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**The Boathouse, Ranelagh Drive, Twickenham TW1 1QZ**

**London Borough of Richmond upon Thames**

**Financial Viability Assessment on behalf of Boathouse Twickenham Ltd**

**Addendum Report**

**July 2023**

**Private & Confidential**



**The Boathouse, Ranelagh Drive TW1 1QZ – Addendum Financial Viability Assessment – July 2023**

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## **The Boathouse, Ranelagh Drive TW1 1QZ – Addendum Financial Viability Assessment – July 2023**

### **1. Executive Summary**

- 1.1. Grimshaw Consulting Limited ('GCL') is instructed by Boathouse Twickenham Ltd ("the Applicant") to prepare a financial viability assessment of a development proposal for The Boathouse, Ranelagh Drive, Twickenham TW1 1QZ ('the Property' or "application site").
- 1.2. A full planning application has been submitted to the London Borough of Richmond upon Thames ('the Council'). The proposal is for construction of a terrace of three, four bedroom houses with a total GIA of 893.41 sqm (9,617 sqft). A schedule of accommodation is provided within section 2 of this report.
- 1.3. The description of development is as follows:  
*"Demolition of existing building and outbuildings to provide three residential dwellings including associated landscaping works, provision of parking and works to the public realm."*
- 1.4. This report considers the following matters, to inform discussions between the Applicant and the Council: -
  - Whether the provision of a financial contribution towards affordable housing in the form of a payment in lieu of on-site provision (in accordance with Local Plan LP36) is financially viable within the context of site-specific cost and revenue estimates and the need to provide a reasonable level of return for both the landowner and developer.
- 1.5. The purpose of this report is to inform discussions between the Applicant and the Council in respect of whether the provision of a payment in lieu of affordable housing in accordance with Local Plan Policy LP36 is financially viable within the context of site-specific cost and revenue estimates and the need to provide a reasonable level of return for both the landowner and developer. We have calculated the Affordable Housing Commuted Sum in line with the Council's policies and find that the compliant sum is **£185,823**.
- 1.6. This report has been prepared by Robert Grimshaw – a Director of Grimshaw Consulting Limited, who has extensive experience of both client-side and consultancy roles in the residential, commercial, and mixed-use development sector, gained during a career of more than 27-years. This review of financial viability has been undertaken by GCL as an independent assessor and in compliance with the RICS Professional Statement "Financial Viability in Planning: Conduct and Reporting" May 2019.
- 1.7. As stated in the Viability NPPG, Benchmark Land Value should be assessed on an EUV + landowner premium approach. The landlord premium can range between 0% and 30%, depending on factors such as whether the property is occupied and income generating, the covenant strength of existing or alternative tenants, demand from alternative occupiers and the condition of the existing building. We have assessed the Benchmark Land Value based on the existing retail and ancillary premises on a market evidence basis at a level of **£2,484,000** (rounded).
- 1.8. We have undertaken a residual land appraisal utilising Argus Developer financial appraisal software, which is industry recognised as an appropriate financial appraisal tool.
- 1.9. The gross development value (GDV) of the proposal has been assessed with reference to market evidence. Development costs have been assessed on the basis of site-specific conditions by a reputable building contractor (Baxall Construction).
- 1.10. Our assessment indicates that the Residual Land Value generated by the proposed development is lower than the Benchmark Land Value. As we have assessed a Viability Deficit of **-£889,754** it is not financially viable to provide an Affordable Housing Commuted Sum.



## **The Boathouse, Ranelagh Drive TW1 1QZ – Addendum Financial Viability Assessment – July 2023**

### **2. Introduction & Scope of Instructions**

- 2.1. Grimshaw Consulting Limited ('GCL') is instructed by Boathouse Twickenham Ltd ("the Applicant") to prepare a financial viability assessment of a development proposal for The Boathouse, Ranelagh Drive, Twickenham TW1 1QZ ('the Property' or "application site").
- 2.2. A full planning application has been submitted to the London Borough of Richmond upon Thames ('the Council'). The proposal is for construction of a terrace of three, four bedroom houses with a total GIA of 893.41 sqm (9,617 sqft). A schedule of accommodation is provided within section 3 of this report.
- 2.3. The description of development is as follows:  
*"Demolition of existing building and outbuildings to provide three residential dwellings including associated landscaping works, provision of parking and works to the public realm."*
- 2.4. This report considers the following matters, to inform discussions between the Applicant and the Council: -
  - Whether the provision of a financial contribution towards affordable housing in the form of a payment in lieu of on-site provision (in accordance with Local Plan LP36) is financially viable within the context of site-specific cost and revenue estimates and the need to provide a reasonable level of return for both the landowner and developer.
- 2.5. Background – this is an addendum report to a viability assessment prepared for a previous proposal for a terrace of three, five bedroom houses with a larger GIA of 949.04 sqm (10,216 sqft) that was submitted to the Council in October 2022 and was subsequently withdrawn by the Applicant in December 2022 ('Withdrawn Application'). This application responds to comments received from the Council, Historic England, the St Margaret's Estate Resident Association ('SMERA') and the Richmond Society. Details of the proposed development and design amendments are detailed in Section 3 of this report.
- 2.6. Our September 2022 Financial Viability Assessment ('Previous FVA') was reviewed on behalf of the Council by Bespoke Property Consultants ('BPC') in December 2022 and this report responds to comments raised in that report, seeks to agree matters of common ground, and provide further information and justification for differences in our approach and that of BPC with respect to this Application in Sections 5 and 6 of this report.
- 2.7. Further information relating to the site, surrounding area and proposed development are set out at section 3. Details of our approach to the viability assessment and the planning policy context are set out at section 4. Our financial appraisal outcomes and conclusions are provided at section 7 of this report.
- 2.8. This review of financial viability has been undertaken by GCL as an independent assessor. To inform our initial financial appraisals, we have completed our own research into the local property market and relied upon the following information received from the Appellant:
  - a) Drawings, accommodation schedules and information relating to the proposed development, prepared by Silver Jetty Architects
  - b) Elemental Budget Cost Plan, prepared by Baxall Construction.
  - c) Information provided by the Applicant's consultant team in respect of other relevant property matters.
- 2.9. This report has been prepared by Robert Grimshaw – a Director of Grimshaw Consulting Limited, who has extensive experience of both client-side and consultancy roles in the residential, commercial, and mixed-use development sector, gained during a career of more than 30-years.



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**Important Note**

- 2.10. The contents of this report do not constitute our opinion of Market Value (as defined by the RICS Valuation – Global Standards January 2022) and should not be relied upon as such by our client or any third party under any circumstances. Neither the whole nor any part of the report, or any reference thereto may be included within any published document, circular, or statement, or published in any way, without the prior written approval of Grimshaw Consulting Limited.
- 2.11. We confirm compliance with the RICS Professional Statement “Financial Viability in Planning: Conduct and Reporting” May 2019.
- 2.12. As required by the Professional Statement, we confirm the following matters:
- i. We have acted with objectivity, impartiality, without interference and with reference to all appropriate available sources of information.
  - ii. We have identified no conflicts of interest or risk of conflicts in preparing this report.
  - iii. We are not working under a performance related fee agreement or on a contingent fee basis.
  - iv. We advocate reasonable, transparent, and appropriate engagement between the parties in the planning process and we will do all that we can to assist in that process.
  - v. All the sub-consultants who have contributed to this report have been made aware of the Professional Statement and its requirements, they in turn have confirmed compliance with it.
  - vi. We have been allowed sufficient time since instruction to carry out this FVA bearing in mind the scale of the development and the status of the information as at the date of this report.



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### 3. Project Details

- 3.1. The Property comprises a two-storey detached building sited to the north of Ranelagh Drive on the south west bank of the river Thames, close to Richmond Local and the footbridge. The building is a former boat building workshop/house that has been used as a recording studio and comprises 3 separate Class C3 dwellings – including one studio flat (Flat 3) and one 4 bedroom flat (Flat 1) to the ground floor, and one 4 bedroom flat (Flat 2) to the first floor. Existing residential use has been established via a Certificate of Lawful Use.
- 3.2. The property has a jetty and mooring that are accessed via the Thames Path which runs between the river and the Property. We note that there is evidence of subsidence on the Thames Path, adjacent to the perimeter wall of the property and this will require remedial works as part of the development proposals. The application site has an area of 0.12 ha (0.29 acres) and is fully described within the Design and Access Statement and Planning Statement.
- 3.3. The property is poorly located for public transport, with a PTAL rating of 1b. The nearest railway station (St Margaret's) is located a 14-minute walk to the south. Richmond Station, which provides access to the rail and LUL network (District Line) is a 17-minute walk across the Richmond Lock footbridge to the east. Local shops and amenities are remote, with nothing of significant note within a 15-minute walk of the site.
- 3.4. A key constraint is the location of the property within flood zone 3b, which is the functional floodplain for the river Thames and restricts the scale of development that the Environment Agency will allow on the site to three dwellings. Significant costs associated with flood mitigation measures are included within the construction cost estimate and these are highlighted in section 5.
- 3.5. We note that the site is located within the St Margarets Conservation Area, within Metropolitan Open Land (MOL), Other Site of Nature Importance (OSNI), the Thames Policy Area and a protected view corridor.
- 3.6. The proposed residential development comprises the following:-
  - House 01 – situated on the northern end of the terrace, with a GIA of 313.52 sqm (3,375 sqft) and providing the following accommodation:-
    - Lower ground floor (55.73 sqm / 600 sqft) – Media / Gym / Utility / Wine / Store / Plant.
    - Ground floor (144.79 sqm / 1559 sqft) – bedroom/study (en-suite), bedroom, w.c., utility room, living / kitchen / dining room (with access to small external terrace overlooking river Thames and stairs up to large terrace at first floor level)
    - First floor (56.5 sqm / 608 sqft) – Bedroom, living room with access to large external terrace overlooking river Thames, bathroom.
    - Second floor (56.5 sqm / 608 sqft) – Bedroom, bathroom, dressing room.
    - Total Accommodation – GIA 313.52 sqm (3,375 sqft), four bedrooms, living / dining / kitchen, reception, three bathrooms, w.c / cloakroom.
  - House 02 – situated in the middle of the terrace, with a GIA of 273.20 sqm (2,941 sqft) and providing the following accommodation:-
    - Lower ground floor (39.76 sqm / 428 sqft) - Media / Gym / Utility / Wine / Store / Plant.
    - Ground floor (120.44 sqm / 1296 sqft) - bedroom/study (en-suite), bedroom, w.c., utility room, living /



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kitchen / dining room (with access to small external terrace overlooking river Thames and stairs up to large terrace at first floor level).

- First floor (56.5 sqm / 608 sqft) - Bedroom, living room with access to large external terrace overlooking river Thames, bathroom.
- Second floor (56.5 sqm / 608 sqft) - Bedroom, bathroom, dressing room.
- Total Accommodation – GIA 273.20 sqm (2,941 sqft) four bedrooms, living / dining / kitchen, reception, three bathrooms, w.c / cloakroom.
- House 03 – situated at the southern end of the terrace, with a GIA of 306.69 sqm (3,301 sqft) and providing the following accommodation:-
  - Lower ground floor (45.26 sqm / 487 sqft) - Media / Gym / Utility / Wine / Store / Plant.
  - Ground floor (154.83 sqm / 1666 sqft) - bedroom/study (en-suite), bedroom (en-suite), w.c., utility room, living / kitchen / dining room (with access to small external terrace overlooking river Thames and stairs up to large terrace at first floor level).
  - First floor (53.3 sqm / 574 sqft) - Bedroom, bathroom, living room with access to large external terrace overlooking river Thames.
  - Second floor (53.3 sqm / 574 sqft) – bedroom, bathroom, dressing room.
  - Total Accommodation – GIA 306.69 sqm (3,301 sqft) four bedrooms, living / dining / kitchen, reception, three bathrooms, w.c / cloakroom.

3.7. Design Amendments since September 2022 – the project architects have provided a summary of changes to the interior and exterior design from the Withdrawn Application, which we reproduce below:-

3.8. Interior changes, have been made to address the following:-

- Historic England comments have led to the reduction of the ground floor width of House 03 facing the lock which resulted in the need to relocate the entrance to the Southern elevation. This resulted in the complete internal redesign of the house and the loss of a bedroom to make a 4 bedroom house.
- It has been necessary to introduce a hoist to an increased landing area to the front of each house.
- Internal landing areas, door openings and hallways have been made wider to comply with Building regs Part M.
- To comply with part M Building regs the ground floor is lobbied with sprinklers to enable the Lower ground floor to rely on a single stair escape into a secure lobby.
- The internal layouts and stairs have been altered due to the decrease in house widths driven by Historic England reductions. The interior layouts now enable occupants to use of all amenity areas direct from living spaces not bedroom spaces as previously submitted.
- A new sedum roof has been introduced in order enhance the biodiversity offer as requested by the Environment Agency at Pre Application stage.

3.9. Exterior Changes - See materials board provided at **Appendix 1**

- Historic England were not enthused by the original elevations submitted and withdrawn in December 2022 and felt that the brick elevations were a bit bland and did not reflect closely enough the location to the lock and conservation area.



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- The exterior elevations have been significantly enhanced in order to gain Historic Environment, LPA and local support from SMERA, The Richmond Society, and stakeholders.
- Stonework has now been introduced to the facades to enhance the quality of appearance and more closely reference the lock. The withdrawn scheme was mainly comprised of brickwork to all elevations which “wrapped around the elevations” and did not emphasise the gable ends sufficiently. The existing scheme on Martineau Drive has gable ends as do many boathouses.
- Extruded aluminium and steel work has been introduced to articulate the facades more intricately and due to the decrease in house widths there was no space for brick between the gables so stonework was introduced between them as a better crisp detail of a higher quality.
- Vertical treated timber louvres have been introduced with bronze cladding on the North and South elevations in order to bind the composition materially to the ground floor which has timber on the North and South elevations referencing boathouse architecture. This is more detailed and more expensive to execute.
- In order to soften the appearance of the building within the conservation area we have introduced integral planters to the facades.
- An attractive stone corner window facing the lock has been introduced to create a successful crisp corner detail.
- The stone cornices have been increased in size to reference the lock stone cornices.
- Opaque and panellised glass has been introduced and on the south elevation to mitigate overlooking into the gardens of Martineau Drive.





#### **4. Principles of Financial Viability Assessment & Planning Policy Context**

4.1. National Planning Policy Guidance (NPPG) updated on 1<sup>st</sup> September 2019 provides a general overview of what is expected in relation to viability in both Local Plan preparation and decision-taking on individual schemes. The NPPG paragraph 007 Reference ID 10-007-20180724 states:

*“Where up-to-date policies have set out the contributions expected from development, planning applications that comply with them should be assumed to be viable. It is up to the applicant to demonstrate whether particular circumstances justify the need for a viability assessment at the application stage.*

*Such circumstances could include, for example where development is proposed on unallocated sites of a wholly different type to those used in viability assessment that informed the plan; where further information on infrastructure or site costs is required; where particular types of development are proposed which may significantly vary from standard models of development for sale (for example build to rent or housing for older people); or where a recession or similar significant economic changes have occurred since the plan was brought into force.”*

4.2. A site is viable if the value generated by its development exceeds the costs of developing it and provides sufficient incentive for the land to come forward and the development to be undertaken. Where the deliverability of a development may be compromised by the scale of planning obligations and other costs, a viability assessment may be necessary. This should be informed by the particular circumstances of the site and proposed development in question.

4.3. The NPPG confirms the principles for carrying out a viability assessment at paragraph 010 Reference ID 10-010-20180724: -

*“National Planning Guidance sets out the government’s recommended approach to viability assessment for planning. The approach supports accountability for communities by enabling them to understand the key inputs to and outcomes of viability assessment. Any viability assessment should be supported by appropriate available evidence informed by engagement with developers, landowners, and infrastructure and affordable housing providers. Any viability assessment should follow the government’s recommended approach to assessing viability as set out in this National Planning Guidance and be proportionate, simple, transparent, and publicly available. In plan making and decision making viability helps to strike a balance between the aspirations of developers and landowners, in terms of returns against risk, and the aims of the planning system to secure maximum benefits in the public interest through the granting of planning permission.”*

4.4. The NPPG defines the key inputs for viability assessments at paragraphs 011 to 013: -

a) Gross Development Value - *Gross development value is an assessment of the value of development. For residential development, this may be total sales and/or capitalised net rental income from developments. Grant and other external sources of funding should be considered. For commercial development broad assessment of value in line with industry practice may be necessary. For broad area-wide or site typology assessment at the plan making stage, average figures can be used, with adjustment to take into account land use, form, scale, location, rents and yields, disregarding outliers in the data. For housing, historic information about delivery rates can be informative. For viability assessment of a specific site or development, market evidence (rather than*



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average figures) from the actual site or from existing developments can be used. Any market evidence used should be adjusted to take into account variations in use, form, scale, location, rents and yields, disregarding outliers. Under no circumstances will the price paid for land be a relevant justification for failing to accord with relevant policies in the plan.

- b) Costs - Assessment of costs should be based on evidence which is reflective of local market conditions. As far as possible, costs should be identified at the plan making stage. Plan makers should identify where costs are unknown and identify where further viability assessment may support a planning application. Costs include:
- i. build costs based on appropriate data, for example that of the Building Cost Information Service.
  - ii. abnormal costs, including those associated with treatment for contaminated sites or listed buildings, or costs associated with brownfield, phased or complex sites. These costs should be taken into account when defining benchmark land value.
  - iii. site-specific infrastructure costs, which might include access roads, sustainable drainage systems, green infrastructure, connection to utilities and decentralised energy. These costs should be taken into account when defining benchmark land value.
  - iv. the total cost of all relevant policy requirements including contributions towards affordable housing and infrastructure, Community Infrastructure Levy charges, and any other relevant policies or standards. These costs should be taken into account when defining benchmark land value.
  - v. general finance costs including those incurred through loans.
  - vi. professional, project management, sales, marketing, and legal costs incorporating organisational overheads associated with the site. Any professional site fees should also be taken into account when defining benchmark land value.
  - vii. explicit reference to project contingency costs should be included in circumstances where scheme specific assessment is deemed necessary, with a justification for contingency relative to project risk and developers return.
- c) Land Value - To define land value for any viability assessment, a benchmark land value should be established on the basis of the existing use value (EUV) of the land, plus a premium for the landowner. The premium for the landowner should reflect the minimum return at which it is considered a reasonable landowner would be willing to sell their land. The premium should provide a reasonable incentive, in comparison with other options available, for the landowner to sell land for development while allowing a sufficient contribution to comply with policy requirements. This approach is often called 'existing use value plus' (EUV+). In order to establish benchmark land value, plan makers, landowners, developers, infrastructure, and affordable housing providers should engage and provide evidence to inform this iterative and collaborative process.
- d) Competitive Return to Developers - Potential risk is accounted for in the assumed return for developers at the plan making stage. It is the role of developers, not plan makers or decision makers, to mitigate these risks. The cost of complying with policy requirements should be accounted for in benchmark land value. Under no circumstances will the price paid for land be relevant justification for failing to accord with relevant policies in the plan. For the purpose of plan making an assumption of 15-20% of gross development value (GDV) may be



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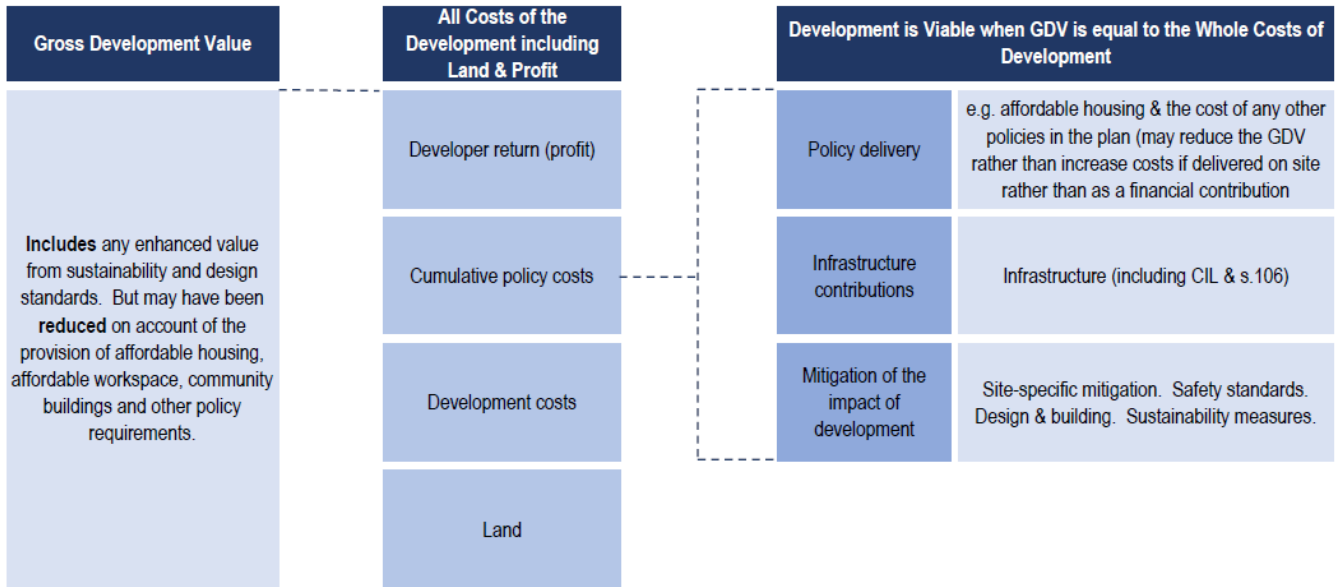
*considered a suitable return to developers in order to establish the viability of plan policies. Plan makers may choose to apply alternative figures where there is evidence to support this according to the type, scale, and risk profile of planned development. A lower figure may be more appropriate in consideration of delivery of affordable housing in circumstances where this guarantees an end sale at a known value and reduces risk. Alternative figures may also be appropriate for different development types.*

- e) Competitive Return to Landowners - *The premium (or the ‘plus’ in EUV+) is the second component of benchmark land value. It is the amount above existing use value (EUV) that goes to the landowner. The premium should provide a reasonable incentive for a landowner to bring forward land for development while allowing a sufficient contribution to comply with policy requirements. Plan makers should establish a reasonable premium to the landowner for the purpose of assessing the viability of their plan. This will be an iterative process informed by professional judgement and must be based upon the best available evidence informed by cross sector collaboration. For any viability assessment data sources to inform the establishment the landowner premium should include market evidence and can include benchmark land values from other viability assessments. Any data used should reasonably identify any adjustments necessary to reflect the cost of policy compliance (including for affordable housing), or differences in the quality of land, site scale, market performance of different building use types and reasonable expectations of local landowners. Local authorities can request data on the price paid for land (or the price expected to be paid through an option agreement).*

- 4.5. As explained in the RICS Guidance Note “Financial viability in planning” (1<sup>st</sup> edition, 2012) and reiterated in “Assessing Viability in Planning under the NPPF 2019” (1<sup>st</sup> edition, 2021), an objective assessment of financial viability for planning applications should be placed in the context of a well-established set of appraisal techniques and their applications. An accepted method of valuation of development schemes and land is set out in RICS Guidance Note – “Valuation of development property” (1<sup>st</sup> edition, October 2019).
- 4.6. This approach, called the residual method, recognises that the value of a development scheme is a function of a number of elements, as explained in the NPPG and set out above. The residual approach is used for development situations where the direct comparison with other transactions is not possible due to the individuality of development projects. However, practitioners will seek to check residual development appraisals with market evidence. In many cases, a viability assessment will have regard to the cumulative impact of policy requirements and developer contributions, where none of the costs are fixed, and movements in one will impact on the amount available for the others. The residual valuation framework is illustrated in the following graphic (reproduced from Valuation of development property, RICS October 2019):



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4.7. The residual appraisal method can be used in two ways; first, to assess the level of developer return generated from the proposed development, where site cost is an input into the appraisal, and second; to establish a residual Site Value by inputting a predetermined level of developer return. The financial viability assessment can use the level of developer’s return or the Site Value as the benchmark for assessing the impact of planning obligations on viability. While the majority of financial viability assessments use the residual approach, there may be certain circumstances where other appraisal methodologies are appropriate and should be used by the practitioner (for example, when assessing continuing existing uses in terms of obsolescence and depreciation an investment appraisal may be more appropriate). To maintain the residual approach as a market-based exercise, as the NPPF advocates through seeking a competitive return, it will be important to both benchmark and have regard to the available comparable market-based evidence.

4.8. The site is located within the London Borough of Richmond administrative area. Planning policies relevant to the consideration of financial viability and affordable housing are contained within the following documents:

- a) The National Planning Policy Framework (“NPPF”) (July 2021), and accompanying NPPG on Viability as detailed at paragraphs 4.1 to 4.4 above.
- b) London Plan (March 2021)
- c) Richmond Local Plan (3<sup>rd</sup> July 2018) and Affordable Housing SPD (2014).

4.9. The London Plan Policy H4 Delivering affordable housing states:

A *The strategic target is for 50 per cent of all new homes delivered across London to be genuinely affordable.*

*Specific measures to achieve this aim include:*

- *requiring major developments which trigger affordable housing requirement<sup>1</sup>s to provide affordable housing through the threshold approach (Policy H5 Threshold approach to applications)*
- *using grant to increase affordable housing delivery beyond the level that would otherwise be provided*

<sup>1</sup> Developments providing 10 or more units triggers an affordable housing requirement.



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- *all affordable housing providers with agreements with the Mayor delivering at least 50 per cent affordable housing across their development programme, and 60 per cent in the case of strategic partners*
- *public sector land delivering at least 50 per cent affordable housing on each site and public sector landowners with agreements with the Mayor delivering at least 50 per cent affordable housing across their portfolio*
- *industrial land appropriate for residential use in accordance with Policy E7 Industrial intensification, co-location and substitution, delivering at least 50 per cent affordable housing where the scheme would result in a net loss of industrial capacity*

*B Affordable housing should be provided on site. Affordable housing must only be provided off-site or as a cash in lieu contribution in exceptional circumstances.*

4.10. Policy H6 of the London Plan sets out the approach to affordable housing tenure that should be apply to residential development:

- a minimum of 30% low-cost rented homes, as either London Affordable Rent or Social Rent, allocated according to need and for Londoners on low incomes.
- a minimum of 30% intermediate products which meet the definition of genuinely affordable housing, including London Living Rent and London Shared Ownership
- the remaining 40% to be determined by the borough as low-cost rented homes or intermediate products based on identified need

4.11. Policy H2 of the London Plan encourages contributions towards off-site affordable housing where developments fall below the threshold of 10 dwellings or more:

*A Boroughs should pro-actively support well-designed new homes on small sites (below 0.25 hectares in size) through both planning decisions and plan-making in order to:*

- 1) significantly increase the contribution of small sites to meeting London's housing needs*
- 2) diversify the sources, locations, type and mix of housing supply*
- 3) support small and medium-sized housebuilder*
- 4) support those wishing to bring forward custom, self-build, and community-led housing*
- 5) achieve the minimum targets for small sites set out in Table 4.2 as a component of the overall housing targets set out in Table 4.1.*

*B Boroughs should:*

- 1) recognise in their Development Plans that local character evolves over time and will need to change in appropriate locations to accommodate additional housing on small sites*
- 2) Where appropriate, prepare site-specific briefs, masterplans, and housing design codes for small sites*
- 3) identify and allocate appropriate small sites for residential development*
- 4) list these small sites on their brownfield registers*
- 5) grant permission in principle on specific sites or prepare local development orders.*

4.12. LB Richmond Local Plan Policy LP36 – Affordable Housing states:



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- A. *The Council expects:*
- a. *50% of all housing units will be affordable housing, this 50% will comprise a tenure mix of 40% of the affordable housing for rent and 10% of the affordable intermediate housing.*
  - b. *The affordable housing mix should reflect the need for larger rented family units and the Council's guidance on tenure and affordability, based on engagement with a Registered Provider to maximise delivery.*

*Where on-site provision is required, an application should be accompanied by evidence of meaningful discussions with a Registered Provider which have informed the proposed tenure, size of units and design to address local priorities and explored funding opportunities.*

- B. *A contribution towards affordable housing will be expected on all housing sites. The following requirements apply:*
- a. *on all former employment sites at least 50% on-site provision. Where possible, a greater proportion than 50% of affordable housing on individual sites should be achieved.*
  - b. *on all other sites capable of ten or more units gross 50% on-site provision. Where possible, a greater proportion than 50% affordable housing on individual sites should be achieved.*
  - c. *on sites below the threshold of 'capable of ten or more units gross', a financial contribution to the Affordable Housing Fund commensurate with the scale of development, in line with the sliding scales set out in the Affordable Housing SPD [reproduced below]:*

No. of units proposed (gross)	% Affordable Housing		
	For conversions and reversions (where there is no loss of former employment floorspace.	For new build development or redevelopment (where there is no loss of former employment floorspace)	For any units replacing employment floorspace
9 units	36%	45%	90%
8 units	32%	40%	80%
7 units	28%	35%	70%
6 units	24%	30%	60%
5 units	20%	25%	50%
4 units	16%	20%	40%
3 units	12%	15%	30%
2 units	8%	10%	20%
1 unit	4%	5%	10%

- C. *In accordance with A and B, the Council will seek the maximum reasonable amount of affordable housing when negotiating on individual private residential and mixed-use schemes. The Council will have regard to:*
  - a. *economic viability.*
  - b. *individual site costs.*
  - c. *the availability of public subsidy; and*
  - d. *the overall mix of uses and other planning benefits.*
- D. *Where a reduction to an affordable housing contribution is sought from the requirements in A and B on economic viability grounds, developers should provide a development appraisal to demonstrate that schemes are maximising affordable housing. The developer will be required to underwrite the costs of a Council commissioned economic viability assessment. The Council will rigorously evaluate such appraisals and:*



**The Boathouse, Ranelagh Drive TW1 1QZ – Addendum Financial Viability Assessment – July 2023**

- a. *assess if the maximum reasonable amount of affordable housing is based on delivering the appropriate tenure, unit sizes and types that address local needs.*
- b. *consider whether it is necessary to secure provision for re-appraising the viability of a scheme prior to implementation to secure contingent obligations.*
- c. *in most circumstances the Existing Use Value plus a premium (EUV+) approach to assessing benchmark land value in development appraisals and viability assessments should form the primary basis for determining the benchmark land value.*

- 4.1. Interpretation of Policy LP36 – as the proposal involves does not include the loss of employment space, Policy LP36 implies that the Council will require a payment in lieu which is the equivalent of an affordable housing provision of 15% of the residential dwellings – i.e.,  $3 \times 15\% = 0.45$  units. The Council's calculation of payment in lieu is based upon a spreadsheet prepared by Bespoke Property Group (**Appendix 2**). Using the default assumptions provided within the spreadsheet and subject to agreement of other site-specific viability assumptions, we estimate a commuted sum requirement of **£185,823**. This is an increase from the £178,923 reported for the Withdrawn Application, as we have reduced the developer profit margin within the spreadsheet to 17.50% and applied Social Rent Caps for 2023-24 to the rented housing section of the calculation.
- 4.2. Planning policy guidance provided by the NPPG on Viability; the adopted and emerging London Plan and the Council's adopted Local Plan Policy LP36 allows for the assessment of the economics and financial viability of development (including the need to provide reasonable returns for both landowners and developers), including site specific costs when considering the provision of affordable housing contributions, whether on-site, off-site or in the form of a payment in lieu. We have had regard to these policies and guidance and guidance provided by the RICS when preparing this financial viability assessment and our financial appraisal inputs and outcomes are set out in the following sections of this report.
- 4.3. Furthermore, we have had regard to the assumptions used within the London Borough of Richmond upon Thames: Local Plan Viability Assessment ('the Strategic FVA' BNPPRE April 2023) and compared them against site specific assumptions when preparing financial appraisals of the Proposal and further information relating to this approach is provided in section 4 of this report.



## **The Boathouse, Ranelagh Drive TW1 1QZ – Addendum Financial Viability Assessment – July 2023**

### **5. Matters Agreed as Common Ground**

- 5.1. Further to BPC's December 2022 review of our FVA relating to the Withdrawn Application, the following matters are considered to be agreed as common ground between the Applicant and the Council:-
- 5.2. Development Revenue – Residential Market Sales: - our FVA relating to the Withdrawn Application assessed the GDV of the Proposal as £11,400,000, equating to £1,116 per sqft. BPC's December 2022 review considered that a reasonable GDV was £9,684,443, equating to £948 per sqft. We accept BPC's opinion of the total GDV – broadly £9,685,000, which equates to an average of £1,007 per sqft on the reduced GIA of the development. Our revised plot prices for the development are as follows:-
- House 01 – northern end of terrace, 313.52 sqm GIA (3,375 sqft) - £3,400,000 (£1,007 per sqft)
  - House 02 – mid-terrace, 273.20 sqm GIA (2,941 sqft) - £2,960,000 (£1,006 per sqft)
  - House 03 – southern end of terrace, 306.69 sqm GIA (3,301 sqft) - £3,325,000 (£1,007 per sqft)
  - **Total GDV - £9,685,000 (£1,007 per sqft)**
- 5.3. Development Timescale – we have amended our financial appraisal to assume a 2-month sales period, in line with BPC's opinion.
- 5.4. Professional Fees – we have amended our financial appraisal to assume 10% of build costs, in line with BPC's opinion.
- 5.5. Contingency – we note and welcome BPC's agreement to our allowance of 5% of build costs.
- 5.6. Acquisition Costs – we note that BPC have incorporated our assumptions within their financial appraisal and this is welcomed.
- 5.7. Community Infrastructure Levy – we note that BPC accepted our assumption at paragraph 4.6.4 of their review document. Due to the reduced GIA of the development, we have re-calculated Richmond CIL at £87,417 and MCIL2 at £20,259, including allowance for indexation from 2022 to 2023. Total CIL is therefore £107,676.
- 5.8. S106 Contributions – BPC did not make any allowance in their financial appraisal – we have accepted this approach and removed S106 contributions from our financial appraisal.
- 5.9. Sales & Marketing – we note BPC's agreement of our allowance of 2% of GDV plus £3,000 legal fees and this is welcomed.
- 5.10. Developer Profit – whilst we do not consider our allowance of 20% of GDV to be an unreasonable assumption, we are willing to concede this point to BPC and have amended our financial appraisal to include 17.5% of GDV.
- 5.11. Benchmark Land Value – we note that BPC agree with our assessment of a reasonable ERV of £108,000 per annum. We consider OPEX costs, capitalisation yield and Landowner Premium within section 6 of this report.






**The Boathouse, Ranelagh Drive TW1 1QZ – Addendum Financial Viability Assessment – July 2023**

**6. Matters requiring further discussion and Agreement.**

- 6.1. The following matters are not agreed with BPC acting on behalf of the Council and require further discussion:-
- 6.2. Construction Costs – costs estimated by the Applicant’s building contractor (Baxall) were £3,891,837 (£4,101 per sqm) on 16<sup>th</sup> September 2022. BPC commissioned Silvers DCC to review Baxall’s cost estimate and they considered that a reduction of £165,826, equating to 4.26% was reasonable. Baxall have reviewed their pricing for the amended proposal and they now consider that an estimate of £4,477,819 (£5,012 per sqm) is reasonable within the context of significant design amendments as required by the Council, Historic England, and other consultees. This new cost represents an increase of 15% from September 2022. A summary of the cost estimate is provided below, with a full version provided at **Appendix 3**.



**E819 - The Boathouse, Twickenham**  
**3nr Private Residential units**  
**Elemental Budget Cost Plan - P4 Scheme** **21 June 2023**

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**EXECUTIVE SUMMARY**

---

1.00 Description	Total £	Cost/m <sup>2</sup> £	Cost/sqft £
1.01 Demolition of existing building and perimeter wall	67,354.50	75	7
1.02 New landscaping and external works	291,470.40	326	30
1.03 River walk improvements	Part of S.106	0	0
1.04 Steel stairs and gantries up to front doors	0.00	0	0
1.05 Shell and core build	1,258,051.70	1,408	131
1.06 Lower ground floor build	373,419.88	418	39
1.07 Terrace finish and handrails	77,963.40	87	8
1.08 Air conditioning / comfort cooling	590,341.94	661	61
1.09 Wet system underfloor heating	Included	Incl.	Incl.
1.10 Fit out	655,039.20	733	68
1.11 Drainage and services	67,200.00	75	7
1.12 Flood mitigation measures	203,043.50	227	21
<b>2.00 Total Estimated Building Cost (Excluding prelims, OHP &amp; contingency)</b>	<b>£ 3,583,884.52</b>	<b>4,012</b>	<b>373</b>
3.00 Preliminaries:			
3.01 Pre-Construction Preliminaries	71,634.00	80	7
3.02 Construction Preliminaries	477,656.50	535	50
4.00 Design Fees & Surveys:			
4.01 Consultant Design Fees & Surveys	By Client	0	0
4.02 Contractor Fees	13,990.00	16	1
5.00 Price at June 2023			
6.00 Contractor’s OHP @ 8%	330,653.96		
7.00 Risk/Contingency @ 5%	By Client	0	0
<b>8.00 Total Estimated Building Cost (Including prelims, OHP &amp; contingency, but excluding VAT)</b>	<b>£ 4,477,818.98</b>	<b>5,012</b>	<b>466</b>

- 6.3. Abnormal Costs – the Baxall estimate includes £203,043.50 (plus prelims & contractor OH&P) for flood mitigation measures, but costs associated with repairs / improvements to the river wall and Thames Footpath have been



**The Boathouse, Ranelagh Drive TW1 1QZ – Addendum Financial Viability Assessment – July 2023**

excluded. As per our FVA for the Withdrawn Application, we have included an allowance of £100,000 in our financial appraisal for these risk items, based on our experience of works on the river frontage at Brentford, downstream from the application site. We note that the BPC December Review is silent on this matter and that their financial appraisal excludes a cost allowance. This point is fundamental – the Application includes proposed improvements to the towpath and costs must be included in the viability assessment.

- 6.4. Finance Debit Rate – at the date of BPC’s December Review, the Bank of England Base Rate was 3.00%, it is now 5.00% as of 22<sup>nd</sup> June 2023 and is forecast to increase further to 6.00% by the end of 2023. The assumption used in most viability assessments is 100% debt funding – this is a simplification of the development finance market and does not account for loan to value rates and the different levels of returns expected by lenders of the principal debt, mezzanine debt and equity provided by third party investors. The rate of 6.00% including arrangement and exit fees assumed by BNPPRE in the current Strategic FVA that will inform the emerging Local Plan is questionable for a small development such as this.
- 6.5. We have researched the development finance rates currently being offered by lenders of development finance for this type of project. The rates we have found are as follows:-
- Shawbrook Bank – development finance from 6% above 3-month SONIA, which equates to 10.39%, plus arrangement and exit fees.
  - Octopus Real Estate – development finance from 8%, plus arrangement and exit fees.
  - LendInvest – 6.5% above Bank of England Base Rate, equates to 11.5%, plus arrangement and exit fees.
  - Hampshire Trust Bank – development finance from 7.49%, plus arrangement and exit fees.
  - Viridis Finance – development finance from 8%, plus arrangement and exit fees.
- 6.6. Within the context of this analysis of current market rates for development finance, we consider our assumption of 9.00% including exit and arrangement fees to be reasonable. If BPC are able to provide documentary evidence of lower development finance interest rates, then we would be happy to consider changing our view.
- 6.7. EUV – OPEX Costs – at paragraph 4.7.2, BPC state that OPEX costs (management, maintenance, voids allowance) should equate to 25% of gross income, based on research undertaken for “...retail schemes elsewhere...”. I accept that a deduction for OPEX should be made, but I do not agree that 25% of gross income is appropriate for an existing scheme of this size and nature – a rate of that level might be applicable to a large purpose-built BTR scheme, or social rented scheme, but not for a small, private building arranged as flat shares.
- 6.8. I propose a rate of 20% of gross income. Using this measure would generate net rental income of £86,400 pa and when capitalised at 4.00% as we originally proposed as the cap rate for gross income, the resultant EUV is **£2,160,000**, which we consider to be reasonable.
- 6.9. Landowner Premium – BPC consider that a reasonable premium is 10%, but have not provided any justification for that, other than it “...accords with other schemes we have reviewed and agreed in Richmond...” In contrast, we have provided a rationale for the proposed landowner premium at paragraph 6.12 of the Withdrawn Application FVA and we maintain our position that 15% is a reasonable and justified assumption.
- 6.10. Our revised opinion of Benchmark Land Value (BLV) is therefore **£2,484,000**, which we consider to be reasonable for viability assessment purposes.



**The Boathouse, Ranelagh Drive TW1 1QZ – Addendum Financial Viability Assessment – July 2023**

- 6.11. Coincidentally, we note from BPC’s financial appraisal at Appendix A to their December Review, that this is the exact sum shown as “Existing Use Value” on page 5 of their financial appraisal.
- 6.12. The latest RICS guidance note on viability in planning recommends that an additional comparable approach is taken when assessing BLV. Our viability assessment for the Withdrawn Application identified comparable transactions as further justification for our BLV, notably, the Bungalow, Willoughby Road which was sold in August 2020 for the sum of £3,420,000. This site is located within 500m of the application site and has the benefit of planning permission for the erection of a pair of semi-detached, 5-bedroom houses on a site with direct river frontage and private moorings. The site area is 0.977 ha (0.24 acres), which is comparable to the site area of the application site (0.1117 ha / 0.29 acres). Within the context of this evidence, we consider our revised assessment of BLV to be more than reasonable.
- 6.13. A summary of our revised financial appraisal is provided below and the full document is provided at **Appendix 3**.

<b>The Boathouse, Ranelagh Drive TW1 1QZ - Financial Appraisal Summary</b>	
<b>Development Cost / Revenue</b>	<b>Jul-23</b>
Development Revenue - Market Housing	£ 9,685,000
<b>Total Development Revenue</b>	<b>£ 9,685,000</b>
Acquisition Costs	£ 97,112
Construction Costs	£ 4,477,819
Contingency	£ 228,891
Thames Path Improvements	£ 50,000
River Wall Repairs	£ 50,000
Mayoral CIL Contributions	£ 20,259
Borough CIL Contributions	£ 87,417
Carbon Off-set Payment	Excluded
Council S106 Monitoring Costs	Excluded
Professional Fees	£ 457,782
Marketing & Disposal Costs	£ 196,700
Finance Costs	£ 729,899
Developer Profit	£ 1,694,875
	17.50%
<b>Total Development Costs</b>	<b>£ 8,090,754</b>
Residual Land Value	£ 1,594,246
Viability Benchmark	£ 2,484,000
<b>Viability Surplus / (Deficit)</b>	<b>-£ 889,754</b>
<b>Viability Surplus / (Deficit) as % GDV</b>	<b>-9.187%</b>



## **The Boathouse, Ranelagh Drive TW1 1QZ – Addendum Financial Viability Assessment – July 2023**

### **7. Financial Appraisal Outcomes & Conclusion**

- 7.1. Grimshaw Consulting Limited ('GCL') is instructed by Boathouse Twickenham Ltd ("the Applicant") to prepare a revised financial viability assessment of a development proposal for The Boathouse, Ranelagh Drive, Twickenham TW1 1QZ ('the Property' or "application site").
- 7.2. This report has considered the following matters, to inform discussions between the Applicant and the Council: -
- Whether the provision of a financial contribution towards affordable housing in the form of a payment in lieu of on-site provision (in accordance with Local Plan LP36) is financially viable within the context of site-specific cost and revenue estimates and the need to provide a reasonable level of return for both the landowner and developer.
- 7.3. This is an addendum report to a viability assessment prepared for a previous proposal for a terrace of three, five bedroom houses with a larger GIA of 949.04 sqm (10,216 sqft) that was submitted to the Council in October 2022 and was subsequently withdrawn by the Applicant in December 2022 ('Withdrawn Application'). This application responds to comments received from the Council, Historic England, the St Margaret's Estate Resident Association ('SMERA') and the Richmond Society. Details of the proposed development and design amendments are detailed in Section 3 of this report.
- 7.4. Our September 2022 Financial Viability Assessment ('Previous FVA') was reviewed on behalf of the Council by Bespoke Property Consultants ('BPC') in December 2022 and this report has responded to comments raised in that report, seeks to agree matters of common ground, and provide further information and justification for differences in our approach and that of BPC with respect to this Application.
- 7.5. As there is a viability deficit, our financial appraisal indicates that the proposed development cannot support a payment in lieu of on-site affordable housing in addition to CIL contributions of £107,676.

**Robert Grimshaw**

**Director**

**Grimshaw Consulting Limited**

**4<sup>th</sup> July 2023**



## **8. Appendices**



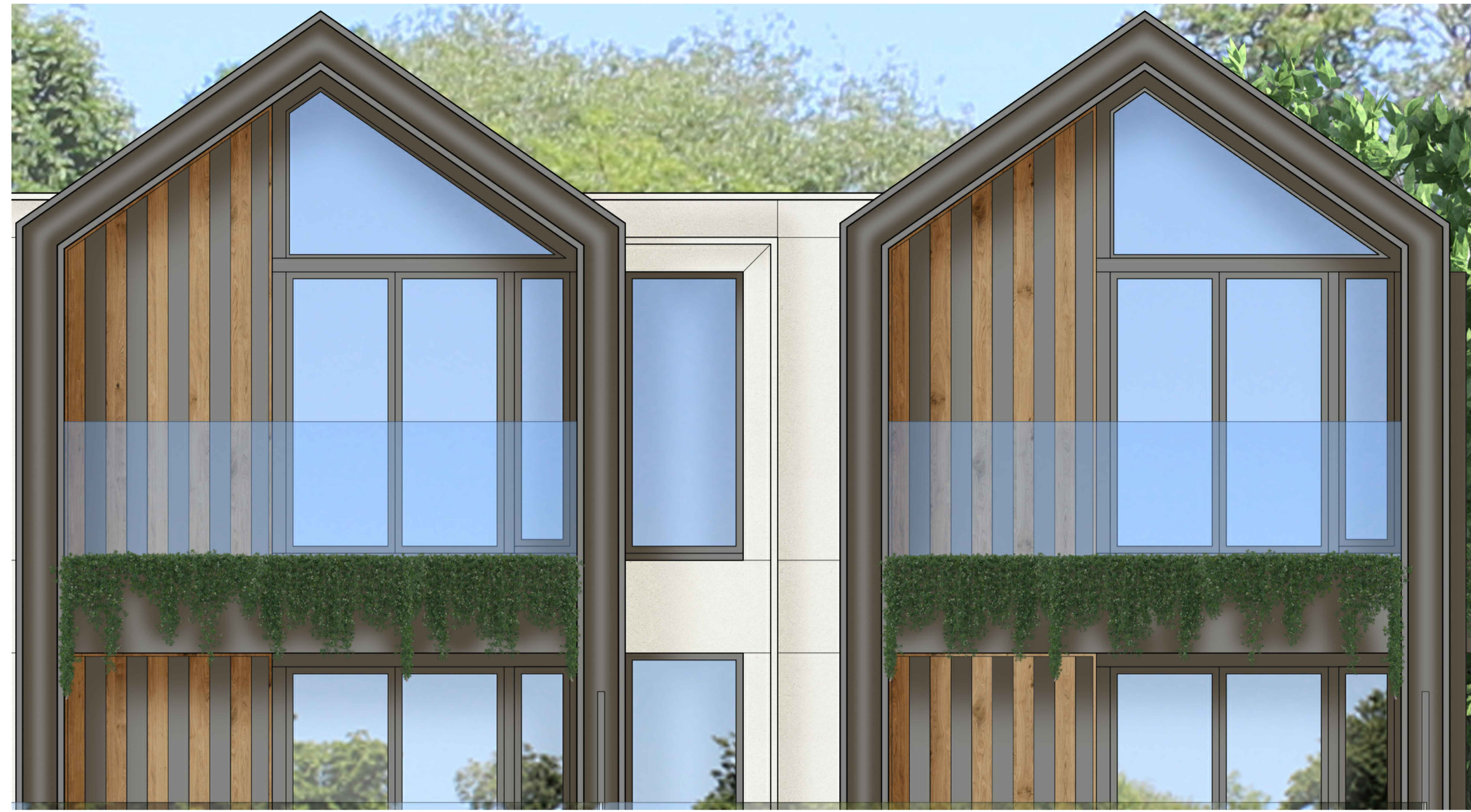
**The Boathouse, Ranelagh Drive TW1 1QZ – Addendum Financial Viability Assessment – July 2023**

**Appendix 1 – Architect’s Revised Materials & Details Palette**

Treated timber louvers and panels are present on the ground floor, first floor and second floor elevations to unify the composition



South Elevation Extract



North Elevation Extract

Bronze powder coated aluminium window frames/cills with aluminium chamfered projecting extrusions  
Flat stone framework with projecting frame.



A crisp, contemporary design with high-quality brick detailing and bronze metalwork and stone

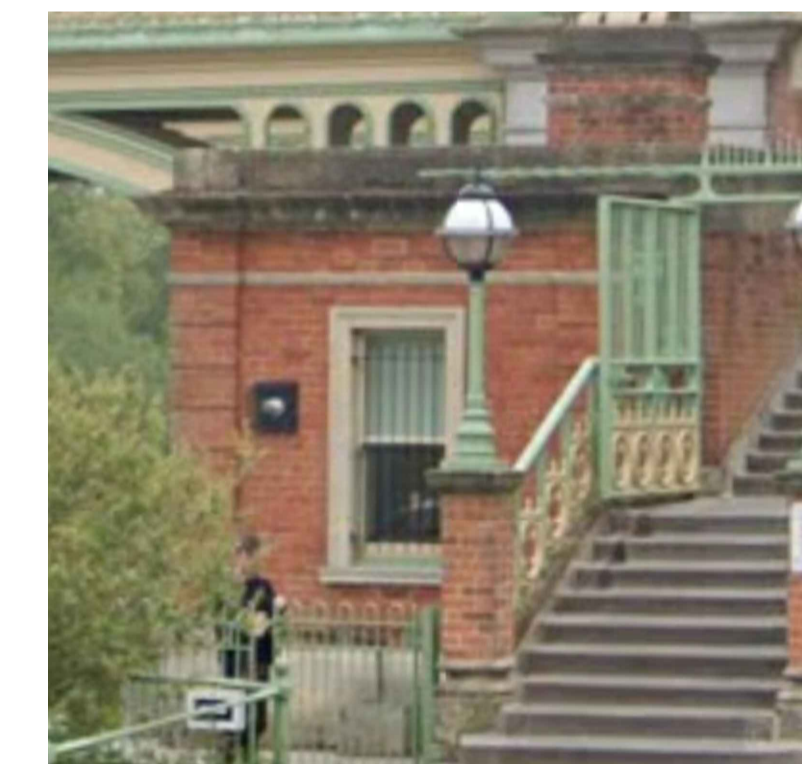


West Elevation Extract



West Elevation Extract

Stone chamfered framed window and cornice reference the Lock Lodge with burnt end bricks either side.



Notes:

**General Notes**  
This drawing is to be read in conjunction with all relevant design team specifications and drawings.  
All dimensions are to be checked on site prior to commencement of work any discrepancies reported to the Project Architect.  
All materials and components are to be handled, stored, protected, installed and finished strictly in accordance with the manufacturer's recommendations.  
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The Boathouse Twickenham Limited		Proposed Material and details palette	
NTS @ A1			
The Boathouse		P4	
Ranelagh Drive Twickenham TW1 1QZ		CJB	
30.08.2022		JA	
PLANNING			
P4	31.05.2023	PLANNING ISSUE	CJB
REV	DATE	DESCRIPTION	INITIALS





**The Boathouse, Ranelagh Drive TW1 1QZ – Addendum Financial Viability Assessment – July 2023**

**Appendix 2 - LB Richmond Affordable Housing Commuted Sum Calculator**



**LONDON BOROUGH OF RICHMOND UPON THAMES**  
**AFFORDABLE HOUSING SPD - ANNEXE A - COMMUTED SUM CALCULATION**

REV A

Site Name:	The Boathouse, Ranelagh Drive TW1	Date	29/09/2022	Notes
Number of Units on proposed development	3	No.		
Level of Affordable Housing required	15%			
Number of Affordable Units required	0.45	No.		
Percentage Affordable Rented required	80%			
Number of Affordable Rented Units required	0.36	No.		
Percentage Intermediate required	20%			
Number of Intermediate units required	0.09	No.		
<b>Less on Site provision</b>				
Affordable Rented Units provided on site	0	No.		
<b>Net number of units of Affordable Rented off-site</b>	0.36	No.		
Intermediate Units provided on site	0	No.		
<b>Net number of Intermediate units off-site</b>	0.09	No.		

**Off-Site Commuted Sum calculation**

<b>Affordable Rented</b>									
Unit type	Off Site Provision	OMV £	Profit 17.50%	Net Total Cost	Rent per week	Mgt Charge 25.00%	Yield 6.00%	Capitalised Rent	Commuted Sum
1 Bed Flat	0.12	550,000	96,250	453,750	173.79	2,259	6.00%	112,964	40,894
2 Bed Flat	0.12	750,000	131,250	618,750	184	2,392	6.00%	119,600	59,898
3 Bed Flat	0.12	900,000	157,500	742,500	194.22	2,525	6.00%	126,243	73,951
2 Bed Hse			0	0		0	6.00%	0	0
3 Bed Hse			0	0		0	6.00%	0	0
4 Bed Hse			0	0		0	6.00%	0	0
5 Bed Hse			0	0		0	6.00%	0	0
<b>Total</b>	0.36							<b>Total</b>	174,743

<b>Intermediate - Shared Ownership</b>										
Unit type	Off Site Provision	OMV £	Profit 17.50%	Net Total Cost	Equity Rent 2.75%	Mgt Charge 6.50%	Yield 6.00%	Capitalised Rent	1st Tranche 40.00%	Commuted Sum
1 Bed Flat	0.03	550,000	96,250	453,750	9,075	590	6.00%	141,419	220,000	2,770
2 Bed Flat	0.03	750,000	131,250	618,750	12,375	804	6.00%	192,844	300,000	3,777
3 Bed Flat	0.03	900,000	157,500	742,500	14,850	965	6.00%	231,413	360,000	4,533
2 Bed Hse			0	0	0	0	6.00%	0	0	0
3 Bed Hse			0	0	0	0	6.00%	0	0	0
4 Bed Hse			0	0	0	0	6.00%	0	0	0
5 Bed Hse			0	0	0	0	6.00%	0	0	0
<b>Total</b>	0.09									11,080

<b>Total Units</b>	0.45							<b>Total Commuted Sum</b>	185,823
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**The Boathouse, Ranelagh Drive TW1 1QZ – Addendum Financial Viability Assessment – July 2023**

**Appendix 3 – Argus Developer Financial Appraisal**

The Boathouse, Ranelagh Drive TW1 1QZ (July 23 Amendment)  
The Boathouse (Twickenham) Ltd  
Not a Valuation

CONFIDENTIAL

Development Appraisal  
Prepared by Robert Grimshaw  
Grimshaw Consulting Limited  
03 July 2023

The Boathouse, Ranelagh Drive TW1 1QZ (July 23 Amendment)

The Boathouse (Twickenham) Ltd

Not a Valuation

**Appraisal Summary for Phase 1**

Currency in £

**REVENUE**

Sales Valuation	Units	ft <sup>2</sup>	Sales Rate ft <sup>2</sup>	Unit Price	Gross Sales
House 1 - 4-bedrooms	1	3,375	1,007.41	3,400,000	3,400,000
House 2 - 4-bedrooms	1	2,941	1,006.46	2,960,000	2,960,000
House 3 - 4-bedrooms	1	3,301	1,007.27	3,325,000	3,325,000
<b>Totals</b>	<b>3</b>	<b>9,617</b>			<b>9,685,000</b>

**NET REALISATION**

**9,685,000**

**OUTLAY**

**ACQUISITION COSTS**

Residualised Price			1,594,247	1,594,247
Stamp Duty			69,212	
Effective Stamp Duty Rate		4.34%		
Agent Fee		1.00%	15,942	
Legal Fee		0.75%	11,957	
				97,112

**CONSTRUCTION COSTS**

Construction	ft <sup>2</sup>	Build Rate ft <sup>2</sup>	Cost	
Construction Cost	9,617	465.61	4,477,819	<b>4,477,819</b>
Contingency		5.00%	228,891	
River Path Improvements			50,000	
River Wall Works			50,000	
				328,891

**Section 106 Costs**

Borough CIL (TBC)			87,417	
MCIL2 (TBC)			20,259	
				107,676

**PROFESSIONAL FEES**

Professional Fees		10.00%	457,782	457,782
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**MARKETING & LETTING**

Marketing		1.00%	96,850	96,850
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**DISPOSAL FEES**

Effective Purchaser's Costs Rate		0.00%		
Sales Agent Fee		1.00%	96,850	
Sales Legal Fee	3 un	1,000.00 /un	3,000	
				99,850

**FINANCE**

Timescale	Duration	Commences
Purchase	1	Jul 2023
Pre-Construction	9	Aug 2023
Construction	18	May 2024
Sale	2	Nov 2025
Total Duration	30	

Debit Rate 9.000%, Credit Rate 0.000% (Nominal)

**The Boathouse, Ranelagh Drive TW1 1QZ (July 23 Amendment)****The Boathouse (Twickenham) Ltd****Not a Valuation**

Land	364,188	
Construction	345,323	
Other	20,388	
Total Finance Cost		729,899

**TOTAL COSTS****7,990,125****PROFIT****1,694,875****Performance Measures**

Profit on Cost%	21.21%
Profit on GDV%	17.50%

IRR% (without Interest)	26.32%
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Cost per Gross ft <sup>2</sup>	831
Cost per Net ft <sup>2</sup>	831
Floor Area Ratio	0.00%
Land Cost pAcre	0

CONFIDENTIAL

The Boathouse, Ranelagh Drive TW1 1QZ (July 23 Amendment)  
 The Boathouse (Twickenham) Ltd  
 Not a Valuation

Project Timescale	
Project Start Date	Jul 2023
Project End Date	Dec 2025
Project Duration (Inc Exit P	30 months

**Phase 1**



CONFIDENTIAL



**The Boathouse, Ranelagh Drive TW1 1QZ – Addendum Financial Viability Assessment – July 2023**

**Appendix 4 – Budget Cost Estimate (Baxall Construction)**

**EXECUTIVE SUMMARY**

<b>1.00 Description</b>	<b>Total</b>	<b>Cost/m<sup>2</sup></b>	<b>Cost/sqft</b>
	<b>£</b>	<b>£</b>	<b>£</b>
1.01 Demolition of existing building and perimeter wall	67,354.50	75	7
1.02 New landscaping and external works	291,470.40	326	30
1.03 River walk improvements	Part of S.106	0	0
1.04 Steel stairs and gantries up to front doors	0.00	0	0
1.05 Shell and core build	1,258,051.70	1,408	131
1.06 Lower ground floor build	373,419.88	418	39
1.07 Terrace finish and handrails	77,963.40	87	8
1.08 Air conditioning / comfort cooling	590,341.94	661	61
1.09 Wet system underfloor heating	Included	Incl.	Incl.
1.10 Fit out	655,039.20	733	68
1.11 Drainage and services	67,200.00	75	7
1.12 Flood mitigation measures	203,043.50	227	21
<b>2.00 Total Estimated Building Cost</b>			
<b>(Excluding prelims, OHP &amp; contingency)</b>	<b>£ 3,583,884.52</b>	<b>4,012</b>	<b>373</b>
3.00 Preliminaries:			
3.01 Pre-Construction Preliminaries	71,634.00	80	7
3.02 Construction Preliminaries	477,656.50	535	50
4.00 Design Fees & Surveys:			
4.01 Consultant Design Fees & Surveys	By Client	0	0
4.02 Contractor Fees	13,990.00	16	1
5.00 Fixed price			
5.01 From June 2023 to March 2024 @ 3.8%	0.00	0	0
6.00 Contractor's OHP @ 8%	331,773.00	399	37
7.00 Risk/Contingency @ 2%	By Client	0	0
<b>8.00 Total Estimated Building Cost</b>			
<b>(Including prelims, OHP &amp; contingency, but excluding VAT)</b>	<b>£ 4,813,793.98</b>	<b>5,388</b>	<b>501</b>

**SUMMARY**

<b>1.00 Description</b>	<b>Total</b>	<b>Cost/m<sup>2</sup></b>	<b>Cost/sqft</b>
	<b>£</b>	<b>£</b>	<b>£</b>
1.01 Substructure	608,944.08	682	63
1.02 Frame	388,193.20	435	40
1.03 Upper Floors	19,507.40	22	2
1.04 Roof	169,412.30	190	18
1.05 Stairs	48,000.00	54	5



1.06	External Walls	323,890.00	363	34
1.07	Windows & External Doors	151,488.00	170	16
1.08	Internal Walls	104,342.60	117	11
1.09	Internal Doors	85,356.20	96	9
1.10	Wall Finishes	97,537.10	109	10
1.11	Floor Finishes	128,134.30	143	13
1.12	Ceiling Finishes	35,736.10	40	4
1.13	Decorations	40,232.90	45	4
1.14	Fittings	163,700.00	183	17
1.15	M&E	538,996.94	603	56
1.16	Lift	51,345.00	57	5
1.17	External Works	291,470.40	326	30
1.18	Drainage	48,900.00	55	5
1.19	External Services	18,300.00	20	2
1.20	Demolitions and Alterations	67,354.50	75	7
1.21	Flood Mitigation Measures	203,043.50	227	21

**2.00 Total Estimated Building Cost**

**(Excluding prelims, OHP & contingency)**

<b>£</b>	<b>3,583,884.52</b>	<b>4,012</b>	<b>373</b>
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3.00 Preliminaries:

3.01	Pre-Construction Preliminaries	71,634.00	80	7
3.02	Construction Preliminaries	477,656.50	535	50
4.00	Design Fees & Surveys:			
4.01	Consultant Design Fees & Surveys	146,878.00	164	15
4.02	Contractor Fees	13,990.00	16	1
5.00	Fixed price			
5.01	From June 2023 to March 2024 @ 3.8%	163,173.63	183	17
6.00	Contractor's OHP @ 8%	356,577.33	399	37
7.00	Risk/Contingency @ 2%	By Client	0	0

**8.00 Total Estimated Building Cost**

**(Including prelims, OHP & contingency, but excluding**

<b>£</b>	<b>4,813,793.98</b>	<b>5,388</b>	<b>501</b>
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Ref	Item	Qty	Unit	Rate £	Cost £	Notes
						As JJ Coughlan Budget
1	Excavation:					
	Reduce level	143	m3	13.60	1,944.80	
	Basement	644	m3	13.60	8,758.40	
	Trenches	58	m3	21.70	1,258.60	
	Disposal of excavated material	845	m3	59.70	50,446.50	
	Earthwork support; 4.00m deep	260	m2	2.70	702.00	
	Working space; 4.00m deep	260	m2	10.90	2,834.00	
	Compacting bottom of excavation	470	m2	0.60	282.00	
	Cellcore	470	m2	65.10	30,597.00	
2	Piling:					
	Terram Membrane	575	m2	2.70	1,552.50	
	450mm piling mat	575	m2	23.90	13,742.50	
	Compacting	575	m2	0.60	345.00	
	450 dia reinforced concrete piles	152	nr	1,270.00	193,040.00	
	Cutting off tops of piles	152	nr	59.70	9,074.40	
	Disposal of spoil	303	m3	59.70	18,089.10	
	Groundworker attendance	1	item	14,700.00	14,700.00	
3	Concrete:					
	Basement slab	64	m3	271.40	17,369.60	Waterproof concrete in
	Basement perimeter walls	65	m3	271.40	17,641.00	flood mitigation cost
	Basement party walls	12	m3	271.40	3,256.80	
	Ground beams	58	m3	222.60	12,910.80	
	Downstands	22	m3	222.60	4,897.20	
	Ground floor slab	71	m3	222.60	15,804.60	
	Suspended ground floor slab	46	m3	222.60	10,239.60	

Stud columns	19 nr	271.40	5,156.60 All-in
<b>4 Formwork</b>			
To basement walls; one sided	260 m2	103.10	26,806.00
To basement walls; two sided	115 m2	81.40	9,361.00
To ground beams	256 m	43.40	11,110.40
To downstands	220 m2	81.40	17,908.00
To suspended ground floor slab	184 m2	81.40	14,977.60
Wall kickers	79 m	38.00	3,002.00
			Carried Forward 517,808.00

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Ref	Item	Qty Unit	Rate £	Cost £	Notes As JJ Coughlan Budget	
				Brought Forward	517,808.00	
<b>5 Bar reinforcement:</b>						
	To basement slab	7.36 t	2,714.00	19,975.04	115kg/m3	
	To basement walls	5.01 t	2,714.00	13,597.14	65kg/m3	
	To downstands	1.43 t	2,714.00	3,881.02	65kg/m3	
	To ground floor slab	12.87 t	2,714.00	34,929.18	110kg/m3	
<b>6 Accessories:</b>						
	Waterbar	79 m	32.60	2,575.40		
	Holding down bolts	32 nr	108.60	3,475.20		
	Grouting base plates	32 nr	81.40	2,604.80		
	Easy float finish	470 m2	5.40	2,538.00		
<b>7 Facing brickwork; half brick thick; PC Sum</b>						
	£800/thou for supply	46 m2	146.50	6,739.00		
<b>8 Cavity; concrete cavity fill</b>						
		23 m2	25.60	588.80		
<b>9 Damp proof course</b>						
		93 m	2.50	232.50		
<b>Total Carried to Summary</b>				<b>608,944.08</b>		

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Ref	Item	Qty	Unit	Rate £	Cost £	Notes
<b>1 Steel Frame</b>						
	Columns to GF; 254x254x73 UC	6.60 t		3,530.00	23,298.00	Assumed size and weight
	Beams; 406x178x67 UB	14.78 t		3,530.00	52,173.40	Assumed weight
	Beams; 533x210x101 UB	1.06 t		3,530.00	3,741.80	Assumed weight
<b>2 Steelwork to upper floors &amp; balconies; in Framing Technology package</b>						
		1 item				Included
<b>3 Intumescent painting of steel</b>						
		1 item		5,400.00	5,400.00	Allowance

4	SFS frame to first and second floor; as Framing Technology budget	1 item	303,580	303,580.00
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**Total Carried to Summary**

**388,193.20**

Ref	Item	Qty	Unit	Rate £	Cost £	Notes
1	150 thick precast concrete slabs to first floor terrace	274	m2	70.60	19,344.40	
	Extra for cutting holes	5	nr	32.60	163.00	Allowance
2	SFS upper floors; in Framing Technology package	1	item	Included		
<b>Total Carried to Summary</b>				<b>19,507.40</b>		

Ref	Item	Qty	Unit	Rate £	Cost £	Notes
1	Roof Structure					
	Flat roof construction					Incl. In Frame & Upper Floors
	Pitched roof construction					Incl. In Frame & Upper Floors
2	Insulated single ply roofing system to first floor roof terrace	274	m2	109.20	29,920.80	
	Dressing to perimeter	128	m	40.30	5,158.40	
3	Insulated single ply roofing system to second floor flat roof areas	62	m2	109.20	6,770.40	
	Dressing under tiling	49	m	26.40	1,293.60	
	Dressing to perimeter	27	m	40.30	1,088.10	
3	Slate tiled roofing system to second floor pitched roof areas	151	m2	96.60	14,586.60	
	Eaves	61	m	23.90	1,457.90	
	Verges	31	m	55.40	1,717.40	
	Ridges	30	m	39.10	1,173.00	
	Insulation	151	m2	21.70	3,276.70	
4	Sedum green roof	151	m2	48.90	7,383.90	
5	Ceramic tiling to roof terrace; including pedestals	124	m2	159.10	19,728.40	
	Extra for 100 high skirting	25	m	40.20	1,005.00	PC Sum £65/m2 supply
6	1000 x 1000 flat roof rooflight	1	nr	1,250.00	1,250.00	
7	1100 x 3900 sliding opening rooflight	3	nr	7,510.00	22,530.00	£1,750/m2
8	PPC aluminium fascia and soffit boards	92	m	54.30	4,995.60	

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Carried Forward 123,335.80

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Ref	Item	Qty	Unit	Rate £	Cost £	Notes
				Brought Forward	123,335.80	
9	Rainwater goods; PPC aluminium:					
	Guttering	27 m		65.30	1,763.10	
	End caps	16 nr		73.40	1,174.40	
	Outlets	8 nr		72.70	581.60	
	Hoppers	8 nr		183.80	1,470.40	
	Downpipes	66 m		83.90	5,537.40	
	Discharge shoe	16 nr		53.10	849.60	
10	Glass balustrade to terrace	43 m		650.00	27,950.00	
11	Opaque glass screens between terraces	3 nr		2,250.00	6,750.00	
	<b>Total Carried to Summary</b>				<b>169,412.30</b>	

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Ref	Item	Qty	Unit	Rate £	Cost £	Notes
1	Open tread oak staircase; factory sprayed steel balustrade vertical supports and horizontal flat section bars; profiled oak handrail:					
	House 1 terrace access	1 item		5,400.00	5,400.00	
	House 2 terrace access	1 item		5,400.00	5,400.00	
	House 3 terrace access	1 item		5,400.00	5,400.00	
2	Tulip wood staircase, newel posts and balusters; oak profiled handrail:					
	House 1 lower ground to ground	1 nr		2,200.00	2,200.00	
	House 1 ground to first	1 nr		3,800.00	3,800.00	
	House 1 first to second	1 nr		3,000.00	3,000.00	

House 2 lower ground to ground	1 nr	2,200.00	2,200.00
House 2 ground to first	1 nr	3,800.00	3,800.00
House 2 first to second	1 nr	3,000.00	3,000.00
House 3 lower ground to ground	1 nr	2,200.00	2,200.00
House 3 ground to first	1 nr	3,800.00	3,800.00
House 3 first to second	1 nr	3,000.00	3,000.00
Flights of 3nr risers at GF level	6 nr	800.00	4,800.00

**Total Carried to Summary**

**48,000.00**                     

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Ref	Item	Qty	Unit	Rate £	Cost £	Notes
1	Buff/Red facing brickwork; half brick thick;					
	PC Sum £800/thou for supply	330 m2		146.50	48,345.00	
	Extra for feature brickwork	1 item		35,000.00	35,000.00	
2	Insulated cavity between SFS inner skin and facing brick outer skin	330 m2		49.70	16,401.00	
3	Insulated timber cladding panels	32 m2		325.00	10,400.00	
4	Insulated aluminium cladding panels; bronze power coated effect					
	350 high feature band over second floor windows	22 m		275.00	6,050.00	
	700 high feature band over first floor windows	22 m		525.00	11,550.00	
	Gable end profiles	97 m		750.00	72,750.00	
	Cladding with chamfered windows	17 m2		500.00	8,500.00	
5	Insulated bronze PPC aluminium and timber cladding panels	44 m2		450.00	19,800.00	
6	Insulated stone cladding	41 m2		500.00	20,500.00	
	Extra over for projecting frames to windows	1 item		5,000.00	5,000.00	
7	Stone coping to terrace	69 m		135.00	9,315.00	
	Extra over for band below coping	138 m		125.00	17,250.00	
8	Stone Coping to flat roof	20 m		135.00	2,700.00	
	Extra over for band below coping	20 m		175.00	3,500.00	
9	Stone feature band to South elevation	18 m		75.00	1,350.00	
10	Stone clad chamfered surround to windows; reference to Lock Lodge	2 nr		2,500.00	5,000.00	
				Carried Forward	<u>293,411.00</u>	

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Ref	Item	Qty	Unit	Rate £	Cost £	Notes
				Brought Forward	293,411.00	
11	Stone coloured blade columns		6 nr	1,000.00	6,000.00	
12	SFS internal skim of external walls; in Framing Technology package		1 item		Included	
13	Brickwork sundries; lintels, cavity trays, weepholes, air bricks etc.	330 m2		16.30	5,379.00	
14	Planters to second floor		1 item	10,000.00	10,000.00	
15	Glass balustrade to Juliet balconies		14 m	650.00	9,100.00	
<b>Total Carried to Summary</b>					<b>323,890.00</b>	

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#### 1.07 - WINDOWS AND EXTERNAL DOORS

Ref	Item	Qty	Unit	Rate £	Cost £	Notes
1	Aluminium windows; bronze powder coating; double glazed				£675/m2	
	600 x 2000	3 nr		810.00	2,430.00	
	600 x 2100	2 nr		850.00	1,700.00	
	750 x 2100	2 nr		1,060.00	2,120.00	
	800 x 2100	1 nr		1,130.00	1,130.00	
	850 x 850	4 nr		490.00	1,960.00	
	850 x 2100	8 nr		1,200.00	9,600.00	
	1100 x 2000	1 nr		1,490.00	1,490.00	
	1200 x 1900	1 nr		1,540.00	1,540.00	
	1400 x 1550	2 nr		1,460.00	2,920.00	
	1500 x 1900	1 nr		1,920.00	1,920.00	
	1550 x 2100	1 nr		2,200.00	2,200.00	
	1700 x 2100	3 nr		2,410.00	7,230.00	
	1800 (900 + 900) x 2100	1 nr		2,550.00	2,550.00	
	1900 (900 + 1000) x 2100	1 nr		2,690.00	2,690.00	

1900 x 2100	3 nr	2,690.00	8,070.00	
2350 x 3000 average	3 nr	4,760.00	14,280.00	Top floor
2 Aluminium external doors; bronze powder coating; double glazed				£950/m2
2200 x 2100	3 nr	4,390.00	13,170.00	
2200 x 3000 average	3 nr	6,270.00	18,810.00	Top floor
3 Aluminium external sliding/folding doors; bronze powder coating; double glazed				
4500 x 2700	3 nr	15,190.00	45,570.00	£1,250/m2
4 54 thick solid oak entrance door with vision panel; hardwood frame, deadlocks, whole house security system 1000 x 2100 structural opening				
	3 nr	1,740.00	5,220.00	
5 EPDM to window surrounds				Include
6 Hardwood threshold boards				d
	80 m	61.10	4,888.00	

**Total Carried to Summary**

**151,488.00**

**1.08 - INTERNAL WALLS**

ef	Item	Qty	Unit	Rate	Cost	Notes
£	£					
1	Metal stud walls to lower ground floor			0 m	244.30	0.00 None in revised scheme
2	Metal stud walls to ground floor			109 m	244.30	26,628.70
3	Metal stud walls to upper floor build in cupboards/wardrobes			27 m	244.30	6,596.10
4	Blockwork cavity party wall to ground floor			117 m2	198.60	23,236.20
5	SFS walls to upper floors; in Framing Technology package			1 item		Included
6	SVP casing including softwood framing, insulation and plasterboard			39 m	54.40	2,121.60
7	Internal glazed screens: 400 wide x 2100 high			3 nr	630.00	1,890.00 £750/m2 Assumed height
	700 wide x 2100 high			1 nr	1,100.00	1,100.00
	800 wide x 2100 high			3 nr	1,260.00	3,780.00
	1250 wide x 2100 high			1 nr	1,970.00	1,970.00
	1300 wide x 2100 high			2 nr	2,050.00	4,100.00
	1800 wide x 2100 high			1 nr	2,840.00	2,840.00
	2050 wide x 2100 high			3 nr	3,230.00	9,690.00
	2450 wide x 2100 high			1 nr	3,860.00	3,860.00
	3500 wide x 2100 high			3 nr	5,510.00	16,530.00

**Total Carried to Summary**

**104,342.60**

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1.09 - INTERNAL DOORS						
Ref	Item	Qty	Unit	Rate £	Cost £	Notes
1	Oak veneered internal doors; panelled effect					
	Single door; FD30	32	nr	650.00	20,800.00	
	Single sliding door	3	nr	650.00	1,950.00	
	Double sliding door	3	nr	1,030.00	3,090.00	
2	Tulip wood door frame/lining: Single door; FD30	35	nr	140.00	4,900.00	
	Double door; FD30	3	nr	190.00	570.00	
	25 x 35 door stop	197	m	5.40	1,063.80	
3	Ironmongery: Single door set	32	nr	350.00	11,200.00	PC Sum £215/door supply
	Single sliding door	3	nr	1,000.00	3,000.00	
	Double sliding door	3	nr	1,750.00	5,250.00	
4	Architrave; 120 x 20 Tulip wood	394	m	9.80	3,861.20	
5	Wardrobe doors; assumed flush doors; to be painted					
	Single door	3	nr	400.00	1,200.00	
	Double door	23	nr	700.00	16,100.00	
6	Door lining to wardrobe doors: Single door set	3	nr	110.00	330.00	
	Double door	23	nr	130.00	2,990.00	
	25 x 35 door stop	153	m	5.40	826.20	
7	Ironmongery to wardrobe doors: Single door set	3	nr	250.00	750.00	PC Sum £150/door supply
	Double door	23	nr	325.00	7,475.00	PC Sum £200/door supply
<b>Total Carried to Summary</b>					<b>85,356.20</b>	

1.10 - WALL FINISHES						
Ref	Item	Qty	Unit	Rate £	Cost £	Notes



1	Plasterboard lining to SFS wall (external walls)	507 m2	24.40	12,370.80
2	Plasterboard lining to SFS wall (internal walls)	801 m2	24.40	19,544.40
3	Plasterboard lining; fixed on dabs to concrete (basement)	225 m2	30.10	6,772.50
4	Plasterboard lining; fixed on dabs to blockwork (party walls)	234 m2	30.10	7,043.40
5	Skim coat plaster			Included
6	Wall tiles	328 m2	152.00	49,856.00 PC Sum £30/m2 supply
	Aluminium edge trim	150 m	13.00	1,950.00 Allowance
7	10 thick sheet marble to showers	0 m2	250.00	Excluded Upgrade option
<b>Total Carried to Summary</b>				<b><u>97,537.10</u></b>

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1.11 - FLOOR FINISHES						
Ref	Item	Qty	Unit	Rate £	Cost £	Notes
1	75 thick screed	561	m2	17.40	9,761.40	LGF/GF
	150 thick insulation	561	m2	30.00	16,830.00	
	Visqueen polyethylene DPM; 1200g	561	m2	1.00	561.00	
2	Latex levelling screed	561	m2	14.20	7,966.20	
3	Ceramic tiling: To bathrooms / ensuites / WC's	85	m2	121.10	10,293.50	PC Sum £30/m2 supply
	Border tiles	141	m	45.60	Excluded	Upgrade option
	Tiled upstands	141	m	27.10	3,821.10	Assumed 100 high
4	Carpet: To bedrooms	222	m2	42.70	9,479.40	PC Sum £25/m2 supply
	To upper floor hallways	9	m2	64.40	579.60	
5	Engineered timber floor To kitchen / dining / living areas	297	m2	97.70	29,016.90	
	To ground floor hallways	64	m2	97.70	6,252.80	
	To lower ground floor	141	m2	97.70	13,775.70	
	To treads	168	m	43.40	7,291.20	
	To risers	186	m	43.40	8,072.40	
6	Division strip	71	m	7.60	539.60	
7	100 x 19 MDF skirting	599	m	6.50	3,893.50	
8	Walk on glass lights:					£1,500/m2
	800 x 1200	3	nr	1,440.00	Excluded	Upgrade option
	1000 x 1200	2	nr	1,800.00	Excluded	Upgrade option

1000 x 1500	1 nr	2,250.00	Excluded Upgrade option
<b>Total Carried to Summary</b>			<b>128,134.30</b>

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**1.12 - CEILING FINISHES**

Ref	Item	Qty	Unit	Rate £	Cost £	Notes
1	12.5 thick plasterboard lining to soffit fixed to SFS					
	Ground floor	146	m2	29.90	4,365.40	
	Upper floors	333	m2	29.90	9,956.70	
	Extra for bulkhead detail to living	1	item	5,400.00		Excluded Upgrade option
2	12.5 thick plasterboard suspended ceiling; fixed to insitu/precast concrete					
	Lower ground floor	141	m2	51.60	7,275.60	
	Ground floor	274	m2	51.60	14,138.40	Extra for coffeur and bulkhead detailing
	to living	1	item	5,400.00		Excluded Upgrade option
3	Skim coat plaster					Included
<b>Total Carried to Summary</b>					<b>35,736.10</b>	

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**1.13 - DECORATIONS**

Ref	Item	Qty	Unit	Rate £	Cost £	Notes
1	Prepare, prime, one undercoat and two finishing coats of vinyl matt emulsion:					Assumed Dulux
	To walls	2,447	m2	8.20	20,065.40	
	To ceilings	894	m2	9.20	8,224.80	
2	Prepare, prime, one undercoat and two finishing coats of gloss:					Assumed Dulux
	To door frames and architraves	64	nr	70.30	4,499.20	
	To single wardrobe doors	3	nr	90.00	270.00	
	To double wardrobe doors	23	nr	120.00	2,760.00	
	To window boards	80	m	6.50	520.00	

To skirtings	599 m	6.50	3,893.50
<b>Total Carried to Summary</b>			<b>40,232.90</b>

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1.14 - FITTINGS						
Ref	Item	Qty	Unit	Rate £	Cost £	Notes
1	Kitchen - units and island; built in LED lighting; solid limestone worktop including nosing and upstand; backpainted glass splashback	3	nr	23,900.00	71,700.00	
2	Utility - units assumed to match kitchen	3	nr	3,800.00	11,400.00	
3	Appliances					
	Integrated double oven	3	nr	710.00	2,130.00	
	Induction hob	3	nr	760.00	2,280.00	
	Integrated extractor hood	3	nr	330.00	990.00	
	Integrated microwave	3	nr	430.00	1,290.00	
	Integrated dishwasher	6	nr	650.00	3,900.00	
	Integrated coffee machine	3	nr	3,260.00	Excluded Upgrade option	
	Integrated ice maker Fridge freezer Washing machine	3	nr	1,630.00	Excluded Upgrade option Excluded	
		3	nr	650.00	Assumed by purchaser 1,950.00	
	Tumble dryer	3	nr	710.00	2,130.00	
	Qooker tap	3	nr	1,090.00	Excluded Upgrade option	
4	Sanitaryware; supply only: To ground floor WC's					
		3	nr	1,600.00	4,800.00	
	To master bedroom ensuite	3	nr	6,500.00	19,500.00	
	To ensuite	5	nr	4,900.00	24,500.00	
	To bathrooms	3	nr	4,900.00	14,700.00	
5	Mastic Sealant Houses 1-3	3	nr	810.00	2,430.00	
<b>Total Carried to Summary</b>					<b>163,700.00</b>	

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1.15 - MECHANICAL & ELECTRICAL SERVICES						
Ref	Item	Qty	Unit	Rate £	Cost £	Notes

1 Mechanical installations; including wet underfloor heating to lower ground and ground floors; air conditioning to living spaces and bedrooms  
House 1

As DWHP budget

	313 m2	391.00	122,383.00
House 2	273 m2	391.00	106,743.00
House 3	307 m2	391.00	120,037.00

2 Electrical installations; including LED lighting throughout; electric underfloor heating to upper floor bathrooms/ensuites; power/data/BT/TV points in all rooms; secure entry system linked to main gates and front doors  
House 1

	313 m2	195.00	61,035.00	As Bexhill budget
House 2	273 m2	195.00	53,235.00	
House 3	307 m2	195.00	59,865.00	

3 Renewable technology (PV, air source heat pump etc.) 3 nr 21,700.00 Excluded

4 Builder's Work in Connection Allowance 3 % 523,298.00 15,698.94

**Total Carried to Summary**

**538,996.94**

1.16 - LIFT

Ref	Item	Qty	Unit	Rate £	Cost £	Notes
1	External residential hoist	3	nr	16,300.00	48,900.00	
2	Builder's Work in Connection Allowance	5	%	48,900.00	2,445.00	

**Total Carried to Summary**

**51,345.00**

Ref	Item	Qty	Unit	Rate £	Cost £	Notes
1	Site Clearance:					
	Site clearance generally	1,115	m2	1.60	1,784.00	
	Breaking out existing pavings	1	item	2,700.00	2,700.00	
2	Excavation:					
	Reduce level dig	284	m3	13.60	3,862.40	
	Disposal	284	m3	59.70	16,954.80	
	Compact and apply weedkiller	292	m2	0.60	175.20	

3	Parking areas:					
	Type 1 sub-base; 200 thick	215 m2	10.40	2,236.00		
	Tarmac sub-base	215 m2	37.70	8,105.50		
	Punching holes in tarmac	215 m2	10.00	2,150.00		
	Permeable resin surface course	215 m2	47.50	10,212.50		
	Granite sett edging	97 m	81.40	7,895.80		
4	Footpaths:					
	Type 1 sub-base; 150 thick	77 m2	7.80	600.60		
	Tarmac sub-base	77 m2	20.80	1,601.60		
	Punching holes in tarmac	77 m2	10.00	770.00		
	Permeable resin surface course	77 m2	47.50	3,657.50		
	Granite sett edging	101 m	81.40	8,221.40		
5	Patio:					
	Ceramic tiling to roof terrace; including pedestals					
		34 m2	159.10	5,409.40		
6	Communal cycle/bin store	1 item	10,000.00	10,000.00		
7	Communal bin store	1 item	2,500.00	2,500.00		
8	External walls: Foundations					Assumed specification
		121 m	118.30	14,314.30		
	One brick wall	240 m2	238.60	57,264.00	£600/thou supply	
	Extra over for recessed panels	109 m	75.00	8,175.00		
	2100 x 650 x 650 brick piers	21 nr	1,630.00	34,230.00		
				Carried Forward	202,820.00	

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Ref	Item	Qty	Unit	Rate £	Cost £	Notes
					Brought Forward	202,820.00
9	Brick wall to towpath:					Moved to Flood
	Foundations	27 m	118.30	Excluded		Mitigation
	One brick wall	39 m2	238.60	Excluded		£600/thou supply Extra over for recessed panels
	23 m	75.00	Excluded			
	2100 x 650 x 650 brick piers	8 nr	1,630.00	Excluded		
	400 high metal railing	23 m	225.00	Excluded		Planters to top of wall behind railing 23 m
	250.00	Excluded				
10	Stone wall to patios:					
	900 high wall, including coping	31 m	750.00	23,250.00		
	Extra for piers	4 nr	500.00	2,000.00		
11	Repairs/widening of tow path footpath					
			Moved to Flood	165 m2	220.00	Excluded Mitigation

12 Open horizontal timber slatted fence	13 m	189.00	2,457.00	Assumed 1800 high
Extra for single gate	2 nr	517.00	1,034.00	
13 Automatic site entrance gates:				
Pedestrian	1 nr	1,360.00	1,360.00	
Vehicle	1 nr	6,510.00	6,510.00	

<sup>14</sup> Bronze coloured steel external stairs; including associated handrails and balustrades:  
House 1 entrance; straight flight of 9nr

				Moved to Flood
risers and top landing	1 item	27,500.00	Omitted Mitigation	
House 2 entrance; straight flight of 9nr			Moved to Flood	
risers and top landing	1 item	22,500.00	Omitted Mitigation	
House 3 entrance; straight flight of 9nr			Moved to Flood	
risers and top landing	1 item	27,500.00	Omitted Mitigation	
Carried Forward		239,431.00		

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Ref	Item	Qty	Unit	Rate £	Cost £	Notes
				Brought Forward	239,431.00	
15	Bronze powder coated aluminium panels to entrance stairs	23 m		500.00	11,500.00	
16	Bronze powder coated aluminium trellis; 3450 high	6 m		750.00	4,500.00	
17	Soft Landscaping: Imported topsoil	158 m3		57.30	9,053.40	
	Shrub planting	263 m2		22.00	5,786.00	Allowance
	New Trees	10 nr		490.00	4,900.00	Allowance
18	Jetty; making good and re-decoration	1 item		16,300.00	16,300.00	Allowance
<b>Total Carried to Summary</b>					<b><u>291,470.40</u></b>	

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Ref	Item	Qty	Unit	Rate £	Cost £	Notes
1	Foul and surface water drainage; allowance, no design	3 nr		16,300.00	48,900.00	
<b>Total Carried to Summary</b>					<b>48,900.00</b>	

Ref	Item	Qty	Unit	Rate £	Cost £	Notes
1	New services connections					Provisional
	Gas	3 nr		1,250.00	3,750.00	
	Electric	3 nr		1,250.00	3,750.00	
	Water	3 nr		1,250.00	3,750.00	
	BT	3 nr		600.00	1,800.00	
2	BWIC with STATS	3 nr		1,750.00	5,250.00	Provisional
<b>Total Carried to Summary</b>					<b>18,300.00</b>	

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Ref	Item	Qty	Unit	Rate £	Cost £	Notes
1	Demolition of existing building	1 item		67,354.50	67,354.50	DDS Demolition budget
2	Asbestos removal	1 item				Excluded
<b>Total Carried to Summary</b>					<b>67,354.50</b>	

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Ref	Item	Qty	Unit	Rate £	Cost £	Notes
1	Flood sounders	1 item		2,000.00	2,000.00	

2	Below ground drainage valves	1 item		1,100.00	1,100.00	
3	Tanking of basement level	1 item		38,500.00	38,500.00	Waterproof concrete
4	External entrance stairs to ground floor House 1	1 item		27,500.00	27,500.00	
	House 2	1 item		22,500.00	22,500.00	
	House 3	1 item		27,500.00	27,500.00	
5	River walk alterations:					
	Brick wall with railing to towpath	1 item		38,189.50	38,189.50	
	Repairs/widening of tow path footpath	165 m2		220.00	36,300.00	
	Remove, paint and re-instate balustrade to walkway	58 m		163.00	9,454.00	
<b>Total Carried to Summary</b>					<b><u>203,043.50</u></b>	

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Ref	Item	Qty	Unit	Rate £	Cost £	Notes
1	Management:					
	Contracts Director	30	wk	485.00	14,550.00	1 day per week
	Senior Surveyor	30	wk	406.00	12,180.00	1 day per week
	Senior Buyer	30	wk	324.00	9,720.00	1 day per week
	Design Manager	30	wk	324.00	9,720.00	1 day per week
	Design Co-ordinator	30	wk	243.00	7,290.00	2 days per week
	Document Controller	30	wk	153.00	4,590.00	1 day per week
	Estimator	8	wk	1,698.00	13,584.00	
<b>Total Carried to Summary</b>					<b><u>71,634.00</u></b>	



Rate	Cost	Notes
£	£	
Carried Forward	334,718.10	

Ref	Item	Qty	Unit		
1	Management & Labour:				
	Contracts Director	50	wk	493.00	24,650.00 1 day per week
	Senior Site Manager	50	wk	1,728.00	86,400.00
	Site Manager	20	wk	1,429.00	28,580.00 Finishing Manager
	Senior Surveyor	50	wk	825.00	41,250.00 2 days per week
	Senior Buyer	50	wk	657.00	32,850.00 2 days per week
	Design Manager	50	wk	657.00	32,850.00 2 days per week
	Document Controller	50	wk	155.00	7,750.00 1 days per week
	Labourer	50	wk	833.00	41,650.00
	Health & Safety Inspections	12	nr	252.00	3,024.00
2	Site Accommodation: Site office				
		50	wk	48.90	2,445.00
	Canteen	50	wk	48.90	2,445.00
	Meeting Room	50	wk	40.20	2,010.00
	Drying Room	50	wk	43.40	2,170.00
	Toilets	50	wk	43.40	2,170.00
	Store	50	wk	15.20	760.00
	Stairs and Landings	50	wk	11.90	595.00
	Steps to Toilet	50	wk	15.20	760.00
	Stacking	2	nr	162.90	325.80
	Delivery & Collection	6	nr	542.90	3,257.40

3	Temporary electrics	50 wk	162.90	8,145.00	Free issue power
4	Temporary water	50 wk	81.40	4,070.00	Free issue water
5	IT setup:				
	Phone connection	1 item	163.00	163.00	
	Phone line rental	50 wk	12.50	625.00	
	Calls	50 wk	27.10	1,355.00	
	Broadband connection	1 item	162.90	162.90	
	Broadband rental	50 wk	20.00	1,000.00	
	Photocopier rental	50 wk	27.10	1,355.00	
	Stationary	50 wk	21.70	1,085.00	
	Printing	50 wk	16.30	815.00	

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Ref	Item	Qty	Unit	Rate £	Cost £	Notes
				Brought Forward	334,718.10	
6	Health & Safety: Fire extinguisher	4	nr	150.90	603.60	
	Visitor PPE	3	nr	83.10	249.30	
	Consumables	50	wk	54.30	2,715.00	
	Signage	1	item	1,100.00	1,100.00	
7	Waste disposal: Refuse wheelie bin	50	wk	105.90	5,295.00	
	Skips	20	wk	331.10	6,622.00	
8	Builders Clean	1	item	3,800.00	3,800.00	
9	Protection	1	item	1,600.00	1,600.00	
10	CCTV security	50	wk	271.40	13,570.00	
11	Road sweeper	30	wk	139.00	4,170.00	
12	Small tools	50	wk	54.30	2,715.00	
13	Considerate constructors	1	item	629.70	629.70	
14	Performance bond	1	item		Excluded	
15	O&M manuals & record drawings	1	item	1,200.00	1,200.00	
16	Mobile access towers	10	wk	238.90	2,389.00	
17	Forklift	20	wk	298.60	5,972.00	Driven by Labourer
18	Scaffold:					
	Perimeter scaffold	1	item	65,100.00	65,100.00	
	Scaffold inspections	20	wk	271.00	5,420.00	
			Carried Forward		457,868.70	

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Ref	Item	Qty	Unit	Rate £	Cost £	Notes
				Brought Forward	457,868.70	
19	Site Compound:					
	Timber hoarding	150	m	92.30	13,845.00	
	Pedestrian gate	2	nr	135.70	271.40	
	Vehicle gate	1	nr	271.40	271.40	
20	Parking bay suspension	1	item	5,400.00	5,400.00	Allowance
	<b>Total Carried to Summary</b>				<b>477,656.50</b>	

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Ref	Item	Qty	Unit	Rate £	Cost £	Notes
1	Primary Consultant Fees:					
	Architect	1	item	52,000	52,000.00	
	Structural Engineer	1	%	3,583,885	35,839.00	
	M&E Services Engineer	1	%	3,583,885	35,839.00	
	Landscape Architect Principle Designer	1	item	2,700.00	Included In Architect's fee 2,700.00	
		1	item			
2	Secondary Design Consultant Fees: Acoustic Consultant					
		1	item			Excluded In Planning Submission
	Building Control	1	item	5,400.00	5,400.00	
	Temporary Works	1	item	5,400.00	5,400.00	
3	Surveys:					
	Asbestos Survey	1	item			Excluded
	Soil Investigation	1	item	2,700.00	2,700.00	
	PAS 128 Survey	1	item	2,700.00	2,700.00	
	Flood Risk Assessment UXO Desktop Study	1	item	1,100.00		Excluded In Planning Submission
		1	item		1,100.00	
	Archaeology	1	item	1,600.00	1,600.00	

STATS Enquiries Ecology Report Tree Survey	1 item	1,600.00	1,600.00
	1 item		Excluded In Planning Submission
	1 item		Excluded In Planning Submission

**Total Carried to Summary**

**146,878.00**           

Ref	Item	Qty	Unit	Rate £	Cost £	Notes
1	Other Fees:					
	NHBC		1 item	10,900.00	10,900.00	
	EPC		3 nr	110.00	330.00	
	Acoustic Testing		3 nr	270.00	810.00	
	Air Pressure Testing		3 nr	160.00	480.00	
	Postal Numbering		3 nr	110.00	330.00	
	Conveyancing Plans		3 nr	380.00	1,140.00	
	<b>Total Carried to Summary</b>				<b>13,990.00</b> <u><u>          </u></u>	

Ref	Item	GIFA (m <sup>2</sup> )	GIFA (sqft)	Notes
1	House 1:			
	Lower Ground Floor		55.7	599.8
	Ground Floor		144.8	1,558.4
	First Floor		56.5	608.1
	Second Floor		56.5	608.1
2	House 2:			
	Lower Ground Floor		39.8	428.0
	Ground Floor		120.5	1,296.6
	First Floor		56.5	608.3
	Second Floor		56.5	608.3
3	House 3:			
	Lower Ground Floor		45.3	487.1
	Ground Floor		154.8	1,666.7
	First Floor		53.3	573.7

Second Floor

53.3

573.7

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**893.4**

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**9,616.8**