall Verdi undertake a review of the Viability Report submitted in respect of Northaw House, Potters Bar.
- Costs have been assessed at 3Q 2020 and in line with the individual Cost Assessments prepared by Madlins LLP dated 23rd September 2020.
- We have restricted our comments to the Construction Costs only and Aspinall Verdi will comment on the other costs and values.
- The information we have used to review the costs put forward by the applicant are: -
 - Viability Report prepared by James R Brown & Company Ltd dated 2nd October 2020
 - Cost Assessment prepared by Madlins LLP dated 23rd September 2020
- We have not inspected the site.

2.0 SUMMARY OF OBSERVATIONS

- There are three development options under consideration and identified separately within the Viability Report prepared by James R Brown & Company Ltd.
- All three development options incorporate the refurbishment of existing buildings at Northaw House and include the need for garden wall repairs and highway improvements.
- The Construction Costs for each of the three development options are derived from the individual Cost Assessments prepared by Madlins LLP that include Design Development, Preliminaries, Overheads & Profit, Inflation to 3Q2020 (where applicable) but excluding Contingencies.
- Option 1 – 25-Unit Scheme

Madlins LLP have reported an overall Construction Cost of £13,656,075 that includes for garden wall repairs and highway improvements. Please note that this Construction Cost compares with a figure of £13,685,051 used in the Viability Report prepared by James R Brown & Company Ltd.

The Construction Cost relating to the 25-unit scheme is £13,076,541 that equates to £2,917/m² of GIA or £271/ft² of GIA. We believe there is a saving on the 25-unit scheme of approximately £750,000 that gives a revised Construction Cost of £12,327,005 and that equates to £2,750/m² of GIA or £255/ft² of GIA.

We believe there is an overall saving on Construction Costs of approximately £870,000 including garden wall repairs and highway improvements; Please refer to the Main Summary on Page 6 and the detailed cost reviews on Pages 7 to 21 for further detail.

- Option 2 – 27-Unit Scheme

Madlins LLP have reported an overall Construction Cost of £14,139,481 that includes for garden wall repairs and highway improvements. Please note that this Construction Cost compares with a figure of £14,168,500 used in the Viability Report prepared by James R Brown & Company Ltd.

The Construction Cost relating to the 27-unit scheme is £13,559,947 that equates to £2,857/m² of GIA or £265/ft² of GIA. We believe there is a saving on the 27-unit scheme of approximately £720,000 that gives a revised Construction Cost of £12,841,896 and that equates to £2,705/m² of GIA or £251/ft² of GIA.

We believe there is an overall saving on Construction Costs of approximately £840,000 including garden wall repairs and highway improvements; Please refer to the Main Summary on Page 6 and also Pages 7 to 21 for further detail.

2.0 SUMMARY OF OBSERVATIONS (CONT'D)

- Option 3 – 31-Unit Scheme

Madlins LLP have reported an overall Construction Cost of £15,124,287 that includes for garden wall repairs and highway improvements. Please note that this construction cost compares with a figure of £15,153,263 used in the Viability Report prepared by James R Brown & Company Ltd.

The Construction Cost relating to the 31-unit scheme is £14,544,752 that equates to £2,749/m² of GIA or £255/ft² of GIA. We believe there is a saving on the 31-unit scheme of approximately £760,000 that gives a revised Construction Cost of £13,782,926 and that equates to £2,605/m² of GIA or £242/ft² of GIA.

We believe there is an overall saving on Construction Costs of approximately £880,000 including garden wall repairs and highway improvements; Please refer to the Main Summary on Page 6 and also Pages 7 to 21 for further detail.

- Generally

We understand that the procurement route will be “Traditional” using a JCT Intermediate Form of Contract with Contractor’s Design. We acknowledge and agree with this procurement route but believe the Preliminaries allowance of 16% to be more appropriate for “Design & Build”. Whilst we acknowledge that there will be an element of Contractor’s Design, given the choice of contract, we believe the Preliminaries should be somewhere between 12% expected for “Traditional” and 16% expected for “Design & Build” so have reduced this to 14%.

We consider the allowance for Overheads & Profit at 7.5% to be higher than expected and have revised this to 5% in line with market expectations.

Construction Contingencies have been specifically excluded from the individual Cost Assessments however a Design Development allowance amounting to approximately 5% overall on the combined cost of refurbishment works and the new build options has been included. We have recommended that Contingency of 5% is included (in honour) but in lieu of Design Development and this is illustrated in our detailed cost reviews.

We have carried out a thorough review of the individual Cost Assessments that have all been very well documented in elemental format and our view is based on this information provided.

3.0 MAIN SUMMARY

Option 1 - 25 Unit Scheme	Madlins LLP	£/m2 (GIFA)	£/ft2 (GIFA)	Concert Value	£/m2 (GIFA)	£/ft2 (GIFA)	Saving	Cost/Unit Saving
Refurbishment [15 Units]	7,156,315	2,887	268	6,573,800	2,652	246	582,515	38,834
New Build [10 Units]	5,920,226	2,954	274	5,753,205	2,871	267	167,021	16,702
TOTAL CONSTRUCTION COST	13,076,541	2,917	271	12,327,005	2,750	255	749,536	29,981
Garden Wall Repairs	511,309	-	-	393,709	-	-	117,600	-
Highway Improvements	68,225	-	-	63,112	-	-	5,113	-
TOTAL CONSTRUCTION COST + REPAIRS AND IMPROVEMENTS	13,656,075	-	-	12,783,826	-	-	872,249	-

Option 2 - 27 Unit Scheme	Madlins LLP	£/m2 (GIFA)	£/ft2 (GIFA)	Concert Value	£/m2 (GIFA)	£/ft2 (GIFA)	Saving	Cost/Unit Saving
Refurbishment [15 Units]	7,156,315	2,887	268	6,573,800	2,652	246	582,515	38,834
New Build [12 Units]	6,403,632	2,823	262	6,268,096	2,764	257	135,536	11,295
TOTAL CONSTRUCTION COST	13,559,947	2,857	265	12,841,896	2,705	251	718,051	26,594
Garden Wall Repairs	511,309	-	-	393,709	-	-	117,600	-
Highway Improvements	68,225	-	-	63,112	-	-	5,113	-
TOTAL CONSTRUCTION COST + REPAIRS AND IMPROVEMENTS	14,139,481	-	-	13,298,717	-	-	840,764	-

Option 3 - 31 Unit Scheme	Madlins LLP	£/m2 (GIFA)	£/ft2 (GIFA)	Concert Value	£/m2 (GIFA)	£/ft2 (GIFA)	Saving	Cost/Unit Saving
Refurbishment [15 Units]	7,156,315	2,887	268	6,573,800	2,652	246	582,515	38,834
New Build [16 Units]	7,388,438	2,627	244	7,209,126	2,564	238	179,312	11,207
TOTAL CONSTRUCTION COST	14,544,752	2,749	255	13,782,926	2,605	242	761,827	24,575
Garden Wall Repairs	511,309	-	-	393,709	-	-	117,600	-
Highway Improvements	68,225	-	-	63,112	-	-	5,113	-
TOTAL CONSTRUCTION COST + REPAIRS AND IMPROVEMENTS	15,124,287	-	-	14,239,747	-	-	884,540	-

4.0 REFURBISHMENT – 15 UNITS

Element	Madlins LLP				Concert Value	Comments
	Quantity	UoM	Rate	Value		
<u>Demolition & Enabling Works</u>						
Cap off and disconnect services to 2 outbuildings and refurbishment areas prior to demolition; remove meters etc.	1	item	10,000	10,000	10,000	allow ance appears reasonable
Demolish existing single storey outbuildings; grub up shallow foundations; disposal of material	60	m2	150	9,000	9,000	overall allow ance is reasonable based on rate/m3 of demolition
Demolish Ballroom Wing link corridor; grub up foundations; disposal	27	m2	120	3,204	3,204	
Demolish block to Front elevation of Northaw House (LH side); foundations; disposal	33	m2	120	3,984	3,984	
Demolish block to elevation West of Edw ar dian Wing; foundations; disposal	39	m2	120	4,692	4,692	
Demolish internal w alls and partitions	553	m2	35	19,348	19,348	rate is reasonable
Form openings and the like in external w alls; provide structural support	68	m2	150	10,190	10,190	rate and allow ance is reasonable
Demolish external staircases; disposal; brickw ork repairs	2	nr	4,000	8,000	8,000	rate and allow ance appears reasonable
Form new w indow openings in external w alls	15	nr	1,550	23,250	11,250	reduced to £750
Form new door openings in external w alls	3	nr	2,100	6,300	3,750	reduced to £1,250
Form new door openings in existing internal partitions	11	nr	250	2,750	2,750	rate and allow ance is reasonable
Grub up and remove tiled area to front of Northaw House basement	1	item	1,250	1,250	1,250	allow ances appear reasonable
Break up and remove hardstandings etc	1	item	15,000	15,000	15,000	
Provide temporary support w here required	1	item	35,000	35,000	35,000	
Strip out						w e believe this to be already covered under items detailed elsew here
	1	item	42,000	42,000	-	
Remove existing doors	134	nr	75	10,050	10,050	rate and allow ance is reasonable
Site clearance; save topsoil for reuse	1	item	8,400	8,400	8,400	allow ance appears reasonable
Remove internal timber steps; NH 1F & 2F	8	nr	125	1,000	1,000	rate and allow ance is reasonable
Adjust floor boards to provide level floor throughout Edw ar dian Wing 1F	49	m2	100	4,870	2,450	reduced to £50/m2 if adjustment only
Adjust floor boards to provide level floor throughout NH 2F	40	m2	100	4,040	2,000	
Alter external opening; door to w indow (and vice versa)	8	nr	1,500	12,000	8,000	reduced to £1,000
Form / reveal / repair existing fireplaces; NH 1F & OC	3	nr	5,000	15,000	15,000	rate and allow ance is reasonable
Remove Coach House roof at site of 2F extension; provide structural support to GF structure	53	m2	175	9,240	9,240	rate build-up is reasonable
Repairs to existing w indow s	121	nr	150	18,150	18,150	rate for repair is reasonable
Strip out; remove finishes, services, fittings etc.	1	item	25,000	25,000	25,000	allow ance appears reasonable
Remove internal timber staircase; form new upper floor to fill opening; BW	1	item	850	850	850	allow ance is reasonable
Trim upper floor joists to form openings for 2 nr new staircases; BW	1	item	350	350	350	allow ance is reasonable
Treatment to retained timber	1	item	12,500	12,500	12,500	allow ance appears reasonable
Remove ground floor construction throughout (not inc. w ine cellars)	978	m2	38	36,679	36,679	removal rate is reasonable
Take apart conservatory structure; remove glazing	1	item	15,000	15,000	15,000	allow ance for conservatory removal appears reasonable
Excavation of underground car park; taking materials off-site; earthw ork support	1,320	m3	35	46,199	46,199	rate is reasonable
Dig up existing roads w here required; disposal	1	item	5,000	5,000	5,000	allow ance appears reasonable
<u>New Build Works</u>						
New Garage; to West Elevation of Edw ar dian Wing connect into existing building; Oak Cottage	97	m2	650	63,278	63,278	rate is reasonable and in-line w ith BCIS benchmarking
<u>Substructure</u>						
Foundations; CH; underpinning existing for second floor addition	54	m2	395	21,132	21,132	underpinning rate is reasonable
Foundations; CH; OC; strip footing for single storey extension	26	m	180	4,644	4,644	overall rate/m2 for foundations and ground floor slab is reasonable
Ground floor construction; CH; OC	1,053	m2	165	173,679	173,679	
Tanking / damp proofing basement	1	item	45,000	45,000	45,000	allow ance appears reasonable
Underground car park; structure; w aterproofing	330	m2	750	247,493	247,493	rate for forming basement slab and framed structure is reasonable
Temporary support w here required	1	item	10,000	10,000	10,000	allow ance appears reasonable

4.0 REFURBISHMENT – 15 UNITS (CONT'D)

Element	Madlins LLP				Concert Value	Comments
	Quantity	UoM	Rate	Value		
Frame						
Allowance for lintels etc over new door openings	1	item	10,000	10,000	10,000	allowance is reasonable
Rebuild conservatory frame; steel	1	item	75,000	75,000	75,000	allowance for rebuilding conservatory frame appears reasonable
Structural alterations / repairs to CH garages	1	item	15,000	15,000	15,000	allowance appears reasonable
Upper Floors						
Timber upper floor structure; CH	46	m2	75	3,443	3,443	rate is reasonable
Acoustic insulation / sound separating floors	1,562	m2	110	171,858	171,858	rate is reasonable
Roof						
Strip pitched roofs and retille : salvaged tiles / new to match as required	1,670	m2	125	208,690	208,690	rate is reasonable
Strip existing flat roof coverings; relay with new to match existing	96	m2	125	11,975	11,975	rate is reasonable
Strip existing flat roof coverings; form new pitched roof; OC	50	m2	250	12,575	12,575	rate is reasonable
Repair structure where required	1	item	35,000	35,000	35,000	allowance appears reasonable
New Roof; timber structure; membrane; tiled covering; CH	98	m2	77	7,569	7,569	rate is reasonable
Adaptations to existing roof to fit extension; CH	1	item	5,000	5,000	5,000	allowance appears reasonable
EO; form and install skylight	11	m2	150	1,590	1,590	rate and allowance is reasonable
Roof; structure; flat roof finish; OC	32	m2	125	3,963	3,963	rate is reasonable
New glazed roofing; conservatory; skylights etc.	89	m2	500	44,600	44,600	rate is reasonable
EO; forming dormers	9	nr	1,250	11,250	11,250	rate and allowance is reasonable
Form porch roofs	3	nr	3,500	10,500	10,500	rate and allowance is reasonable
Insulation; to all new and existing roofs; not inc. glazed	1,156	m2	40	46,256	46,256	rate is reasonable
Eaves details; gutters etc.	326	m	78	25,583	25,583	rate is reasonable
Special tiles; ridges, verges etc.	359	m	80	28,744	28,744	rate is reasonable
Lead work; flashings; valleys; drainage channels etc.	338	m	65	21,944	21,944	rate is reasonable
Downpipes	1	item	15,000	15,000	15,000	allowance appears reasonable
Sundries, fixings etc.	1	item	10,000	10,000	10,000	allowance appears reasonable
Repairs to parapet walls	73	m	65	4,752	4,752	rate is reasonable
Repairs to chimneys	9	nr	5,000	45,000	45,000	rate and allowance is reasonable
Repairs to roof vent; BW	1	nr	25,000	25,000	25,000	allowance appears reasonable
Repairs to clock / bell tower; CH	1	nr	30,000	30,000	30,000	allowance appears reasonable
Stairs						
Timber staircases and balustrades; single flight	2	nr	2,500	5,000	5,000	rate and allowance is reasonable
Repairs / minor adaptations to existing timber staircases	1	item	10,000	10,000	10,000	allowance appears reasonable
Repairs to existing timber handrails / balustrading	1	item	7,500	7,500	7,500	allowance appears reasonable
Balustrading; CH landing	4	m	250	975	975	rate and allowance is reasonable
External Walls						
Facing bricks; insulated cavity; blockwork; CH; OC; connecting into existing walls	144	m2	195	28,060	28,060	rate is reasonable
Form new bay window; NH basement	1	item	25,000	25,000	25,000	allowance appears reasonable
Allowance for general brickwork repairs and cleaning	1	item	10,000	10,000	10,000	allowance appears reasonable
Allowance for damp proof course repairs	1	item	20,000	20,000	20,000	allowance appears reasonable
Repointing / repairing existing brickwork	829	m2	70	58,030	58,030	rate is reasonable
Repairing / redoing render to NH	1,076	m2	85	91,435	91,435	rate is reasonable
Repainting external walls	2,200	m2	20	44,000	44,000	rate is reasonable
Allowance for internal insulation to bring buildings to compliant levels	2,092	m2	20	41,845	41,845	rate is reasonable
External Windows & Doors						
Replace windows; timber; double glazed	208	m2	523	108,680	108,680	rate is reasonable
Glazing for conservatory wall	56	m2	500	27,900	27,900	rate is reasonable
Glazed doors	8	nr	2,500	20,000	20,000	
Glazed sliding doors	1	nr	5,000	5,000	5,000	
Glazed curtain wall; OC; as new build	31	m2	525	16,275	16,275	rate is reasonable
Entrance doors	10	nr	1,750	17,500	17,500	rate and allowance is reasonable
Window boards	133	m	30	3,990	3,990	rate is reasonable
Sundries	1	item	20,000	20,000	20,000	sundry allowance of approximately 10% is reasonable

4.0 REFURBISHMENT – 15 UNITS (CONT'D)

Element	Madlins LLP				Concert Value	Comments
	Quantity	UoM	Rate	Value		
<u>Internal Walls & Partitions</u>						
Internal walls; party and partitions combined	687	m2	62	42,569	42,569	rate is reasonable
Internal face of external walls; thermal plasterboard	2,092	m2	53	110,888	110,888	rate is reasonable
Sundries	1	item	10,000	10,000	10,000	sundry allowance of n/e 10% is reasonable
<u>Internal Doors</u>						
Flat internal doors; 30 min fire; painted frames; single	95	nr	950	90,250	71,250	reduced to £750
Flat internal doors; 30 min fire; painted frames; double	11	nr	1,500	16,500	13,750	reduced to £1,250
Flat internal doors; 60 min fire; painted frames; single	12	nr	1,500	18,000	12,000	reduced to £1,000
Communal doors; 60 min fire; painted frames; single	5	nr	1,100	5,500	5,500	rate and allowance is reasonable
Sundries	1	item	2,500	2,500	2,500	sundry allowance of n/e 10% is reasonable
<u>Wall Finishes</u>						
Plaster skim & emulsion	5,884	m2	35	205,953	205,953	rate is reasonable
Ceramic tiling; 10m ² per kitchen & 25m ² per wet room	1,000	m2	85	85,000	85,000	rate is reasonable
Sundries	1	item	3,000	3,000	3,000	sundry allowance of n/e 10% is reasonable
<u>Floor Finishes</u>						
Engineered wood; to communal areas; hallways	609	m2	53	31,996	31,996	rate is reasonable
Carpet; to living; bedrooms	1,274	m2	35	44,586	44,586	rate is reasonable
Ceramic tiling; wet areas; kitchens	497	m2	85	42,279	42,279	rate is reasonable
Sealed cement; plant / storage; CH garage	63	m2	20	1,269	1,269	rate is reasonable
Skirtings; painted timber	5,884	m	15	88,266	88,266	rate is reasonable including decoration
Sundries	1	item	4,000	4,000	4,000	sundry allowance of n/e 10% is reasonable
<u>Ceiling Finishes</u>						
Plasterboard ceiling; skim; emulsion	2,381	m2	40	95,230	95,230	rate is reasonable
Masterboard; CH garage	63	m2	45	2,855	2,855	rate is reasonable
Cornices - allowance	5,884	m	13	73,555	73,555	rate is reasonable
Access hatches	1	item	1,000	1,000	1,000	allowance is reasonable
Sundries	1	item	2,000	2,000	2,000	sundry allowance of n/e 10% is reasonable
<u>Fittings</u>						
Fitted kitchens; cupboards; sinks; taps etc.	15	nr	4,100	61,500	225,000	overall allowance for fittings and appliances reduced to £15k per unit
Granite worktops	15	nr	2,300	34,500	-	
White goods; A rated; oven; hob; extractor; fridge / freezer; dishwasher; washing machine / dryer	15	nr	2,500	37,500	-	
Vanity units to bathrooms / WCs / en-suites	36	nr	1,500	54,000	-	
Fitted utility room; worktops; cupboards; sinks; taps etc.	7	nr	1,400	9,800	-	
Enhanced specifications to dwellings	1	item	80,000	80,000	-	
Sundries	1	item	4,500	4,500	-	
<u>Sanitary Installations</u>						
Bath; mixer tap; shower fitting; screen etc.	18	nr	1,500	27,000	27,000	rates and allowances for sanitary fittings are reasonable
Shower tray; cubicle; shower fitting	19	nr	1,750	33,250	33,250	
WC	36	nr	500	18,000	18,000	
Basin	36	nr	500	18,000	18,000	
Sundries; mirror; toilet roll holder etc.	36	nr	250	9,000	9,000	rate and allowance is reasonable
Soil stacks & wastes	36	nr	1,850	66,600	54,000	reduced to £1,500 per point

4.0 REFURBISHMENT – 15 UNITS (CONT'D)

Element	Madlins LLP				Concert Value	Comments
	Quantity	UoM	Rate	Value		
<u>Water Installations</u>						
Fittings; installation; hot & cold to outlets	237	nr	305	72,285	72,285	rate is reasonable
<u>Heating & Hot Water Installations</u>						
Heat source; radiators; circulating pipework; controls etc.	2,382	m2	98	233,421	233,421	rate is reasonable
<u>Ventilation Installations</u>						
Mechanical ventilation to kitchen & bathrooms	51	nr	395	20,145	20,145	rate is reasonable
<u>Electrical Installations</u>						
Distribution of power & lighting	2,382	m2	105	250,094	250,094	rate is reasonable
<u>Mechanical Installations</u>						
Included elsew here	-	m2	-	-	-	
<u>Security Installations</u>						
Intruder alarms; hardwired	15	nr	3,500	52,500	52,500	allowance per unit is reasonable
CCTV	1	item	1,500	1,500	1,500	allowance is reasonable
Smoke / heat alarms; hardwired	38	nr	175	6,650	6,650	rate and allowance is reasonable
<u>Lift Installations</u>						
Lift Installations Lift; 4 storeys	1	nr	49,000	49,000	49,000	allowance of circa £12k per floor is reasonable
<u>BWIC</u>						
Holes; chases; ducting etc.	1	item	42,872	42,872	42,872	BWIC @ 5% is reasonable
<u>External Works</u>						
<u>Drainage</u>						
Surface water drainage	2,173	m2	18	38,028	38,028	rate is reasonable
Foul drainage	2,479	m2	12	29,750	29,750	rate is reasonable
Sewer Connections	1	item	5,000	5,000	5,000	allowance is reasonable
<u>Site Works</u>						
New tarmac roads / paths; driveways; repairs to existing roads	1,400	m2	85	119,000	119,000	rate is reasonable
Gravel or similar; to NH front elevation	225	m2	60	13,500	13,500	rate is reasonable
Garden fencing	120	m	55	6,600	6,600	rate is reasonable
Garden gates	4	nr	200	800	800	rate and allowance is reasonable
Post boxes	15	nr	125	1,875	1,875	rate and allowance is reasonable
Turfing gardens: say	1,500	m2	10	15,000	15,000	rate is reasonable
Planting gardens	1	item	15,000	15,000	15,000	allowance appears reasonable
Repairs to stepped entrance to NH; GF & basement	1	item	15,000	15,000	15,000	allowance appears reasonable
Repairs to walled garden wall (as provided schedule)	1,850	m2	110	203,500	-	we believe that this item is already covered under the detailed estimate for "garden wall schedule of repairs" amounting to £511,309 including Preliminaries, OH&P and Inflation
Patio areas	50	m2	85	4,250	4,250	rate is reasonable
Paved area to NH basement front elevation	37	m2	85	3,110	3,110	rate is reasonable
Railing / ironwork repairs and repainting	1	item	10,000	10,000	10,000	allowance appears reasonable
General site returfing / planting upon completion	1	item	8,000	8,000	8,000	allowance appears reasonable
Automatic gate to underground car park	1	item	20,000	20,000	20,000	allowance appears reasonable
Tree surgery	1	item	5,000	5,000	5,000	allowance appears reasonable

4.0 REFURBISHMENT – 15 UNITS (CONT'D)

Element	Quantity		Madlins LLP		Concert Value	Comments
	UoM	Rate	Value			
<u>External Works</u>						
External Services						
Gas	1	item	52,500	52,500	52,500	cost is reasonable based on 15 units
Water						
Electric						
Telecoms						
Site lighting	1	item	10,000	10,000	10,000	allow ance appears reasonable
Allow ance for running trunking, cables, pipes etc. to new locations	1	item	2,500	2,500	2,500	allow ance appears reasonable
BWIC w ith service installation	1	item	3,250	3,250	3,250	BWIC @ 5% is reasonable
<u>Project Risks</u>						
Statutory Authority services upgrades	1	item	30,000	30,000	30,000	overall cost of identified risks is £300k w hich equates to less than 10% of refurbishment and conversion costs and this is considered reasonable for w orks to existing buildings
Renew able energy to satisfy planning	1	item	20,000	20,000	20,000	
Damp proof courses	1	item	30,000	30,000	30,000	
Structural repairs	1	item	100,000	100,000	100,000	
Underpinning	1	item	25,000	25,000	25,000	
Works to existing drainage system	1	item	20,000	20,000	20,000	
Replacement/repair/upgrade fibrous plaster	1	item	35,000	35,000	35,000	
Additional sitew orks	1	item	10,000	10,000	10,000	
Dry rot/timber treatment	1	item	30,000	30,000	30,000	
Design Development		5%		132,000	-	Design Development @ 5% omitted in lieu of Contingency @ 5% below
Main Contractor's Preliminaries		16%		892,918	714,045	Preliminaries calculated at 14%
Main Contractor's Overheads & Profit		7.5%		487,469	290,718	OH&P calculated at 5%
Contingency		5%		-	305,254	Contingency @ 5% added in lieu of Design Development @ 5% above
Inflation from 3Q2018 to 3Q2020		2.55%		177,948	163,464	General building cost increase @ 2.55% is correct
Total Refurbishment				7,156,315	6,573,800	

5.0 NEW BUILD – OPTION 1 – 10 UNITS

Element	Madlins LLP				Concert Value	Comments
	Quantity	UoM	Rate	Value		
<u>Demolition & Enabling Works</u>						
Demolish existing single storey outbuildings; grub up shallow foundations; disposal of material	365	m2	150	54,690	54,690	overall allowance is reasonable based on rate/m3 of demolition
Dig up existing roads where required; disposal	1	item	10,000	10,000	10,000	allowance appears reasonable
<u>New Build Works</u>						
Walled Garden						
Unit 16 - Detached - 4B	294	m2	1,300	382,200	382,200	BCIS Median for Detached house at 3Q2018 and Net of 14% Prelims (see later) is £1,280/m2 and therefore £1,300/m2 is considered reasonable
Unit 17 - Detached - 4B	294	m2	1,300	382,200	382,200	
Unit 18 - Detached - 4B	294	m2	1,300	382,200	382,200	
<u>Settlement Units</u>						
Unit 21 - Detached - 3B - SU1	164	m2	1,143	187,634	213,408	for consistency rate used for Detached house is £1,300/m2 as above
Unit 22 - Semi-detached - 3B - SU1	164	m2	1,143	187,634	187,634	BCIS Median for Semi Detached house at 3Q2018 and Net of 14% Prelims (see later) is £1,130/m2 and therefore £1,143/m2 is considered reasonable
Unit 23 - Semi-detached - 3B - SU1	164	m2	1,143	187,634	187,634	
Unit 24 - Semi-detached - 3B - SU2	161	m2	1,143	183,493	183,493	
Unit 25 - Semi-detached - 3B - SU2	161	m2	1,143	183,493	183,493	
Unit 26 - Detached Farm House - 4B	192	m2	1,143	219,385	249,522	for consistency rates used for Detached house is £1,300/m2 as above
Unit 27 - Detached Dairy - 3B	116	m2	1,143	132,629	150,852	
Garages; to Settlement Units, Farmhouse & East Drive; Oak Cottage	166	m2	650	107,900	107,900	BCIS Median for Garages at 3Q2018 and Net of 14% Prelims (see later) is £730/m2 and therefore £650/m2 and £675/m2 are considered reasonable
Garages; to Walled Garden units	108	m2	675	72,806	72,806	
Glazed external walls to Walled Garden units	681	m2	475	323,638	323,638	rate is reasonable
Allowance for increased elevational treatments to units where required	1	item	36,000	36,000	36,000	allowances per unit are considered reasonable
Fire places	1	item	15,625	15,625	15,625	
EO for Chimneys	1	item	18,750	18,750	18,750	
EO for Glazed entrance screens	1	item	12,500	12,500	12,500	
Sonos sound systems	1	item	28,500	28,500	28,500	
Lighting controls - Lutron or similar	1	item	35,600	35,600	35,600	
Enhanced specifications to dwellings	1	item	25,000	25,000	25,000	
<u>Abnormals</u>						
Sheet piling for Walled Garden Basements	867	m2	250	216,750	216,750	sheet piling rate is reasonable
Damp proofing Walled Garden Basements	543	m2	75	40,735	40,735	rate is reasonable
Excavation to Walled Garden Basements; material to be used elsewhere on site	2,601	m3	13	32,513	32,513	rate is reasonable

5.0 NEW BUILD – OPTION 1 – 10 UNITS (CONT'D)

Element	Madlins LLP				Concert Value	Comments
	Quantity	UoM	Rate	Value		
<u>External Works</u>						
<u>Drainage</u>						
Surface water drainage	12,159	m2	18	212,783	212,783	rate is reasonable
Foul drainage	2,266	m2	12	27,195	27,195	rate is reasonable
Sewer Connections	1	item	15,000	15,000	15,000	allow ance is reasonable
<u>Site Works</u>						
New tarmac roads / paths; driveways; repairs to existing roads	3,809	m2	85	323,731	323,731	rate is reasonable
Garden fencing	442	m	55	24,310	24,310	rate is reasonable
Garden gates	12	nr	200	2,400	2,400	rate and allow ance is reasonable
Post boxes	10	nr	125	1,250	1,250	rate and allow ance is reasonable
Turfing gardens	5,172	m2	10	51,720	51,720	rate is reasonable
Planting gardens	1	item	11,250	11,250	11,250	allow ance per unit is considered reasonable
Patio areas	100	m2	85	8,500	8,500	rate is reasonable
General site returfing / planting upon completion	1	item	14,500	14,500	14,500	allow ance per unit is considered reasonable
<u>External Services</u>						
Gas	1	item	35,000	35,000	35,000	cost is reasonable based on 10 units
Water						
Electric						
Telecomms						
Site lighting	1	item	15,000	15,000	15,000	allow ance appears reasonable
Allow ance for running trunking, cables, pipes etc. to new locations	1	item	7,500	7,500	7,500	allow ance appears reasonable
BWIC with service installation	1	item	2,875	2,875	2,875	BWIC @ 5% is reasonable
<u>Project Risks</u>						
Statutory Authority services upgrades	1	item	45,000	45,000	45,000	overall cost of identified risks is £177k w hich equates to less than 5% on new build construction costs above and this is considered reasonable for new build works
Renew able energy to satisfy planning	1	item	30,000	30,000	30,000]
Ground remediation	1	item	25,000	25,000	25,000]
Underpinning	1	item	15,000	15,000	15,000]
Works to existing drainage system	1	item	32,000	32,000	32,000]
Additional siteworks	1	item	30,000	30,000	30,000]
Design Development		5%		240,000	-	Design Development @ 5% omitted in lieu of Contingency @ 5% below
Main Contractor's Preliminaries		16%		740,724	624,912	Preliminaries calculated at 14%
Main Contractor's Overheads & Profit		7.5%		402,768	254,428	OH&P calculated at 5%
Contingency		5%		-	267,150	Contingency @ 5% added in lieu of Design Development @ 5% above
Inflation from 3Q2018 to 3Q2020		2.55%		147,212	143,059	General building cost increase @ 2.55% is correct
Total for 25 Unit Scheme				5,920,226	5,753,205	

6.0 NEW BUILD – OPTION 2 – 12 UNITS

Element	Madlins LLP				Concert Value	Comments
	Quantity	UoM	Rate	Value		
<u>Demolition & Enabling Works</u>						
Demolish existing single storey outbuildings; grub up shallow foundations; disposal of material	365	m2	150	54,690	54,690	overall allowance is reasonable based on rate/m3 of demolition
Dig up existing roads where required; disposal	1	item	10,000	10,000	10,000	allowance appears reasonable
<u>New Build Works</u>						
Walled Garden						
Unit 16 - Detached - 4B	294	m2	1,300	382,200	382,200	BCIS Median for Detached house at 3Q2018 and Net of 14% Prelims (see later) is £1,280/m2 and therefore £1,300/m2 is considered reasonable
Unit 17 - Detached - 4B	294	m2	1,300	382,200	382,200	
Unit 18 - Detached - 4B	294	m2	1,300	382,200	382,200	
Gate Lodges						
Unit 19 - Detached - 3B	132	m2	1,143	150,893	171,626	for consistency rate used for Detached house is £1,300/m2 as above
Unit 20 - Detached - 3B	132	m2	1,143	150,893	171,626	
Settlement Units						
Unit 21 - Detached - 3B - SU1	164	m2	1,143	187,634	213,408	for consistency rate used for Detached house is £1,300/m2 as above
Unit 22 - Semi-detached - 3B - SU1	164	m2	1,143	187,634	187,634	BCIS Median for Semi Detached house at 3Q2018 and Net of 14% Prelims (see later) is £1,130/m2 and therefore £1,143/m2 is considered reasonable
Unit 23 - Semi-detached - 3B - SU1	164	m2	1,143	187,634	187,634	
Unit 24 - Semi-detached - 3B - SU2	161	m2	1,143	183,493	183,493	
Unit 25 - Semi-detached - 3B - SU2	161	m2	1,143	183,493	183,493	
Unit 26 - Detached Farm House - 4B	192	m2	1,143	219,385	249,522	for consistency rates used for Detached house is £1,300/m2 as above
Unit 27 - Detached Dairy - 3B	116	m2	1,143	132,629	150,852	
Garages; to Settlement Units, Farmhouse & East Drive; Oak Cottage	166	m2	650	107,900	107,900	BCIS Median for Garages at 3Q2018 and Net of 14% Prelims (see later) is £730/m2 and therefore £650/m2 and £675/m2 are considered reasonable
Garages; to Walled Garden units	108	m2	675	72,806	72,806	rate is reasonable
Glazed external walls to Walled Garden units	681	m2	475	323,638	323,638	
Allowance for increased elevational treatments to units where required	1	item	40,300	40,300	40,300	allowances per unit are considered reasonable
Fire places	1	item	20,100	20,100	20,100	
EO for Chimneys	1	item	24,200	24,200	24,200	
EO for Glazed entrance screens	1	item	16,100	16,100	16,100	
Sonos sound systems	1	item	32,300	32,300	32,300	
Lighting controls - Lutron or similar	1	item	40,300	40,300	40,300	
Enhanced specifications to dwellings	1	item	28,300	28,300	28,300	
<u>Abnormals</u>						
Sheet piling for Walled Garden Basements	867	m2	250	216,750	216,750	sheet piling rate is reasonable
Damp proofing Walled Garden Basements	543	m2	75	40,735	40,735	rate is reasonable
Excavation to Walled Garden Basements; material to be used elsewhere on site	2,601	m3	13	32,513	32,513	rate is reasonable

6.0 NEW BUILD – OPTION 2 – 12 UNITS (CONT'D)

Element	Madlins LLP				Concert Value	Comments
	Quantity	UoM	Rate	Value		
<u>External Works</u>						
<u>Drainage</u>						
Surface water drainage	12,291	m2	18	215,093	215,093	rate is reasonable
Foul drainage	2,398	m2	12	28,779	28,779	rate is reasonable
Sewer Connections	1	item	15,000	15,000	15,000	allow ance is reasonable
<u>Site Works</u>						
New tarmac roads / paths; driveways; repairs to existing roads	3,859	m2	85	327,981	327,981	rate is reasonable
Garden fencing	574	m	55	31,570	31,570	rate is reasonable
Garden gates	14	nr	200	2,800	2,800	rate and allow ance is reasonable
Post boxes	12	nr	125	1,500	1,500	rate and allow ance is reasonable
Turfing gardens	5,372	m2	10	53,720	53,720	rate is reasonable
Planting gardens	1	item	11,250	11,250	11,250	allow ance per unit is considered reasonable
Patio areas	120	m2	85	10,200	10,200	rate is reasonable
General site returfing / planting upon completion	1	item	14,000	14,000	14,000	allow ance per unit is considered reasonable
<u>External Services</u>						
Gas	1	item	42,000	42,000	42,000	cost is reasonable based on 12 units
Water						
Electric						
Telecomms						
Site lighting	1	item	15,000	15,000	15,000	allow ance appears reasonable
Allow ance for running trunking, cables, pipes etc. to new locations	1	item	7,500	7,500	7,500	allow ance appears reasonable
BWIC with service installation	1	item	3,225	3,225	3,225	BWIC @ 5% is reasonable
<u>Project Risks</u>						
Statutory Authority services upgrades	1	item	45,000	45,000	45,000	overall cost of identified risks is £177k which equates to less than 5% on new build construction costs above and this is considered reasonable for new build works
Renew able energy to satisfy planning	1	item	30,000	30,000	30,000]
Ground remediation	1	item	25,000	25,000	25,000]
Underpinning	1	item	15,000	15,000	15,000]
Works to existing drainage system	1	item	32,000	32,000	32,000]
Additional siteworks	1	item	30,000	30,000	30,000]
Design Development		5%		260,000	-	Design Development @ 5% omitted in lieu of Contingency @ 5% below
Main Contractor's Preliminaries		16%		801,206	680,839	Preliminaries calculated at 14%
Main Contractor's Overheads & Profit		7.5%		435,656	277,199	OH&P calculated at 5%
Contingency		5%		-	291,059	Contingency @ 5% added in lieu of Design Development @ 5% above
Inflation from 3Q2018 to 3Q2020		2.55%		159,233	155,862	General building cost increase @ 2.55% is correct
Total for 27 Unit Scheme				6,403,632	6,268,096	

7.0 NEW BUILD – OPTION 3 – 16 UNITS

Element	Madlins LLP				Concert Value	Comments
	Quantity	UoM	Rate	Value		
<u>Demolition & Enabling Works</u>						
Demolish existing single storey outbuildings; grub up shallow foundations; disposal of material	365	m2	150	54,690	54,690	overall allowance is reasonable based on rate/m3 of demolition
Dig up existing roads where required; disposal	1	item	10,000	10,000	10,000	allowance appears reasonable
<u>New Build Works</u>						
Walled Garden						
Unit 16 - Detached - 4B	294	m2	1,300	382,200	382,200	BCIS Median for Detached house at 3Q2018 and Net of 14% Prelims (see later) is £1,280/m2 and therefore £1,300/m2 is considered reasonable
Unit 17 - Detached - 4B	294	m2	1,300	382,200	382,200	
Unit 18 - Detached - 4B	294	m2	1,300	382,200	382,200	
Gate Lodges						
Unit 19 - Detached - 3B	132	m2	1,143	150,893	171,626	for consistency rate used for Detached house is £1,300/m2 as above
Unit 20 - Detached - 3B	132	m2	1,143	150,893	171,626	
Settlement Units						
Unit 21 - Detached - 3B - SU1	164	m2	1,143	187,634	213,408	for consistency rate used for Detached house is £1,300/m2 as above
Unit 22 - Semi-detached - 3B - SU1	164	m2	1,143	187,634	187,634	BCIS Median for Semi Detached house at 3Q2018 and Net of 14% Prelims (see later) is £1,130/m2 and therefore £1,143/m2 is considered reasonable
Unit 23 - Semi-detached - 3B - SU1	164	m2	1,143	187,634	187,634	
Unit 24 - Semi-detached - 3B - SU2	161	m2	1,143	183,493	183,493	
Unit 25 - Semi-detached - 3B - SU2	161	m2	1,143	183,493	183,493	
Unit 26 - Detached Farm House - 4B	192	m2	1,143	219,385	249,522	
Unit 27 - Detached Dairy - 3B	116	m2	1,143	132,629	150,852	
East Drive						
Unit 28 - Semi-detached - 3B	136	m2	1,143	155,459	155,459	BCIS Median for Semi Detached house at 3Q2018 and Net of 14% Prelims (see later) is £1,130/m2 and therefore £1,143/m2 is considered reasonable
Unit 29 - Semi-detached - 3B	136	m2	1,143	155,459	155,459	
Unit 30 - Semi-detached - 3B	136	m2	1,143	155,459	155,459	
Unit 31 - Semi-detached - 3B	136	m2	1,143	155,459	155,459	
Garages; to Settlement Units, Farmhouse & East Drive; Oak Cottage	216	m2	650	140,218	140,218	BCIS Median for Garages at 3Q2018 and Net of 14% Prelims (see later) is £730/m2 and therefore £650/m2 and £675/m2 are considered reasonable
Garages; to Walled Garden units	108	m2	675	72,806	72,806	rate is reasonable
Glazed external walls to Walled Garden units	681	m2	475	323,638	323,638	
Allowance for increased elevational treatments to units where required	1	item	50,000	50,000	50,000	allowances per unit are considered reasonable
Fire places	1	item	25,000	25,000	25,000	
EO for Chimneys	1	item	30,000	30,000	30,000	
EO for Glazed entrance screens	1	item	20,000	20,000	20,000	
Sonos sound systems	1	item	40,000	40,000	40,000	
Lighting controls - Lutron or similar	1	item	50,000	50,000	50,000	
Enhanced specifications to dwellings	1	item	35,000	35,000	35,000	

7.0 NEW BUILD – OPTION 3 – 16 UNITS (CONT'D)

Element	Madlins LLP				Concert Value	Comments
	Quantity	UoM	Rate	Value		
<u>Abnormals</u>						
Sheet piling for Walled Garden Basements	867	m2	250	216,750	216,750	sheet piling rate is reasonable
Damp proofing Walled Garden Basements	543	m2	75	40,735	40,735	rate is reasonable
Excavation to Walled Garden Basements; material to be used elsew here on site	2,601	m3	12.50	32,513	32,513	rate is reasonable
<u>External Works</u>						
<u>Drainage</u>						
Surface water drainage	12,568	m2	18	219,940	219,940	rate is reasonable
Foul drainage	2,675	m2	12	32,103	32,103	rate is reasonable
Sewer Connections	1	item	15,000	15,000	15,000	allow ance is reasonable
<u>Site Works</u>						
New tarmac roads / paths; driveways; repairs to existing roads	3,607	m2	85	306,561	306,561	rate is reasonable
Garden fencing	707	m	55	38,896	38,896	rate is reasonable
Garden gates	18	nr	200	3,600	3,600	rate and allow ance is reasonable
Post boxes	16	nr	125	2,000	2,000	rate and allow ance is reasonable
Turfing gardens	7,114	m2	10	71,140	71,140	rate is reasonable
Planting gardens	1	item	15,000	15,000	15,000	allow ance per unit is considered reasonable
Patio areas	100	m2	85	8,500	8,500	rate is reasonable
General site returfing / planting upon completion	1	item	12,000	12,000	12,000	allow ance per unit is considered reasonable
<u>External Services</u>						
Gas	1	item	56,000	56,000	56,000	cost is reasonable based on 16 units
Water						
Electric						
Telecomms						
Site lighting	1	item	15,000	15,000	15,000	allow ance appears reasonable
Allow ance for running trunking, cables, pipes etc. to new locations	1	item	7,500	7,500	7,500	allow ance appears reasonable
BWIC with service installation	1	item	3,925	3,925	3,925	BWIC @ 5% is reasonable
<u>Project Risks</u>						
Statutory Authority services upgrades	1	item	45,000	45,000	45,000	overall cost of identified risks is £177k which equates to less than 5% on new build construction costs above and this is considered reasonable for new build works
Renew able energy to satisfy planning	1	item	30,000	30,000	30,000	
Ground remediation	1	item	25,000	25,000	25,000	
Underpinning	1	item	15,000	15,000	15,000	
Works to existing drainage system	1	item	32,000	32,000	32,000	
Additional siteworks	1	item	30,000	30,000	30,000	
Design Development		5%		300,000	-	Design Development @ 5% omitted in lieu of Contingency @ 5% below
Main Contractor's Preliminaries		16%		924,422	783,054	Preliminaries calculated at 14%
Main Contractor's Overheads & Profit		7.5%		502,655	318,815	OH&P calculated at 5%
Contingency		5%		-	334,755	Contingency @ 5% added in lieu of Design Development @ 5% above
Inflation from 3Q2018 to 3Q2020		2.55%		183,720	179,262	General building cost increase @ 2.55% is correct
Total for 31 Unit Scheme				7,388,438	7,209,126	

8.0 GARDEN WALL REPAIRS

Item	Element	Madlins LLP				Concert Value	Comments
		Quantity	UoM	Rate	Value		
North Wall (East Side)							
	<i>This section of wall incorporates the deficiencies previously described in the section entitled General Condition and Findings. In addition a section of wall has been increased in height with a more modern fair faced brick. We have recommended this higher section is demolished and the original coping detail reinstated.</i>						
	Demolish section of higher w all and clear debris inc. bricks (one and half brick w all) set aside coping bricks	70	m2	50	3,524	3,524	removal rate is reasonable
	Erect and dismantle freestanding scaffolding inc. rental per week (not exceeding 4m)	6	nr	185	1,110	1,110	allow ance for scaffold is reasonable
	Remove lvy vegetation from top of w all	1	nr	1,000	1,000	1,000	allow ance appears reasonable
	Remove top 8 courses of masonry inclusive of coping, clean and retain for reinstatement	18	m2	47	846	846	removal rate is reasonable
	Build top 8 courses including coping detail to brick w all with	18	m2	100	1,800	1,800	rate is reasonable
	Build up starting pier for arch including labour and materials	1	nr	2,100	2,100	2,100	allow ance appears reasonable
	Materials for reconstruction						
	50% of capping bricks	50	nr	25	1,250	625	rates for supply of individual bricks appear to be a lot higher than expected; rates reduced by 50%
	50% of cant bricks	132	nr	10	1,320	660	
	50% of bricks	1,170	nr	5	5,850	2,925	
	Demolish section of w all betw een piers and clear debris	75	m2	50	3,776	3,776	removal rate is reasonable
	Cut out defective facing bricks and build in new	300	nr	13	3,996	3,996	rate is reasonable
	Rake out mortar joint, repoint to match existing lime mortar. NHL3.5	200	m2	65	13,000	13,000	rate is reasonable using lime mortar
	Place in linear horizontal indents	35	m	120	4,200	4,200	rate is reasonable
North Wall (West Side)							
	<i>This section of wall incorporates the deficiencies previously described in the section entitled General Condition and Findings. However a fallen tree has been gradually pushing over the wall at one section and the growth of a mature tree beneath the wall has caused the wall to lean greater than half its width. We have therefore recommended reconstruction of this wall off a new foundation.</i>						
	Erect and dismantle freestanding scaffolding inc. rental per week (not exceeding 2m)	12	nr	185	2,220	2,220	allow ance for scaffold is reasonable
	Remove lvy vegetation from top of w all and remove from site	1	nr	1,000	1,000	1,000	allow ance appears reasonable
	Carefully demolish masonry w all by hand inclusive of coping and foundation bricks, clean and retain for reinstatement, remove debris from site	185	m2	47	8,695	8,695	removal rate is reasonable
	Removal of mature trees	2	nr	500	1,000	1,000	removal rate is reasonable
	Form new foundation to build up new w all (trench 1mx600mm)	45	m	150	6,750	6,750	foundation rate is reasonable
	Build new masonry w all including coping detail with cement lime mortar NHL3.5 (excluding bricks)	140	m2	100	14,000	14,000	rate is reasonable
	Materials for reconstruction						
	50% capping bricks	75	nr	25	1,875	938	rates for supply of individual bricks appear to be a lot higher than expected; rates reduced by 50%
	50% of cant bricks	200	nr	10	2,000	1,000	
	50% of bricks	11,788	nr	5	58,940	29,470	
	Repoint to match existing lime mortar. NHL3.5	155	m2	65	10,075	10,075	rate is reasonable using lime mortar

8.0 GARDEN WALL REPAIRS (CONT'D)

Item	Element	Madlins LLP				Concert Value	Comments
		Quantity	UoM	Rate	Value		
South Side Elevation							
	<i>This section of wall incorporates the deficiencies previously described in the section entitled General Condition and Findings. In addition 2no. sections of wall have failed due to tree growth and need to be reconstructed (2x6 lm). Also a large number of trees along this elevation need to be either removed or cut back. Finally, although not included in these costings the stability of the ground beneath the wall due to removal of trees and the presence of a large badger set should be assessed by a structural engineer and remedial repairs recommended.</i>						
	Erect and dismantle freestanding scaffolding (not exceeding 2m)	12	nr	185	2,220	2,220	allow ance for scaffold is reasonable
	Remove Ivy vegetation from top of w all and remove from site	40	hrs	85	3,400	3,400	allow ance appears reasonable
	Carefully demolish section of wall that has cracked vertically and displaced horizontally at plinth level, 6m linear run. Clean and set aside bricks for re-use.	18	m2	47	846	846	removal rate is reasonable
	Carefully demolish section of wall that has cracked vertically against a pier due to the w all be lifted by tree grow th. 3m linear run. Include section of foundation bricks. Clean and set aside bricks for re-use.	12	m2	47	564	564	removal rate is reasonable
	To east side half of elevation dismantle coping detail and top 8 courses. Clean and set aside bricks for re-use.	38	m2	50	1,888	1,888	removal rate is reasonable
	To west side half of elevation dismantle coping detail and top 6 courses. Clean and set aside bricks for re-use.	38	m2	50	1,888	1,888	removal rate is reasonable
	Materials for reconstruction						
	50% of capping bricks	167	nr	25	4,175	2,088]	rates for supply of individual bricks appear to be a lot higher than expected; rates reduced by 50%
	50% of cant bricks	444	nr	10	4,440	2,220]	
	50% of bricks	2,535	nr	5	12,675	6,338]	
	Re build brick w all with cement lime mortar NHL3.5	105	m2	200	21,000	21,000	rate is reasonable
	Cut out defective facing bricks and build in new	600	nr	13	7,992	7,992	rate is reasonable
	Rake out mortar joint, repoint to match existing lime mortar. NHL3.5	620	m2	65	40,300	40,300	rate is reasonable using lime mortar
	Removal of mature trees	15	nr	500	7,500	7,500	removal rate is reasonable
East Side Wall							
	<i>This section of wall incorporates the deficiencies previously described in the section entitled General Condition and Findings. In addition a section of wall has been painted thus we have recommend a clean with a light acid wash.</i>						
	Erect and dismantle freestanding scaffolding inc. rental per week (not exceeding 2m)	6	nr	185	1,110	1,110	allow ance for scaffold is reasonable
	Remove Ivy vegetation from top of w all and remove from site	1	nr	1,000	1,000	1,000	allow ance appears reasonable
	Remove top 8 courses of masonry inclusive of coping, clean and retain for reinstatement	30	m2	47	1,410	1,410	removal rate is reasonable
	Build top 8 courses including coping detail to brick w all	30	m2	100	3,000	3,000	rate is reasonable
	Repair pier to north end of east elevation inc. bricks and labour	1	nr	400	400	400	allow ance appears reasonable
	Materials for reconstruction						
	50% of capping bricks	84	nr	25	2,100	1,050]	rates for supply of individual bricks appear to be a lot higher than expected; rates reduced by 50%
	50% of cant bricks	222	nr	10	2,220	1,110]	
	50% of bricks	2,535	nr	5	12,675	6,338]	
	Clean w all by spraying with chemical solvent and lightly brush	31	m2	17	539	539	rate is reasonable
	Cut out defective facing bricks and build in new	360	nr	18	6,480	6,480	rate is reasonable
	Rake out mortar joint, repoint to match existing lime mortar. NHL3.5	155	m2	65	10,075	10,075	rate is reasonable using lime mortar
	Remove timber gate and frame and install Oak replacement	1	nr	2,000	2,000	2,000	allow ance is reasonable

8.0 GARDEN WALL REPAIRS (CONT'D)

Item	Element	Madlins LLP			Concert Value	Comments	
		Quantity	UoM	Rate			Value
	West Side Wall						
	<i>This section of wall incorporates the deficiencies previously described in the section entitled General Condition and Findings. However the growth of 2no. mature tree beneath the wall has caused the wall to lean greater than half its width. We have therefore recommended foundation. reconstruction of this wall off a new</i>						
	Erect and dismantle freestanding scaffolding inc. rental per week (not exceeding 2m)	12	nr	185	2,220	allow ance for scaffold is reasonable	
	Remove Ivy vegetation from top of wall and remove from site	1	nr	1,000	1,000	allow ance appears reasonable	
	Carefully demolish masonry wall by hand inclusive of coping and foundation bricks, clean and retain for reinstatement, remove debris from site	205	m2	47	9,635	removal rate is reasonable	
	Removal of mature trees	2	nr	500	1,000	removal rate is reasonable	
	Form new foundation to build up new wall (trench 1mx600mm)	50	m	150	7,500	foundation rate is reasonable	
	Build new masonry wall including coping detail	155	m2	100	15,500	rate is reasonable	
	Materials for reconstruction						
	50% capping bricks	84	nr	25	2,100	1,050	rates for supply of individual bricks appear to be a lot higher than expected; rates reduced by 50%
	50% of cant bricks	222	nr	10	2,220	1,110	
	50% of bricks	8,873	nr	5	44,363	22,181	
	Repoint to match existing lime mortar. NHL3.5	155	m2	65	10,075	10,075	rate is reasonable using lime mortar
	Remove timber gate and frame and install Oak replacement	1	nr	2,000	2,000	2,000	allow ance is reasonable
	Main Contractor's Preliminaries		16%		63,974	44,903	Preliminaries calculated at 14%
	Main Contractor's Overheads & Profit		7.5%		34,786	18,282	OH&P calculated at 5%
	Inflation from 3Q2018 to 3Q2020		2.55%		12,714	9,790	General building cost increase @ 2.55% is correct
	Total Garden Wall Repairs				511,309	393,709	

9.0 HIGHWAY IMPROVEMENTS

Item	Element	Madlins LLP			Concert Value	Comments	
		Quantity	UoM	Rate			Value
	Slow Road Markings	2	nr	200	400	400	rate and allowance is reasonable
	Reinstate Centre Line Road Markings and reinstate broken studs as required	1	nr	4,875	4,875	4,875	these costs would appear to be based on a quotation which are considered reasonable
	Cut back overgrown vegetation and provide hardstanding area at Bus Stop	1	nr	2,100	2,100	2,100	
	Alter access to reduce width of crossing route for pedestrians	1	nr	25,025	25,025	25,025	
	Give way sign and post	1	nr	350	350	350	rate and allowance is reasonable
	Give way road markings	1	nr	650	650	650	rate and allowance is reasonable
	Extend kerb by approx 8m	8	m	75	600	600	cost appears reasonable for a small quantity
	Existing mini roundabout and give way signs to be removed	1	nr	100	100	100	rate and allowance is reasonable
	Give way road markings	1	nr	650	650	650	rate and allowance is reasonable
	Give way sign and post	1	nr	350	350	350	rate and allowance is reasonable
	Road humps sign	2	nr	500	1,000	1,000	rate and allowance is reasonable
	Remove existing mini roundabout and give way markings and extend centre line markings	1	nr	1,625	1,625	1,625	this cost would appear to be based on a quotation and is considered reasonable
	Service diversions, drainage at western site access	1	PS	5,000	5,000	5,000	provisional allowance appears reasonable
	Signage/protective barriers etc	1	item	10,000	10,000	10,000	allowance appears reasonable
	Main Contractor's Preliminaries		16%		7,500	7,382	Preliminaries calculated at 14%
	Main Contractor's Overheads & Profit		7.5%		8,000	3,005	OH&P calculated at 5%
	Total Highway Improvements				68,225	63,112	

Appendix 5 – Conservation Deficit Appraisal

Northaw House - 25 Units

Development Appraisal
AspinallVerdi
23 April 2021

Northhaw House - 25 Units

Summary Appraisal for Phase 1

Currency in £

REVENUE

Sales Valuation	Units	ft ²	Rate ft ²	Unit Price	Gross Sales
25 Residential Units	1	44,181	469.09	20,725,000	20,725,000

NET REALISATION

20,725,000

OUTLAY

ACQUISITION COSTS

Residualised Price			578,145		
				578,145	
Agent Fee		1.00%	5,781		
Legal Fee		0.80%	4,625		
				10,407	

CONSTRUCTION COSTS

Construction	ft ²	Rate ft ²	Cost		
25 Residential Units	48,341 ft ²	255.00 pf ²	12,327,005	12,327,005	

Other Construction

Garden Wall Repair			393,709		
Highways Improvement			63,112		
				456,821	

Municipal Costs

S106 Costs			118,400		
				118,400	

PROFESSIONAL FEES

Architect		10.00%	1,272,071		
				1,272,071	

MARKETING & LETTING

Marketing		1.00%	207,250		
				207,250	

DISPOSAL FEES

Sales Agent Fee		1.50%	310,875		
Sales Legal Fee		0.50%	103,625		
				414,500	

FINANCE

Debit Rate 7.000%, Credit Rate 0.000% (Nominal)					
Land			95,513		
Construction			939,929		
Other			159,958		
Total Finance Cost				1,195,401	

TOTAL COSTS

16,580,000

PROFIT

4,145,000

Performance Measures

Profit on Cost%	25.00%
Profit on GDV%	20.00%
Profit on NDV%	20.00%

IRR 26.76%

Profit Erosion (finance rate 7.000%) 3 yrs 3 mths

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