Lamorna, Dartmouth Park Road, London, NW5 1SU

Independent Viability Review

Prepared on behalf of the London Borough of Camden

2nd May 2025

Planning Reference: 2025/1375/P

BPS Chartered Surveyors

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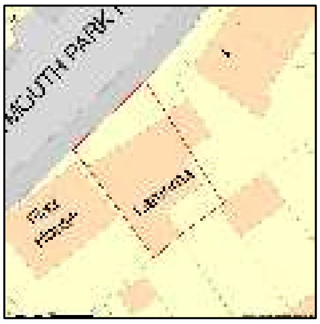
1.0 Introduction

1.1 BPS Chartered Surveyors have been instructed by the London Borough of Camden ('the Council') to undertake a review of a Financial Viability Assessment ('FVA') prepared by Roscoe Group ('RG') on behalf of HGG London Limited ('the Applicant') in connection with a planning application for the redevelopment of the above site.

1.2 The site is currently occupied by a detached two-storey 4-bedroom family house built in 1920 or 1930.

1.3 The location is predominantly residential in nature, within walking distance of Parliament Hill and Hampstead Heath. The site sits within Camden's Dartmouth Park Conservation Area and the building is not listed.

1.4 The site extends to 182 sqm and boundaries are outlined in red on the plan below, reproduced from the Design and Access Statement:



1.5 The proposals are for:

'Demolition of existing single dwelling and erection of a new five-storey plus basement building comprising 6no. residential units (Class C3).'

1.6 The basis of our review is Financial Viability Assessment Report ('FVA') prepared by RG, dated October 2024, which concludes that the scheme currently shows a deficit of approximately -£1.7m and therefore no affordable housing can viably be offered at present.

1.7 We have downloaded documents available on the Council's planning website.

1.8 We have received a live version of the Argus appraisal included in the report.

1.9 We have assessed the cost and value inputs within the financial appraisal in order to determine whether the scheme can viably make any affordable housing contributions.

1.10 We have searched the Council's planning website and have not identified any other recent or outstanding planning applications relating to the site.

1.11 A Land Registry search shows that the Applicant does currently own the property. The site was purchased in 2021 for £1,720,000.

1.12 The advice set out in this report is provided in the context of negotiating planning obligations and therefore in accordance with PS1 of the RICS Valuation – Global Standards 2025, the provisions of VPS1–6 are not of mandatory application. Accordingly, this report should not be relied upon as a Red Book Valuation. The Valuation Date for this Viability Review is the date of this report, as stated on the title page. This Viability Review has been undertaken in accordance with the Terms & Conditions provided to the Council and with any associated Letters of Engagement and should only be viewed by those parties that have been authorised to do so by the Council.

1.13 This Viability Review adheres to the RICS Professional Statement on Financial Viability in Planning (published May 2019). In accordance with this Statement, we refer you to our standard terms and conditions which incorporate details of our Quality Standards Control & Statement on Limitation of Liability/ Publication.

2.0 Summary Table

2.1 Our analysis presents the following outturn financial position for the project:

Input	RG	BPS	Comments
Income			
Open Market Sales	£4,482,000 (£9,698psm/£901psf)	£5,600,000 (£12,121psm/£1,126psf)	Disagreed
Expenditure			
EUV	£1,700,000	£1,700,000	Agreed
Landowner Premium	20%	0%	Disagreed
Benchmark Land Value	£2,000,000	£1,700,000	Disagreed
Build Costs (inc. contingency)	£2,396,160	£2,396,160	Agreed
Contingency	5%	5%	Agreed
Professional Fees	12%	10%	Disagreed
OMS Marketing, Legal & Agent Fees	2.5%	2.5%	Agreed
CIL	£322,026	£322,026	Ambiguous - We require confirmation from the Council on this input.
Finance	9%	7.5%	Disagreed
OMS Profit (on GDV)_	20%	17.50%	Disagreed
Development Timeframes			
Pre-construction Period	6- months	6- months	Agreed
Construction Period	12- months	8- months	Disagreed
Pre-Sales	25%	40%	Disagreed
Sales Period	6- months	2- month	Disagreed
Viability Position	-£1.7m	-£574,531	Disagreed
Actual Profit	-29% on GDV	+7.24% on GDV	Disagreed

3.0 FVA Checklist

3.1 On the 10th of April 2025 we sent RG a request to provide the following information to assist with our review of the FVA. The table below summarises the documentation received at the date of this submission.

Existing Site	
Land ownership plan	Downloaded.
Measurements of the Existing Site / Buildings	Downloaded.
Floor plans	Downloaded.
Detailed Description of the existing site	Downloaded.
A schedule of condition	Outline provided
External Photographs of the Existing Site / Buildings	Downloaded.
Internal Photographs of the Existing Site / Buildings	Received
Recent transactional evidence to support their BLV assumptions	Downloaded.
Proposed Development	
Application plans	Downloaded.
Accommodation schedule	Downloaded.
Measurements for the proposed scheme (GIA/ NIA)	Downloaded.
Design and Access statement	Downloaded.
Planning Statement	Downloaded.
Detailed design specification	Outline provided
Recent transactional evidence to support their GDV assumptions	Downloaded.
Modelling used to generate values (Residential)	Downloaded.
Construction	
A detailed cost plan	Downloaded.
Live Excel copy of cost plan	Received.
Development programme	Outline provided
Appraisals	
Copy of the live Argus appraisal	Received.

4.0 Conclusions And Recommendations

4.1 We have reviewed the Financial Viability Assessment prepared by RC on behalf of the Applicant, which concludes that the proposed scheme generates a residual land value of £0.3m, which is approximately £1.7m below their benchmark land value of £2m. On this basis, the scheme cannot provide any affordable housing contribution.

4.2 We note that if the Applicant were to continue on this basis, then the scheme would generate an actual loss of c. -30% on GDV. We find it somewhat illogical to proceed with the loss-making development, therefore, we assume the Applicant is working to different assumptions than outlined in the FVA.

<u>Benchmark Land Value</u>

4.3 RG have approached the Benchmark Land Value on an Existing Use Value (EUV) basis. They used the comparable method to determine the current value of the existing house, to which a Landowner's Premium of 20% was added.

4.4 We have reviewed RG's approach and outlined our comments in Section 7 of this report. Overall, we have accepted RG's adopted EUV to be broadly reasonable. However, the additional inclusion of the Landowner's Premium would essentially mean that the BLV would exceed the Market Value, which is not a realistic assumption. Using a comparable method in valuing residential properties implies the Landowner's Premium is already incorporated and we have therefore excluded the Landowner Premium from our BLV.

4.5 Having taken the above into consideration, we consider the Benchmark Land Value should be £1,700,000.

<u>Development Value</u>

4.6 The scheme includes 6 residential flats.

4.7 We have reviewed the information provided by RG in support of their Open Market Sales ('OMS') values and we have also undertaken our own research into recent transactions in the local area. We are of the view that the values proposed are below current market expectations. We have suggested some changes to the values proposed by RG, which are outlined in Section 7 of this report. Overall, our suggested revisions result in an increase of approximately £1.1m on the values proposed by RG, which reflects an increase of 25%.

4.8 The scheme does not include any on site affordable housing contribution.

Ground rents

4.9 The Leasehold Reform (Ground Rent) Act 2022 is now in full force. We therefore consider the omission of capitalised ground rents as being a reasonable assumption.

Development Costs

4.10 Our Cost Consultants, Concord Consulting Ltd ('CC'), have analysed the build cost plan for the proposed scheme prepared by PSP Consultants, dated October 2024, and conclude that:

"Based on the below figure of £2,322,954 divided by the GIA reported of 541m2; the out-turn cost equates to an all-in rate of 4,350/m2 or £404/ft2."

4.11 CC's resulting construction costs of £2,322,954 (inc. contingency), reflect a reduction of c. 3% to the Applicant's figure, which we consider to be within acceptable estimating margins. On this basis, we have adopted the Applicant's cost in our appraisal.

4.12 CC's full cost report can be found at Appendix 1.

4.13 We have reviewed the other costs outlined within the FVA and consider that professional fees should not exceed 10%. We find other professional fees to be in line within current market norms.

Recommendations

4.14 We have been provided with a live version of the Argus appraisal included in RG's report to which we have applied our amendments. These amendments are outlined in the table included at Section 2 and our revised appraisal is at Appendix 3.

4.15 After these changes, we identify a deficit of c. **-£0.5m**. On this basis we calculate that the scheme would not be able to contribute towards or provide affordable housing.

4.16 We have undertaken sensitivity analysis to test the impact of changes to sales revenue and construction costs on the scheme's viability. It can be seen that with a 5% reduction in the construction costs and a 5% increase in the sales revenue, the scheme would be in a surplus position.

	Build Cost				
Sales Revenue	-5.00%	-2.50%	0.00%	+2.50%	+5.00%
-5.00%	-£888,565	-£956,248	-£1,023,931	-£1,091,614	-£1,159,297
-2.50%	-£663,865	-£731,548	-£799,231	-£866,914	-£934,597
0.00%	-£439,165	-£506,848	-£574,531	-£642,214	-£709,897
+2.50%	-£214,465	-£282,148	-£349,831	-£417,514	-£485,197
+5.00%	£10,235	-£57,448	-£125,131	-£192,814	-£260,497

4.17 In the absence of agreement of the viability position, should the application proceed to committee, we strongly recommend that any approval be subject to the adoption of our viability figures for review purposes.

4.18 We recommend that if a policy compliant offer is not made, the scheme should be subject to pre-implementation and late stage reviews of viability in order that the viability can be assessed over the lifetime of the development.

5.0 Principles Of Viability Assessment

5.1 Development appraisals work to derive a residual value. This approach can be represented by the formula below:

Gross Development Value – Development Costs (including Developer's Profit)
= Residual Value

5.2 The residual value is then compared to a benchmark land value. Existing Use Value (EUV) and Alternative Use Value (AUV) are standard recognised approaches for establishing a land value as they help highlight the apparent differences between the values of the site without the benefit of the consent sought.

5.3 The rationale for comparing the scheme residual value with an appropriate benchmark is to identify whether it can generate sufficient money to pay a realistic price for the land whilst providing a normal level of profit for the developer. In the event that the scheme shows a deficit when compared to the benchmark figure the scheme is said to be in deficit and as such would be unlikely to proceed.

5.4 Development appraisals can also be constructed to include a fixed land value and fixed profit targets. If an appropriate benchmark is included as a fixed land value within a development appraisal this allows for interest to be more accurately calculated on the Benchmark Land Value, rather than on the output residual value. By including fixed profit targets as a cost within the appraisal, programmed to the end of development so as not to attract interest payments, the output represents a 'super' profit. This is the profit above target levels generated by the scheme which represents the surplus available towards planning obligations.

5.5 This Viability Review report adheres to the RICS Professional Statement on Financial Viability in Planning: Conduct and Reporting (published May 2019). In accordance with this Statement, Section 8 below incorporates details of our Quality Standards Control & Statement on Limitation of Liability/ Publication. This report has been prepared according to the Professional Statement's requirement for objectivity and impartiality, without interference and with reference to all appropriate available sources of information. Where information has not been obtainable, we have stated this expressly in the body of the report.

6.0 Benchmark Land Value

Viability Benchmarking

6.1 Planning Policy Guidance, published May 2019, states:

Benchmark land value should:

- *be based on existing use value*
- *allow for a premium to landowners (including equity resulting from those building their own homes)*
- *reflect the implications of abnormal costs; site-specific infrastructure costs; and professional site fees and*

Viability assessments should be undertaken using benchmark land values derived in accordance with this guidance. Existing use value should be informed by market evidence of current uses, costs and values. Market evidence can also be used as a cross-check of benchmark land value but should not be used in place of benchmark land value. These may be a divergence between benchmark land values and market evidence; and plan makers should be aware that this could be due to different assumptions and methodologies used by individual developers, site promoters and landowners.

The evidence should be based on developments which are fully compliant with emerging or up to date plan policies, including affordable housing requirements at the relevant levels set out in the plan. Where this evidence is not available plan makers and applicants should identify and evidence any adjustments to reflect the cost of policy compliance. This is so that historic benchmark land values of non-policy compliant developments are not used to inflate values over time.

[…] Where viability assessment is used to inform decision making under no circumstances will the price paid for land be a relevant justification for failing to accord with relevant policies in the plan. Local authorities can request data on the price paid for land (or the price expected to be paid through an option agreement).

6.2 The NPPF recognises the need to provide both landowners and developers with a competitive return. In relation to landowners this is to encourage landowners to release land for development. This is set out in PPG as follows:

To define land value for any viability assessment, a benchmark land value should be established on the basis of 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 fully comply with policy requirements. Landowners and site purchasers should consider policy requirements when agreeing land transactions. This approach is often called 'existing use value plus' (EUV+).*

6.3 The RICS Guidance Note 'Assessing viability in planning under the National Planning Policy Framework 2019 for England', published March 2021, supports the NPPG's definition of Benchmark Land Value.

6.4 NPPG further defines EUV as follows:

Existing use value (EUV) is the first component of calculating benchmark land value. EUV is the value of the land in its existing use. Existing use value is not the price paid and should disregard hope value. Existing use values will vary depending on the type of site and development types. EUV can be established in collaboration between plan makers, developers and landowners by assessing the value of the specific site or type of site using published sources of information such as agricultural or industrial land values, or if appropriate capitalised rental levels at an appropriate yield (excluding any hope value for development).

6.5 The Mayor of London's Affordable Housing and Viability SPG published August 2017 states a clear preference for using EUV as a basis for benchmarking development as this clearly defines the uplift in value generated by the consent sought. This is evidenced through the following extract:

The Mayor considers that the 'Existing Use Value plus' (EUV) approach is usually the most appropriate approach for planning purposes. It can be used to address the need to ensure that development is sustainable in terms of the NPPF and Development Plan requirements, and in most circumstances the Mayor will expect this approach to be used.

6.6 Guidance indicates that the sale of any premium should reflect the circumstances of the landowner. We are of the view that where sites represent an ongoing liability to a landowner and the only means of either ending this liability or maximising site value is through securing a planning consent this should be a relevant factor when considering whether a premium is applicable. This view is corroborated in the Mayor of London's Affordable Housing and Viability SPG which states:

Premiums above EUV should be justified, reflecting the circumstances of the site. For a site which does not meet the requirements of the landowner or creates ongoing liabilities/ costs, a *lower premium of no premium would be expected compared with a site occupied by profit-making businesses that require relocation. The premium could be 10 per cent to 30 per cent, but this must reflect site specific circumstances and will vary.*

6.7 While EUV is the primary approach to defining BLV, in some circumstances an Alternative Use Value approach can be adopted. This is the value of the land for a use other than its existing use. NPPG outlines:

If applying alternative uses when establishing benchmark land value these should be limited to those uses which would fully comply with up to date development plan policies, including any policy requirements for contributions towards affordable housing at the relevant levels set out in the plan.

[…] Plan makers can ser out in which circumstances alternative uses can be used. This might include if there is evidence that the alternative use would fully comply with up to date development plan policies, if it can be demonstrated that the alternative use could be implemented on the site in question, if it can be demonstrated there is market demand for that use, and if there is an explanation as to why the alternative use has not been pursued.

6.8 The RICS Guidance Note 'Assessing viability in planning under the National Planning Policy Framework 2019 for England', published March 2021, supports the definition of AUV from NPPG and reiterates that any AUV must reflect relevant policy requirements.

6.9 When adopting an AUV approach, the premium to the landowner is implicit and therefore an additional landowner premium should not be added as this would be double counting.

6.10 NPPG and RICS guidance are clear that if refurbishment or redevelopment is necessary to realise an existing use value then this falls under the AUV provision of NPPG and no landowner premium should be added.

<u>The Proposed Benchmark</u>

6.11 The benchmark proposed by GC for viability testing is based on the Existing Use Value approach. GD determined an EUV of £1.7m (£1,046psf) and a 20% Landowner's Premium.

6.12 Given that the comparable method was used to determine the house value, we would expect it to represent the Market Value of the property. Consequently, we do not consider the inclusion of the Landowner's Premium to be appropriate as it would essentially exceed its Market Value, which is not a realistic assumption.

6.13 The existing site comprises a 1,624 sqft (151 sqm) four-bedroom detached house, built in the early 1900s. According to the FVA the kitchen has recently been refurbished, but the remainder of the house requires modernisation. It benefits from a small garden at the rear.

6.14 We have received photos of the property showing it to be in good condition with areas that have visibly been recently refurbished.

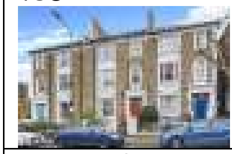
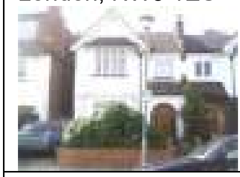
6.15 We note the current EPC rating of the property is E, which means that although the property is inefficient, it is still in a lettable and /or saleable state.

6.16 RG include comparable evidence in their report, showing houses sold between 2022 and 2023 in NW5. We consider evidence from 2022 to be overly historic for the purpose of the current assessment.

6.17 We have summarised the Applicant's evidence in the table below:

Address	Date Sold	Price Achieved	Size (sf)	£psf	Beds	Condition
23 Patshull Road, London, NW5 2JX	Nov-23	£2,650,000	3,157	£839.40	5	High standard, good condition
81 West Dartmouth Park Road, London, NW5 1SL	Sep-23	£1,846,000	1,012	£1,824.11	3	High Standard
49 Patshull Road, London, NW5 2JX	Sep-23	£2,000,000	1,853	£1,079.33	4	Dated Condition
2 Leighton Place, London, NW5 2QL	Dec-22	£1,050,000	1,011	£1,038.58	4	Reasonable, would benefit from modernisation
187 Leighton Road, London, NW5 2RD	Sep-22	£1,300,000	1,187	£1,095.20	3	Dated, would benefit from modernisation
13 Boscastle Road, London, NW5 1EE	Sep-23	£3,950,000	2,700	£1,462.96	5	High Standard
49 Dartmouth Park Hill, London, NW5 1JD c	Jul-23	£2,500,000	3,122	£800.77	5	High Standard
2a Boscastle Road, London, NW5 1EG	Dec-23	£2,621,000	1,960	£1,337.24	4	Good condition, would benefit from modernisation

6.18 We have also conducted our own research into comparable transactions and identified the following comparable evidence within 0.25 miles of the subject site:

Address	Date Sold	Price Achieved	Size (sf)	£psf	Beds	Condition
25, St Albans Road, London, NW5 1RG 	Dec 2024	£2,750,000	2,119	£1,298	4	Detached house. Includes spacious loft space (over 900 sq ft). Dated condition and required modernisation. Only one bathroom. Spacious rear garden.
47 Dartmouth Park Road, London, NW5 1SU 	Jan 2025	£3,700,000	2,023	£1,828	8	Terraced house including four bathrooms, three reception rooms, garage and a south facing garden. Significantly larger floorspace than the subject.
21, Brookfield Park, London, NW5 1ES 	Aug 2024	£2,175,000	1,711	£1,271	3	Semi detached house in a dated condition, requiring modernisation.
43, Twisden Road, London, NW5 1DL 	Dec 2024	£1,400,000	1,485	£942	4	Four-bed two-bathroom terraced house. Good condition but slightly dated interior. Benefits from a rear garden We consider the subject detached house would achieve a higher value.
27, Churchill Road, London, NW5 1AN 	Oct 2024	£1,245,000	1,388	£896psf	3	3 bedroom 2 bathroom terraced house, benefits from a rear garden. We consider the subject would achieve higher value on account of the larger floorspace and its detached character.

6.19 It can be seen that prices in the area achieved within the past two years range between £1,400,000- £3,950,000 (£896psf- £1,828psf). The value of £1.7m (£1,092psf) proposed by RG reflects a slight increase to 27 Churchill Road and 43 Twisden Road, both of which being smaller terraced houses.

6.20 Having analysed the above evidence, we found the value adopted by GC to fall within the general evidence tone.

7.0 Development Values

Open Market Sales ('OMS') Residential Values

7.1 The residential element of the proposed scheme, as sought by the planning application, is for 6 residential units comprising the following accommodation:

Unit no	Beds	Size (sm)	Size (sf)	Floor	Amenity
Unit 1	3	117	1259	GF	Private Terrace
Unit 2	1	61.8	665	1	Balcony
Unit 3	2	75.2	809	2	Balcony
Unit 4	2	75.2	809	2	Balcony
Unit 5	1	50.8	547	3	Balcony
Unit 6	2	82	883	4	Balcony

7.2 All flats are proposed for a private sale. RG attributed a GDV of £4,482,000 (c. £901psf) to the proposed scheme, however, it is unclear what assumptions have been made regarding individual unit values. We have not been provided with a detailed pricing schedule.

7.3 We note from the Design and Access Statement that the proposed scheme would offer a communal roof terrace. All units would be accessible via the communal entrance set in the centre of the 5-storey building. The core would include a communal staircase and a lift.

7.4 In support of the adopted GDV, RG include a range of second-hand asking and achieved prices in NW5 and NW6, summarised as follows:

- One Bed: £347,000- £740,000 (£574psf- £1,827psf)
- Two Bed: £435,000- £825,000 (£568psf- £970psf)
- Three Bed: £417,500- £1,335,000 (£448psf- £1,092psf)

7.5 Generally, we found that the majority of the evidence provided by RG comprises asking prices, which we considered with caution as these do not always translate into achieved values.

7.6 We have undertaken our own research into transactions in the area surrounding the subject site and have identified the following additional market evidence:

The Highgate Centre, 19- 37 Highgate Road, NW5 1LB

7.7 The scheme comprises 47 residential units, with 42 being delivered for a private tenure. The construction was completed in Q1 2025. 15 units (35%) have been purchased by March, all by UK buyers. We understand that the scheme launched on the 1st of March, which indicates that those units have been pre-sold or sold within one month.

7.8 The property is located within 0.6 miles of the subject site, by Kentish Town station, which we consider to be inferior to the subject.

7.9 We note from the Molior database that only asking prices are available, which we outline below. We consider this evidence with caution as asking prices do not always translate into achieved values:

	Max	Avg	Min	Av Size	Av £psf
1 Bedroom	£670,000	£628,750	£595,000	569	£1,105
2 Bedroom	£920,000	£847,857	£725,000	755	£1,123

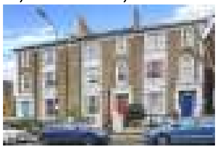
The Junction, 243 Junction Rd, N19 5QC

7.10 Residential block developed by Taylor Wimpey in 2013. Flats benefit from a balcony, however, there is no parking on site. The building is located within 0.5 miles of the subject site, by Tufnell Park. We consider the location to be inferior to the subject.

7.11 We have sourced the following resale prices achieved between 2023 and 2024 from the Molior database. We consider that the subject units would achieve higher values on account of superior condition and location:

	Beds	Size	Achieved Price	£psf
Apartment 7	2	764	£585,000	£766
Apartment 13	2	797	£580,000	£728
Apartment 14	Studio	398	£367,500	£923

7.12 We have also identified additional 2nd hand evidence located within 0.25 miles of the subject site, achieved, between 2023 and 2025:

Address	Condition	Beds	Size (sf)	Achieved Price	£psf
Flat 1, 3 Dartmouth Park Road, London, NW5 1SU 	Ground floor flat, EPC D. Condition is unknown. The property has gas central heating and no insulation. We would expect the subject to achieve a higher value on account of superior condition. It is also located a minute's walk from the subject site, which makes it highly comparable to the subject.	2	517	£615,000	£1,189
23, Carrol Close, London, NW5 1TF 	Ground floor flat, built between 60s and 70s. Condition unknown. Significantly smaller floor area in comparison to the subject 3 bedroom flat. We are of the opinion the subject would achieve higher values.	3	878	£575,000	£655
Crest View, 47, Flat 2, Dartmouth Park Hill, London, NW5 1JB 	Two-bedroom one bathroom purpose-built flat. EPC rating D. We consider the subject would achieve a higher value on account of superior condition.	2	850	£700,000	£823
Flat D, 38, Dartmouth Park Road, London, NW5 1SX 	The property is in a dated condition, it requires modernisation. Maisonette, split between 2nd and 3rd floor. We consider the subject would achieve a premium on account of superior condition.	2	887	£670,000	£755
71a, Dartmouth Park Road, London, Greater London NW5 1SL 	3 bedroom flat including patio, south facing garden, conservatory area. The property was sold in good condition, albeit not recently refurbished and some finishes appear slightly dated, It can be seen that the proposed 3- bedroom flat would be larger and of new build condition.	3	891	£933,550	£1,048
64a, Lady Somerset Road, London, NW5 1TU 	Ground floor flat, benefits from a garden and a small terrace. Well presented, albeit not recently refurbished. 103 years remaining on leasehold.	1	635	£622,500	£980

7.13 It can be seen that prices of flats in the area can be widely varied and there is a limited number of new-build or recently refurbished flats in the immediate vicinity of the site.

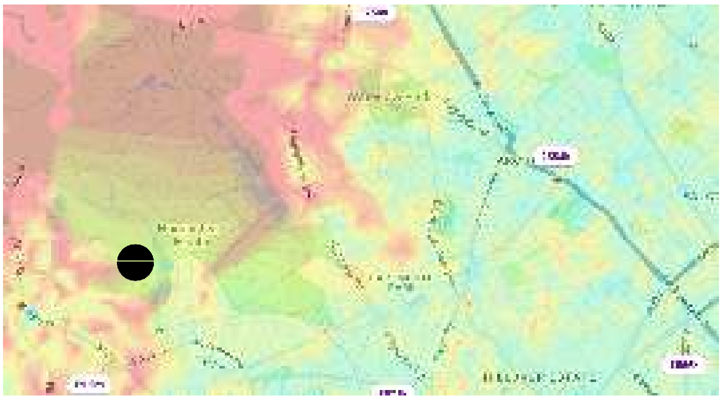
7.14 We note that the average asking price of a one-bedroom unit at the new built Highgate Central, is c. £630,000 (£1,105psf). Given that the subject site is located in a much more upmarket location, by Hampstead Heath, we consider that the proposed one-bedroom units would achieve higher values.

7.15 We also found 64a Lady Somerset Rd to be a good comparable. Comprising broadly similar size to the proposed one bedroom, but of inferior condition, it achieved a price exceeding the £900psf adopted by RG.

7.16 It can seen that two-bedroom units at the inferiorly located Highgate Central are currently being advertised at the average price of £847,857 (£1,123psf). We also found that Flat 1, 3 Dartmouth Park, which is a dated flat located within minutes of the site, achieved £1,189psf. Both figures exceed £900psf adopted by RG.

7.17 Having analysed the above evidence we consider 71a Dartmouth Park Road (£933,500) to be a good comparable given its proximity to the site. However, in our opinion the proposed scheme would achieve a higher value on account of its superior condition. We also found the Applicant's comparable of 17b Laurier Road (£1,335,000/ £1,092psf) to provide a good indicator given its similar size to the subject. We agree with RG that the proposed 3-bedroom flat would achieve a higher value on account of its superior condition.

7.18 We also would like to highlight that the position of the subject site is in a particularly upmarket part of the area, which is clear on the Heatmap below (sourced from Prime Location). With the absence of new build, good quality accommodation nearby, we would expect the subject to achieve a premium above the local market evidence:



7.19 Generally, we have found that the values proposed by RG are lower than our expectations. We do not consider a new-built premium has been appropriately factored in the RG's adopted figure.

7.20 Our revised values are as follows:

Unit no	Beds	Size (sf)	BPS' Values	£psf
Unit 1	3	1259	£1,400,000	£1,111
Unit 2	1	665	£750,000	£1,127
Unit 3	2	809	£900,000	£1,112
Unit 4	2	809	£900,000	£1,112
Unit 5	1	547	£700,000	£1,279
Unit 6	2	883	£950,000	£1,114
Total			£5,600,000	£1,126

7.21 Overall, the values reflect an increase of £1.1m (25%) on the values proposed by RG.

Ground Rents

7.10 The Leasehold Reform (Ground Rent) Act 2022 is now in force. Now the act is in force, any ground rent demanded as part of a new residential long lease cannot be for any more than a peppercorn (no financial value). Therefore, ground rents should no longer be included as a future revenue stream for planning & viability purposes. We understand the act covers single 'dwellings' and will therefore capture student and retirement accommodation providing they are occupied or intended to be occupied as single dwellings throughout England and Wales.

7.11 We therefore consider the omission of capitalised ground rents as being a reasonable assumption.

Parking

7.24 The proposed scheme does not include parking.

8.0 Development Costs

Construction Costs

8.1 Our Cost Consultants, Concord Consulting Ltd ('CC'), have analysed the build cost plan for the proposed scheme prepared by PSP Consultants, dated October 2024, and conclude that:

"Based on the below figure of £2,322,954 divided by the GIA reported of 541m2; the out-turn cost equates to an all-in rate of 4,350/m2 or £404/ft2."

8.2 CC's resulting construction costs of £2,322,954 (inc. contingency), reflect a reduction of c. 3% to the Applicant's figure, which we consider to be within acceptable estimating margins . On this basis, we have adopted the Applicant's cost in our appraisal.

8.3 CC's full cost report can be found at Appendix 1.

Additional Costs

8.4 RG have applied the following additional cost assumptions:

- Professional fees of 12%
- Marketing fees of 1%
- Sales agent fees of 1%
- Sales legal fees of 0.5%

8.5 Our Cost Consultant, CC, consider 10% professional fees to be more reasonable. Generally, we accept that the other percentages are realistic and in line with market norms.

8.6 CIL charges have been assumed at £322,026. We request the Council verify this amount.

8.7 Finance has been included at 9% assuming that the scheme is 100% debt financed. We consider this finance allowance to be overstated and find 7.5% to be more appropriate, albeit on the upper end of what we have seen to be accepted in other schemes.

Profit

8.8 The developer profit target adopted by RG is 20% on GDV, which is the maximum return that is allowed by PPG. Although this profit level could be accepted in circumstances where risk associated with the scheme is the highest, for example in a multi-phased scheme or where the tower is over 15-storeys high, the proposed development comprises a relatively small scheme, which is expected to be constructed within around a year. The risk associated with delivery is relatively low and a 17.5% profit is more appropriate, in line with other similar schemes agreed recently.

Development Timeframes

8.9 RG have adopted a pre-construction period of 6 months and a construction period of 9 months. Our Cost Consultant has reviewed the programme with reference to the BCIS duration indicator and concludes as follows:

"We would highlight that we have ran a BCIS duration calculator as per Appendix D for a contract value of £2,300,000; and the 90% confidence is an interval of 30 to 33 weeks; of which CCL would advise taking the mid-point of 31.5 Weeks"

8.10 On this basis, we have adopted a slightly reduced construction period of 8-months in our appraisal.

8.11 RG have adopted pre-sales of 25% and a sales period of 1-2 units per month (3 months post-completion sales period). Given that 35% of units have been sold off plan in the Highgate Central scheme, located within 0.6 miles of the subject site, we consider the rate adopted by RG to be understated.

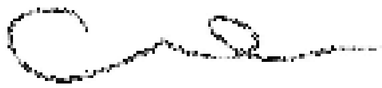
8.12 We have adopted a 40% rate in our appraisal and a 2-month post-completion sales period, which reflects c. 2 units per month.

9.0 Author Sign Off

9.1 This report is provided for the stated purpose and for the sole use of the named clients. This report may not, without written consent, be used or relied upon by any third party.

9.2 The author(s) of this report confirm that there are no conflicts of interest and measures have been put in place to prevent the risk of the potential for a conflict of interest. In accordance with the RICS Professional Statement *Financial Viability in Planning: Conduct and Reporting* September 2019, this report has been prepared objectively, impartially, and with reference to all appropriate sources of information.

9.3 The following persons have been involved in the production of this report:



Agnes Mrowiec MRICS
RICS Membership no. 6821180
For and on behalf of
BPS Chartered Surveyors

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RICS Membership no. 0095561
For and on behalf of
BPS Chartered Surveyors

May 2025

Appendix 1: Build Cost Report

Appendix 2: Glossary

Term	Definition (links provided for further information)
Actual Developer Return (or profit)	As opposed to target return, the actual return is what developers are due to receive from a development scheme.
Affordable Rent:	Affordable rent is rent that is set at up to 80% of market rent (including service charges). Includes SR, LAR and DMR housing.
Social Rent (SR)	Social rent is usually rent that is paid to registered providers and local authorities. It is low-cost rent that is set by a government formula.
London Affordable Rent (LAR)	London Affordable Rent (LAR) homes are rented by social landlords with rents capped at benchmark levels published by the Greater London Authority. They are lower than the 80% per cent of market rents at which affordable rents can be charged. The London Plan
Discounted Market Rent (DMR)	Usually at 80% or less of open market rent, or to LAR levels.
Alternative Use Value (AUV)	Ultimately, AUV considers other options for a property to ascertain the highest value and best use for the land. There's usually more than one thing that can be done to release value in a site, and it's logical that the landowner should consider all avenues before bringing a scheme forward. Government guidance allows viability assessors to consider the alternative use value of a building as a benchmark, provided this relates to a lawful use which complies with the adopted development plan. This alternative use can therefore be: - a legal permitted change of use or development (which does not require planning permission) - an existing planning permission (for example a smaller scheme) - or a proposal which fully complies with all development plan policies. Existing Use Value remains the preferred method of assessing BLV under PPG and AUV use is limited by a number of specific conditions. NPPG
Benchmark Land Value (BLV)	The benchmark land value (BLV) is the hypothetical land value used to assess planning viability; it does not include hope value. Established based on either the existing use value (EUV) or the Alternative Use Value (AUV) of the land and may include a Landowner Premium. NPPG
Construction Costs	Total build costs associated with the development.
Build to Rent (BTR)	Build to Rent is a property development that is designed with the sole intention of appealing to the rental market as opposed to long-term home ownership. The London Plan
Co-Living	the practice of living with other people in a group of homes that include some shared facilities (typically shared working, leisure spaces and kitchens). The London Plan
Community Infrastructure Levy (CIL)	The Community Infrastructure Levy (CIL) is a levy on development that councils across the country, are implementing. It helps to pay for local infrastructure including schools, paths, parks, open spaces and healthcare facilities.
Developer Return (or profit)	The amount or percentage return retained or retainable by the developer. NPPG
Developer return on cost	The amount of developer Return expressed as a percentage of Build Costs. NPPG
Developer return on GDV	The amount of Developer Return expressed as a percentage of GDV. NPPG
Development Appraisal	A financial appraisal of a development. It is normally used to calculate either the residual site value or the residual development profit, but it can be used to calculate other outputs. RICS Development Valuation
Existing Use Value (EUV)	What property or land is worth in its current form. In other words, the hypothetical price that it can be sold for on the open market, assuming it will only be used for the existing use for the foreseeable future and that no capital works will be undertaken. It excludes hope value for redevelopment. NPPG
Extra Care	The term 'extra care' housing is used to describe developments that comprise self-contained homes with design features and support services available to enable self- care and independent living.
Fair Value	'The price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date.' (This definition derives from international Financial Reporting Standards IFRS 13.) The Red Book

Gross Development Value (GDV)	The value of a development once construction has been completed, or the total sum of the sales values for the finished development. NPPG
Gross External Area (GEA)	Broadly speaking the whole area of a building taking each floor into account, including the thickness of the external walls. Most similar to IPMS 1. Code of Measuring Practice IPMS
Gross Internal Area (GIA)	Broadly speaking the whole enclosed area of a building taking each floor into account and excluding the thickness of the external walls. Most similar to IPMS 2. Code of Measuring Practice IPMS
Ground Rent	An additional amount which many people who own leasehold properties must pay. It's charged by a "landlord", although the more accurate term is perhaps "freeholder" – the person who owns the land, and ultimately owns the lease. No longer applied on new dwellings.
House of Multiple Occupation (HMO)	A property shared by at least 3 people who are not from 1 'household' (for example a family) and share facilities like the bathroom and kitchen. You must have a licence if you're renting out a large HMO in England or Wales. Your property is defined as a large HMO if all of the following apply: • it is rented to 5 or more people who form more than 1 household. • some or all tenants share toilet, bathroom, or kitchen facilities. • at least 1 tenant pays rent (or their employer pays it for them) The London Plan
Internal Rate of Return (IRR)	The rate of interest (expressed as a percentage) at which all future project cash flows (positive and negative) will be discounted in order that the net present value (NPV) of those cash flows, including the initial investment, be equal to zero. IRR can be assessed on both gross and net of finance. RICS Development Valuation
Shared Ownership (SO)	The purchaser pays a mortgage on the share they own and pays a subsidised rent to a housing association on the remaining share. The purchaser has the option to increase their share during their time in the property via a process known as 'staircasing', and in most cases can staircase all the way to 100%. It is a form of intermediate housing.
London Living Rent (LLR)	London Living Rent is a type of intermediate affordable housing for Londoners to build up savings to buy a home. London Living Rent provides rented homes on stable tenancies, with rents based on a third of local household incomes. It is a form of intermediate housing. The London Plan
ITZA	ITZA is surveyor-abbreviation meaning 'area in terms of Zone A'. Totalling the Zone A equivalent of each zone (i.e. Zone B/2, Zone C/4 etc) and expressing the total in terms of Zone A is a method of analysing rents. Code of Measuring Practice
Landowner Premium	The premium (or the 'plus' in EUV+) is a component of benchmark land value. It is the amount (if any) above existing use value (EUV) that goes to the landowner and reflects an incentive for the landowner to dispose of the land for development. NPPG
Market Value	The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion. The Red Book
National Planning Policy Framework (NPPF)	The revised National Planning Policy Framework sets out government's planning policies for England and how these are expected to be applied. National Planning Policy Framework
Net Internal Area (NIA)	Broadly speaking the usable area within a building measured to the face of the internal finish of perimeter or party walls, excluding corridors and WCs etc and taking each floor into account. Most similar to IPMS 3. Code of Measuring Practice IPMS
Net Sales Area (NSA)	Net Sales Area is the GIA of a new or existing residential dwelling, including basements, mezzanines, galleries and hallways, but excluding garages, conservatories, balconies, outbuildings, terraces and restricted height areas under 1.5m. Code of Measuring Practice
Net Lettable Area (NLA)	As above, expressing the area to be rentalised. Code of Measuring Practice
Planning Obligations	Planning obligations are legal obligations entered into to mitigate the impacts of a development proposal. This is usually via s106 agreement. Planning obligations run with the land, are legally binding and enforceable. They can include affordable housing, infrastructure contributions, CIL etc.
NPPG	The National Planning Practice Guidance adds further context to the National Planning Policy Framework (NPPF) and it is intended that the two documents should be read together. Plan makers must have regard to national policies and advice contained in the guidance when developing their plans. The guidance is also a 'material consideration' when taking decisions on planning applications. This means that if a local policy is deemed out of date, local authorities may be directed by the national guidance's requirements.

Open Market Sale (OMS)	Housing that is to be sold at Market Value.
Residual Value	The amount remaining once the gross development cost of a project is deducted from its gross development value (GDV) and an appropriate return has been deducted. RICS Development Valuation
Retirement Living	A retirement village or development built specifically for older adults - often those aged 55, 60 or 65 and over. They come with a range of superb facilities and can offer on-site care.
RICS	Royal Institution of Chartered Surveyors.
Target Developer Return (or profit)	The target profit required by the developer. NPPG
The Red Book	The Red Book is issued by RICS and details mandatory practices for RICS members undertaking valuation services. It also offers a useful reference resource for valuation users and other stakeholders. The Red Book
Zoning	In retail property valuation, Zoning is the area closest to the street and the most valuable area of retail, with the value decreasing with distance from the frontage: Zone B is the next 6 metres and then Zone C until the entire depth of the retail area is allocated into a zone. Anything after Zone C is usually delegated as the remainder (of space). Code of Measuring Practice

The above definitions are indicative only and are not to be relied upon. Professional advice should always be sought.

Cost Plan
Analysis Report

On

Lamorna Dartmouth Park

For

BPS

Prepared by
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Tel: 01858 683220

Date: 01/05/2025
Ver: 01

Version	Date	Description	Created by	Verified By	Approved By
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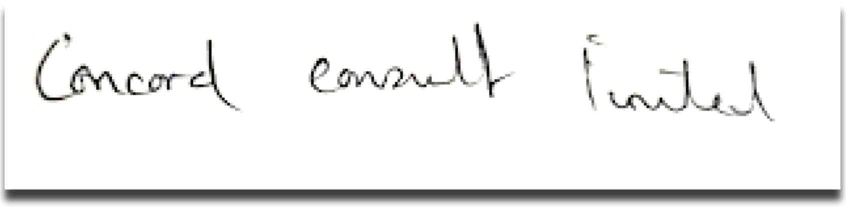
This document has been prepared and checked in accordance with the Concord Consult Limited Quality Assurance procedures and authorised for release.



Signed: ....

For and on behalf of Concord Consult Limited

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Contents

1 INTRODUCTION

1.1 Concord Consult Limited (hereafter, CCL) Cost Management Department were appointed to review PSP Elemental Cost Plan dated October 2024. The scheme comprises Demolition of an existing family dwelling and construction of a five storey plus basement building providing six residential units.

1.2 The brief was to undertake a review of the construction costs within the estimate provided. The review *includes:*

- *Reviewing overall content, rates and prices.*
- *Comparing the overall pricing with benchmark data.*
- *Review of project durations.*
- *Identification of potential cost savings.*
- *Inflation Indices Review where appropriate:*
  a. *PSP Cost Plan Base Date October 2024 (4Q 2024 – TPI 397) to Current Date (2Q 2025 – TPI 401).*

1.3 A spot check review of the specific quantities and scope has been carried out by CCL but not a full re-measure.

1.4 CCL were provided with copies of the following *documents:*

- *112_LAM_A001_P_Demolish-A001*
- *112_LAM_A100_P_Existing-A100*
- *112_LAM_A100_P_Existing-A101*
- *112_LAM_A100_P_Existing-A102*
- *112_LAM_A100_P_Existing-A103*
- *112_LAM_A100_P_Existing-A104*
- *112_LAM_A110_P_Proposed-A110*
- *112_LAM_A110_P_Proposed-A111*
- *112_LAM_A110_P_Proposed-A112*
- *112_LAM_A110_P_Proposed-A113*
- *112_LAM_A110_P_Proposed-A114*
- *112_LAM_A110_P_Proposed-A115*
- *112_LAM_A110_P_Proposed-A116*
- *112_LAM_A110_P_Proposed-A117*
- *112_LAM_A200_P_Existing Elevations-A200*
- *112_LAM_A200_P_Existing Elevations-A201*
- *112_LAM_A200_P_Existing Elevations-A202*
- *112_LAM_A200_P_Existing Elevations-A203*
- *112_LAM_A210_P_Proposed Elevations-A210*
- *112_LAM_A210_P_Proposed Elevations-A211*
- *112_LAM_A210_P_Proposed Elevations-A212*

- *112_LAM_A210_P_Proposed Elevations-A213*
- *112_LAM_A210_P_Proposed Elevations-A214*

CCL were provided with copies of the following *documents*: (Continued)

- *112_LAM_A300_P_Existing Section-A300*
- *112_LAM_A310_P_Proposed Section-A310*
- *112_LAM_Location Plan*
- *Roscoe Group Financial Viability Assessment Dated October 2024.*

1.5 A site visit has not been undertaken by CCL, and the exercise has been desktop based as our instruction and based upon information referred to within 1.4.

1.6 The Site is located on the south side of Dartmouth Park Road to the east of the junction with Highgate Road in the London Borough of Camden. 1.1.2. The site currently comprises a two-storey detached residential dwelling (Use Class C3) 1.1.3. The proposed scheme comprises the demolition of the existing family dwelling and construction of a new five-storey plus basement residential building comprising six self-contained residential dwellings.

2 REVIEW OF OVERALL CONTENT, RATES AND PRICES

2.1 The produced *PSP Estimate Base Date (4Q 2024 – TPI 397)* is appraised within this report for representative pricing and due analysis against benchmark data; and uplifted as appropriate to current date 2Q 2025 (TPI 401), please refer to Appendix A for Indices utilised for inflation calculations.

2.2 The scheme comprises the demolition of the existing family dwelling and construction of a new five-storey plus basement residential building comprising six self-contained residential dwellings.

2.3 The level of design information provided is reasonably detailed on the planning application with exception to mechanical and electrical and structural designs; please note levels of specification have not been cross checked as part of the review, however, we have assumed a mid to high range specification as part of the review where detailed breakdown provided.

2.4 We have re-formatted the estimate data to enable an easy point of reference when benchmarking against BCIS average prices; ensuring the total cost and subsequent £/m2 and £/ft2 excludes enabling works, facilitating works, contingencies and abnormal costs to enable direct comparison with BCIS average prices. The £/m2 on this basis is £4,209/m2 which would appear high sitting between the upper quartile and highest cost as BCIS average price data:

- Median - £2,219
- Upper Quartile - £2,652
- Highest - £4,894

3 ANALYSIS OF FEASIBILITY ESTIMATE

3.1 Benchmark

3.1.1 CCL undertook arithmetical check was undertaken on the provided estimate. We identified that the allowance in the building services tab for 'Testing and Commissioning' at 2.5% of cost; equating to £7,711.63; did not carry through to the main summary, CCL have corrected this position as part of overall exercise.

3.1.2 CCL also identified was an inconsistency in the presentation of costs, with preliminaries, overhead and profit, and risk all priced singularly on base build costs; CCL corrected this position as part of the appraisal and main conclusion in accordance with RICS New Rules of Measurement 1.

3.1.3 The total forecast construction cost at 4Q 2024 *'as received'* for the proposed scheme as per Appendix A is £2,396,592.91 which equates to £4,488/m2 based on the reported GIA of 534/m2. However, for benchmarking purposes facilitating works, external works, abnormals, contingencies and inflation are excluded. When this adjustment is made the comparable construction cost is £2,120,563 which equates to £3,971/m2. If you compare the above benchmark rate of £3,971/m2 specifically against the BCIS benchmark rates for new 3-5 storey dwellings the cost sits between the upper quartile and highest costs as 2 (2.4).

3.1.4 A review has been undertaken on the Estimate for each building element; pertinent points post-review referenced within section 3.2.

3.2 Rate & Quantum Review

Conducted 2Q 2025

Note: All Rates have been appraised and reviewed at 2Q 2025 against pre-book data, tendered rates and live project data. Adjusted cost plan can be referred to within Appendix A for full detail of quantum x rate.

Note: If items rates are not individually commented on; it can be deemed CCL concur are reflective.

Substructure

3.2.1 We have adjusted the rate for the ground floor slab to £195/m2, thus generating a potential saving of £9,812.

3.2.2 We have adjusted the sheet pile perimeter rate to £140/m2; thus, generating a potential saving of £9,886.

Upper Floors

3.2.3 We have adjusted the rates for timber upper floors to £130/m2 and insulation to £16/m2 respectively, thus generating a potential saving of £8,704.

Roof

3.2.4 We have adjusted the timber roof structure rate to £65/m2; thus, generating a potential saving of £8,343.

3.2.5 We have adjusted the single ply membrane rate to £42/m2; thus, generating a potential saving of £10,600.

3.2.6 We have adjusted the roof parapet rate to £115/m; thus, generating a potential saving of £3,254.

3.2.7 We have adjusted the balustrade / railing rate to £240m; thus, generating a potential saving of £7,249.

Stairs & Ramps

3.2.8 We have adjusted the balustrade/ railing rate to staircases as (3.2.7); thus, generating a potential saving of £5,460.

External Walls

3.2.9 We would query the basis of the £15k lump sum allowance for RHW enclosure.

Windows & External Doors

3.2.10 We have adjusted the window rate to £550/m2; thus, generating a potential saving of £24,302

Services

3.2.11 As highlighted within 3.1.1 there was an arithmetical error with the testing and commissioning not being included within the main summary; thus, adding a cost of £7,711.

Preliminaries

3.2.12 We have removed the allowance for temporary services, the site appears to be serviced currently and therefore is deemed not required. See main conclusion for this adjustment. The reduction equates to preliminaries cost of £298,898 which is representative of 16.9% preliminaries which does not appear unreasonable.

3.2.13 <u>Figure 1 - Summary of Adjustments</u>

	Element	Potential
	Lamorna	
3.2.1	Ground Floor Slab	£9,812
3.2.2	Sheet Piles	£9,886
3.2.3	Upper Floors	£8,704
3.2.4	Timber Roof Structure	£8,343
3.2.5	Single Ply Membrane	£10,600
3.2.6	Roof Parapet	£3,254
3.2.7	Balustrade Railing (1)	£7,249
3.2.8	Balustrade Railing (2)	£5,460
3.2.9	QUERY – Basis of £15k Lump Sum Allowance	TBC
3.2.10	Windows	£24,302
3.2.11	Arithmetical Error '*Testing and Commissioning*'	-£7,711
	Sub-Total (Potential Savings to Base Cost)	**£79,899**

4 CONCLUSION

4.1 The benchmark analysis shows that the original rate received of £3,971/m2 as Appendix B sits between the upper quartile and highest costs as 2 (2.4). Once CCL have adjusted and adjusted / removed costs for benchmarking purposes as Appendix B (facilitating works, external works, contingency) the comparable rate is £3,789/m2 which is still between the upper quartile and highest cost; however, this is due to the location, constraints of the site and basement construction required, which is all deriving this higher rate.

4.2 Adjustments have been made to the Base Costs as 3.2.13 and summarised in figure 2.

4.3 Based on the below figure of £2,322,954 divided by the GIA reported of 541m2; the out-turn cost equates to an all-in rate of 4,350/m2 or £404/ft2.

4.4 We would highlight that we have ran a BCIS duration calculator as per Appendix D for a contract value of £2,300,000; and the 90% confidence is an interval of 30 to 33 weeks; of which CCL would advise taking the mid-point of 31.5 Weeks (See Appendix D).

4.5 *Figure 2 – Final Position*

	Element	Potential Savings (£)
	Lamorna	
	Base Cost	£1,838,465
	Deductions (3.2.16)	-£79,899
	Adjusted	**£1,759,000**
	Preliminaries (Reduced, see 3.2.12)	£298,988
	Overhead and profit (7.5%)	£154,349
	Professional Fees	Excluded
	Contingency	£110,617
	Adjusted Value	**£2,322,954**
	£/m2	***£4,350***
	£/ft2	***£404***

APPENDIX A

CCL Detailed Reconciliation As Received Vs. Adjusted

Appendix A - CCL Reconcilitaion (Lamorna)	*Lamorna [4Q 24]*			*CCL Re-Appraised [2Q 25]*		
	GIA	5748	534		5748	534
	£	£/ft2	£/m2	£	£/ft2	£/m2
0 Facilitating Works	£ 30,000	£ 5.22	£ 56.18	£ 30,000.0	£ 5.22	£ 56.18
1 Substructure	£ 277,500	£ 48.28	£ 519.66	£ 258,000	£ 44.89	£ 483.15
2 Superstructure		£ -			£ -	
2A Frame		£ -	£ -		£ -	£ -
2B Upper Floors	£ 132,378	£ 23.03	£ 247.90	£ 123,674	£ 21.52	£ 231.60
2C Roof	£ 106,744	£ 18.57	£ 199.90	£ 77,299	£ 13.45	£ 144.75
2D Stairs & Ramps	£ 39,705	£ 6.91	£ 74.35	£ 34,245	£ 5.96	£ 64.13
2E External Walls	£ 302,079	£ 52.55	£ 565.69	£ 302,079	£ 52.55	£ 565.69
2F External Windows and Doors	£ 97,768	£ 17.01	£ 183.09	£ 73,466	£ 12.78	£ 137.58
2G Internal Walls and Partitions	£ 86,785	£ 15.10	£ 162.52	£ 86,785	£ 15.10	£ 162.52
2H Internal Doors	£ 26,700	£ 4.65	£ 50.00	£ 26,700	£ 4.65	£ 50.00
3 Finishes		£ -			£ -	£ -
3A Wall Finishes	£ 64,135	£ 11.16	£ 120.10	£ 64,135	£ 11.16	£ 120.10
3B Floor Finishes	£ 57,921	£ 10.08	£ 108.47	£ 57,921	£ 10.08	£ 108.47
3C Ceiling Finishes	£ 25,970	£ 4.52	£ 48.63	£ 25,773	£ 4.48	£ 48.26
4 Fittings and Furnishings	£ 91,840	£ 15.98	£ 171.99	£ 91,840	£ 15.98	£ 171.99
5 Services		£ -			£ -	£ -
5A Sanitary Appliances	£ 45,240	£ 7.87	£ 84.72	£ 45,240	£ 7.87	£ 84.72
5B Services Equipment	£ -	£ -	£ -		£ -	£ -
5C Disposal Installations	£ 12,510	£ 2.18	£ 23.43	£ 12,510	£ 2.18	£ 23.43
5D Water Installations	£ 114,032	£ 19.84	£ 213.54	£ 114,032	£ 19.84	£ 213.54
5E Heat Source	£ -	£ -	£ -		£ -	£ -
5F Space Heating and Air Conditioning	£ -	£ -	£ -		£ -	£ -
5G Ventilating Systems	£ -	£ -	£ -		£ -	£ -
5H Electrical Installations	£ 126,923	£ 22.08	£ 237.68	£ 126,923	£ 22.08	£ 237.68
5I Fuel Installations	£ -	£ -	£ -		£ -	£ -
5J Lift and Conveyor Installations	£ 55,000	£ 9.57	£ 103.00	£ 55,000	£ 9.57	£ 103.00
5K Fire and Lightning Protection	£ -	£ -	£ -		£ -	£ -
5L Communications and Security Installations	£ -	£ -	£ -		£ -	£ -
5M Special Installations	£ -	£ -	£ -		£ -	£ -
5N Builder's Work in Connection		£ -	£ -		£ -	£ -
5O Management of the Commissioning of Services		£ -	£ -	£ 7,712	£ 1.34	£ 14.44
Building Sub-total	***£ 1,693,230***	***£ 294.58***	***£ 3,170.84***	***£ 1,613,332***	***£ 280.68***	***£ 3,021.22***
6 External Works		***0***			***0***	***0***
6A Site Preparaion Works	5,000	£ 0.87	£ 9.36	£ 5,000	£ 0.87	£ 9.36
6B Roads, paths, pavings and surfacings	2,408	£ 0.42	£ 4.51	£ 2,408	£ 0.42	£ 4.51
6C Soft Landscapes, planting and irrigation	10,000	£ 1.74	£ 18.73	£ 10,000	£ 1.74	£ 18.73
6D Fencing, railings and walls	4,610	£ 0.80	£ 8.63	£ 4,610	£ 0.80	£ 8.63
6E Demolition and Work Outside the Site		£ -	£ -			
6F External fixtures	15,150	£ 2.64	£ 28.37	£ 15,150	£ 2.64	£ 28.37
6G External Drainage	48,000	£ 8.35	£ 89.89	£ 48,000	£ 8.35	£ 89.89
6H External Services	60,500	£ 10.53	£ 113.30	£ 60,500	£ 10.53	£ 113.30
6I Minor Building Works & Ancillary Buildings		£ -	£ -			
Building + Externals Sub-total	***1,838,898***	***£ 319.92***	***£ 3,443.63***	***£ 1,759,000***	***£ 306.02***	***£ 3,294.01***
7 Preliminaries [Detailed build-up on 52 Wks]	309,387	£ 53.83	£ 579.38	£ 298,988	£ 52.02	£ 559.90
8 OH&P [7.5%]	138,000	£ 24.01	£ 258.43	£ 154,349	£ 26.85	£ 289.04
9 Professional Fees	-	£ -	£ -		£ -	£ -
Total (Excl contingencies)	***2,286,285***	***£ 397.76***	***£ 4,281.43***	***£ 2,212,337***	***£ 384.89***	***£ 4,142.95***
10 Contingencies	110,308	£ 19.19	£ 206.57	£ 110,617	£ 19.24	£ 207.15
Total (Contingency)	***2,396,593***	***416.95***	***4,488.00***	***£ 2,322,954***	***404.14***	***4,350.10***

APPENDIX B

CCL BCIS Benchmark

Appendix B - CCL Reconcilitaion (BCIS Lamorna)	Lamorna [4Q 24]			CCL Re-Appraised [2Q 25]		
	GIA	5748	534		5748	534
	£	£/ft2	£/m2	£	£/ft2	£/m2
0 Facilitating Works		£ -	£ -		£ -	£ -
1 Substructure	£ 277,500.00	£ 48.28	£ 519.66	£ 258,000.00	£ 44.89	£ 483.15
2 Superstructure		£ -			£ -	
2A Frame		£ -	£ -		£ -	£ -
2B Upper Floors	£ 132,378.00	£ 23.03	£ 247.90	£ 123,673.88	£ 21.52	£ 231.60
2C Roof	£ 106,744.00	£ 18.57	£ 199.90	£ 77,298.80	£ 13.45	£ 144.75
2D Stairs & Ramps	£ 39,705.00	£ 6.91	£ 74.35	£ 34,245.00	£ 5.96	£ 64.13
2E External Walls	£ 302,079.00	£ 52.55	£ 565.69	£ 302,078.70	£ 52.55	£ 565.69
2F External Windows and Doors	£ 97,768.00	£ 17.01	£ 183.09	£ 73,465.50	£ 12.78	£ 137.58
2G Internal Walls and Partitions	£ 86,785.00	£ 15.10	£ 162.52	£ 86,785.10	£ 15.10	£ 162.52
2H Internal Doors	£ 26,700.00	£ 4.65	£ 50.00	£ 26,700.00	£ 4.65	£ 50.00
3 Finishes		£ -			£ -	
3A Wall Finishes	£ 64,135.00	£ 11.16	£ 120.10	£ 64,134.60	£ 11.16	£ 120.10
3B Floor Finishes	£ 57,921.00	£ 10.08	£ 108.47	£ 57,921.24	£ 10.08	£ 108.47
3C Ceiling Finishes	£ 25,970.00	£ 4.52	£ 48.63	£ 25,969.54	£ 4.52	£ 48.63
4 Fittings and Furnishings	£ 91,840.00	£ 15.98	£ 171.99	£ 91,840.00	£ 15.98	£ 171.99
5 Services		**£ -**			**£ -**	
5A Sanitary Appliances	£ 45,240.00	£ 7.87	£ 84.72	£ 45,240.00	£ 7.87	£ 84.72
5B Services Equipment	£ -	£ -	£ -		£ -	£ -
5C Disposal Installations	£ 12,510.00	£ 2.18	£ 23.43	£ 12,510.00	£ 2.18	£ 23.43
5D Water Installations	£ 114,032.00	£ 19.84	£ 213.54	£ 114,032.25	£ 19.84	£ 213.54
5E Heat Source	£ -	£ -	£ -		£ -	£ -
5F Space Heating and Air Conditioning	£ -	£ -	£ -		£ -	£ -
5G Ventilating Systems	£ -	£ -	£ -		£ -	£ -
5H Electrical Installations	£ 126,922.91	£ 22.08	£ 237.68	£ 126,922.91	£ 22.08	£ 237.68
5I Fuel Installations	£ -	£ -	£ -		£ -	£ -
5J Lift and Conveyor Installations	£ 55,000.00	£ 9.57	£ 103.00	£ 55,000.00	£ 9.57	£ 103.00
5K Fire and Lightning Protection	£ -	£ -	£ -		£ -	£ -
5L Communications and Security Installations	£ -	£ -	£ -		£ -	£ -
5M Special Installations	£ -	£ -	£ -		£ -	£ -
5N Builder's Work in Connection		£ -	£ -		£ -	£ -
5O Management of the Commissioning of Services		£ -	£ -	£ 7,711.63	£ 1.34	£ 14.44
Building Sub-total	***£ 1,663,229.91***	***£ 289.36***	***£ 3,114.66***	***£ 1,583,529.15***	***£ 275.50***	***£ 2,965.41***
6 External Works		***0***			***0***	***0***
6A Site Preparaion Works		£ -	£ -		£ -	£ -
6B Roads, paths, pavings and surfacings		£ -	£ -		£ -	£ -
6C Soft Landscapes, planting and irrigation		£ -	£ -		£ -	£ -
6D Fencing, railings and walls		£ -	£ -		£ -	£ -
6E Demolition and Work Outside the Site		£ -	£ -		£ -	£ -
6F External fixtures		£ -	£ -		£ -	£ -
6G External Drainage		£ -	£ -		£ -	£ -
6H External Services		£ -	£ -		£ -	£ -
6I Minor Building Works & Ancillary Buildings		£ -	£ -		£ -	£ -
Building + Externals Sub-total	***£ 1,663,229.91***	***£ 289.36***	***£ 3,114.66***	***£ 1,583,529.15***	***£ 275.50***	***£ 2,965.41***
7 Preliminaries [Detailed build-up on 52 Wks]	£ 309,387.00	£ 53.83	£ 579.38	£ 298,988.38	£ 52.02	£ 559.90
8 OH&P [7.5%]	£ 147,946.27	£ 25.74	£ 277.05	£ 141,188.82	£ 24.56	£ 264.40
9 Professional Fees	£ -	£ -	£ -		£ -	£ -
Total (Excl contingencies)	***£ 2,120,563.18***	***£ 368.93***	***£ 3,971.09***	***£ 2,023,706.35***	***£ 352.08***	***£ 3,789.71***
10 Contingencies [6%]		£ -	£ -			
Total (Contingency)	***2,120,563.18***	***368.93***	***3,971.09***	***2,023,706.35***	***352.08***	***3,789.71***

APPENDIX C

BCIS Average Prices

BCIS®

£/M2 STUDY

Description: Rate per m2 gross internal floor area for the building Cost including prelims.

Last updated: 19-Apr-2025 07:44

Rebased to 2Q 2025 (401; forecast) and Camden (129; sample 53)

MAXIMUM AGE OF RESULTS: DEFAULT PERIOD

Building function (Maximum age of projects)	£/m² gross internal floor area						Sample	
	Mean	Lowest	Lower quartiles	Median	Upper quartiles	Highest		
New build								
816. Flats (apartments)								
Generally (15)	2,384	1,237	1,960	2,231	2,701	8,083	746	
1-2 storey (15)	2,279	1,367	1,904	2,140	2,615	4,507	157	
3-5 storey (15)	2,347	1,237	1,952	2,219	2,652	4,894	500	
6 storey or above (15)	2,781	1,705	2,201	2,637	3,020	8,083	87	

APPENDIX D

BCIS Duration Calculator

New Build, Construction

LAMORNA

The estimated construction duration from Start on Site to Construction Completion is 32 weeks
(this is an average for the project as described below).

The 90% confidence interval for this estimate is 30 to 33 weeks.

Individual projects will take more or less time than the average: the 90% prediction interval for individual projects is 18 to 54 weeks.

The estimate is based on the following project details:

Contract value: £2,300,000 at 2Q 2025 (401; forecast) prices and Camden (129; sample 53) level

Building function: Offices

Procurement: Design and build

Selection of contractor: Single stage tendering

Client organisation: Private

Appendix 3: BPS Appraisals

APPRAISAL SUMMARY	BPS SURVEYORS

Lamorna
Dartmouth Park

Appraisal Summary for Phase 1

Currency in £

REVENUE

Sales Valuation	**Units**	**ft²**	**Sales Rate ft²**	**Unit Price**	**Gross Sales**
Private Sale	6	4,973	1,126.08	933,333	5,600,000

NET REALISATION				**5,600,000**
OUTLAY				
ACQUISITION COSTS				
BLV		1,700,000		
BLV			1,700,000	
				1,700,000
Stamp Duty			117,750	
Effective Stamp Duty Rate		6.93%		
Agent Fee		1.50%	25,500	
				143,250
CONSTRUCTION COSTS				
Construction	**ft²**	**Build Rate ft²**	**Cost**	
Private Sale	5,749	416.80	2,396,160	
Borough CIL			288,306	
Mayoral CIL			33,720	
				2,718,186
PROFESSIONAL FEES				
Other Professionals		10.00%	239,616	
				239,616
MARKETING & LETTING				
Marketing		1.00%	56,000	
				56,000
DISPOSAL FEES				
Sales Agent Fee		1.00%	56,000	
Sales Legal Fee		0.50%	28,000	
				84,000
Additional Costs				
Profit on GDV		17.50%	980,000	
				980,000
FINANCE				
Debit Rate 7.500%, Credit Rate 0.000% (Nominal)				
Land			166,999	
Construction			68,999	
Other			17,482	
Total Finance Cost				253,479
TOTAL COSTS				**6,174,531**
PROFIT				
				(574,531)
Performance Measures				
Profit on Cost%		-9.30%		
Profit on GDV%		-10.26%		
Profit on NDV%		-10.26%		
IRR% (without Interest)		-8.75%		
Profit Erosion (finance rate 7.500)		N/A		