

Financial Viability Assessment

Nutfield Green Park,
Former Laporte Works Site
Nutfield,
Surrey,
RH1 4HF

Nutfield Park Developments Limited

June 2024

Private and Confidential

Quality Assurance

Date of Report:

June 2024

Version:

Final

Filename and Path:

L:_Client Projects\2404 Nutfield Green Park, Surrey_FVA_Nutfield Park Developments\Reports\240617 Nutfield Green Park Surrey FVA Nutfield Park Developments_Redacted_v2.docx

Prepared by:

Tom Melbourne BSc (Hons), Consultant

Date:

June 2024

Checked by:

Matthew Olive BSc (Hons) MSc MRICS, Associate Director

Date:

June 2024

Authorised by:

Parminder Dosanjh BSc (Hons) DipTP MSc MRTPI MRICS, Executive Director

Date:

June 2024

Limitation

This report has been prepared on behalf of and for the exclusive use of Aspinall Verdi Limited's Client and it is subject to and issued in connection with the provisions of the agreement between Aspinall Verdi Limited and its Client. Aspinall Verdi Limited accepts no liability or responsibility whatsoever for or in respect of any use of or reliance upon this report by any third party.

Contents

Executive Summary

Report

1	Introduction	1
	RICS Practice Statement	2
2	Scheme Details	6
	Site Location	6
	Proposed Scheme	7
3	Planning Policy Requirements	11
	NPPF (2023)	11
	PPG – Viability (2024)	11
	Tandridge District Local Development Plan	14
	Community Infrastructure Levy	16
	Planning History	17
4	Gross Development Value Assessment	19
	National & Regional Context	19
	New-Build Flatted Achieved Values	20
	New-Build Flatted Listings	24
	New-Build Housing Achieved Values	27
	New-Build Housing Listings	31
	New-Build Retirement Unit Achieved Values	34
	Retirement Unit Flatted Listings	37
	Residential Market Conclusion	38
	Self-Build Plots	40
	Affordable Housing	41
	Care Home Land Receipt	41
	Commercial / Medical Market Review	41
5	Cost & Value Analysis	43
	Costs	43
	Revenue	48
	Summary	50
6	Benchmark Land Value	52
	AVL Assessment of BLV	53
7	Conclusions & Recommendations	54
	Appraisal Outputs	54
	Sensitivity Analysis	54
	Conclusion	55

Tables & Figures

Table 1.1 – Summary of Appraisal Inputs	vi
Figure 2.1 - Location Map	6
Figure 2.2 – Site Location	7

Figure 2.3 – Proposed Site Plan	8
Table 2.1 – Proposed Outline Unit Mix	9
Figure 3.1 - Planning Policy Map	15
Table 3.1 - Tandridge CIL Rates 2014	16
Table 3.2 – Planning History	17
Figure 4.1 – Land Registry Average Values	20
Figure 4.2 - New-Build Flatted Scheme Locations	21
Table 4.1 – New-Build Flatted Transactional Data	21
Figure 4.3 - New-Build Flatted Listing Locations	24
Table 4.2 - New-Build Flatted Listing Prices	24
Figure 4.4 - New-Build Houses Scheme Locations	27
Table 4.3 – New Build House Sale Comparable Data	28
Figure 4.5 - New-Build Housing Listing Locations	31
Table 4.4 - New-Build Housing Listing Prices	31
Figure 4.6 - New-Build Retirement Transactions Scheme Locations	34
Table 4.5 – New-Build Retirement Transactional Data	35
Figure 4.7 - New-Build Retirement Listing Locations	37
Table 4.6 - New-Build Retirement Listing Prices	37
Table 4.7 – Apartments, Houses & Retirement Proposed Values	39
Table 4.8 - Self-Build & Custom Plot Listings	40
Table 4.9 – Medical Lease Transactions	42
Table 5.1 – AVL Adopted BCIS Construction Cost	44
Table 5.2 - Preparation Works Summary	45
Table 5.3 – Proposed Highway Works Summary	46
Table 5.4 – Appraisal Input Summary	50
Table 7.1 – Appraisal Outcome	54
Figure 7.1 – Sensitivity Analysis	55

Appendices

Appendix 1 – AVL Terms of Business
Appendix 2 – Comparable Data
Appendix 3 – Value Schedule
Appendix 4 – BCIS Cost Data
Appendix 5 – Applicant Cost Information
Appendix 6 - AVL Development Appraisal

Executive Summary

ES 1 This non-technical summary is to be read in conjunction with the main report, general assumptions, and definitions attached.

ES 2 AspinallVerdi have been instructed by Nutfield Park Developments Ltd (hereafter referred to as "the Applicant") to undertake a financial viability assessment (FVA) of the proposed development at Former Laporte Works Site, Nutfield Road, Nutfield, RH1 4HF. We understand the planning application (REF: 2023/1281) seeks outline permission for the following:

'Outline planning permission for the development of the site for new homes (Use Class C3) and Integrated Retirement Community (Use Classes C2, E(e), F2), creation of new access, landscaping and associated works to facilitate the development, in phases which are severable (Outline with all matters reserved, except for Access).'

ES 3 The site extends to 58.8 hectares and currently comprises a mix of grassland and woodland, along with some remaining infrastructure from the former minerals and landfill works towards the southern end. The proposed development concerns approximately 7 hectares of the total site area (c. 12%), with the remaining 52-hectares retained as open space, and includes the following:

- 166no. residential units (including market sale & affordable housing)
- 70no. care home beds (C2)
- 41no. extra care facility beds
- Up to 1,500 sqm of Class E(e) space and / or flexible F2 floorspace, including a health care and community facility
- Sustrans cycle network
- Electric mini-bus shuttle system

ES 4 Certain S106/S278 obligations will be expected for the development based on planning policy. These include the delivery of a contribution towards affordable housing. Paragraph: 002 Reference ID: 10-002-20190509 of the PPG (2019) states that:

'Policy requirements, particularly for affordable housing, should be set at a level that takes account of affordable housing and infrastructure needs and allows for the planned types of sites and development to be deliverable...'

ES 5 Local planning policy requires that affordable housing and developer contributions are delivered as part of new development in Tandridge District. The Applicant has confirmed that the proposed scheme can meet all policy requirements (e.g. S106 costs / CIL / affordable housing) and therefore the purpose of this report is to demonstrate the scheme is not only viable but also deliverable. We have calculated the financial viability using ARGUS Developer model. We have

taken into account our views / analysis on residential values, benchmark land value, construction and other costs and the values on completion. Table 1.1 summarises the aggregated costs and values within our appraisals.

Table 1.1 – Summary of Appraisal Inputs

Component	Cost / Value (£)
Gross Development Value ¹	£95,561,263
Gross Development Costs ²	£93,374,338
Benchmark Land Value	£nil
Target Profit (blended)	15.5% on GDV
Surplus / Deficit	+£2,186,925

Source: AVL, 2024.

Recommendations

ES 6 Our review has identified that the proposed scheme is viable with a fully policy-compliant level of affordable housing, in addition to the S106 contributions and wider amenities. The Applicant is not only committed to delivering these benefits as part of the proposed development but also create a highly sustainable community.

ES 7 Our appraisals show that the scheme produces a surplus of £2,186,925. This is based on our assessment of achievable sales values and offers received for certain aspects of the scheme. Our appraisals include BCIS cost data in addition to detailed costs produced in respect of the preparation, enabling and highway works required in order to build the scheme.

ES 8 Given the nature of the proposal site and in the interest of viability, our appraisal does not include a BLV; however, given that a viability surplus of c. £2.3m is generated as well as a developer profit of c. £14m, this suggests that there is an appropriate level of return being achieved for the Applicant. The Applicant can therefore confirm that they are able to meet all the required planning policy requirements.

ES 9 We trust that our report is in a format suitable for your purposes and that it provides all the relevant information. Should you have any questions or queries in respect of the scheme or the contents

¹ Including revenue from disposal of market sale units, affordable housing, retirement living, extra care land receipt, commercial uses, management charges and grant funding (less purchasers' costs)

² Including construction costs, preparation works, enabling works, highways costs, contingency, professional fees, S106, CIL, disposal costs and finance

of this report, please do not hesitate to contact Parminder Dosanjh (Executive Director) or Tom Melbourne (Consultant).

Nutfield Park Developments Limited,
46 High Street,
Esher,
Surrey,
KT10 9QY

Clerkenwell Workshops
27-31 Clerkenwell Close
London
EC1R 0AT

0207 183 7580
parm@aspinallverdi.co.uk
www.aspinallverdi.co.uk

1 Introduction

1.1 We refer to your instructions dated 5 March 2024, requesting a Financial Viability Assessment (FVA) of the proposed development at Nutfield Green Park, Former Laporte Works Site, Nutfield Road, Nutfield, Surrey, RH1 4HF. The planning application (REF: 2023/1281) seeks outline permission for the following:

'Outline planning permission for the development of the site for new homes (Use Class C3) and Integrated Retirement Community (Use Classes C2, E(e), F2), creation of new access, landscaping and associated works to facilitate the development, in phases which are severable (Outline with all matters reserved, except for Access).'

1.2 The site extends to 58.8 hectares and currently comprises a mix of grassland and woodland, along with some remaining infrastructure from the former minerals and landfill works towards the southern end. The proposed development concerns approximately 7 hectares of the total site area (c. 12%), with the remaining 52-hectares retained as open space, and includes the following:

- 166no. residential units (including market sale & affordable housing)
- 70no. care home beds (C2)
- 41no. extra care facility beds
- Up to 1,500 sqm of Class E(e) space and / or flexible F2 floorspace, including a health care and community facility
- Sustrans cycle network
- Electric mini-bus shuttle system

1.3 Certain S106/S278 obligations will be expected for the development based on planning policy. These include the delivery of a contribution towards affordable housing. Paragraph: 002 Reference ID: 10-002-20190509 of the PPG (2019) states that:

'Policy requirements, particularly for affordable housing, should be set at a level that takes account of affordable housing and infrastructure needs and allows for the planned types of sites and development to be deliverable...'

RICS Practice Statement

1.4 Our FVA is carried out in accordance with the following:

- National Planning Policy Framework (NPPF, updated December 2023);
- Planning Practice Guidance on Viability (PPG, February 2024);
- RICS Financial Viability in Planning: Conduct and Reporting Professional Standard (September 2019); and,
- RICS Assessing financial viability in planning under the National Planning Policy Framework 2019 for England, Professional Standard (March 2021).

Objectivity, Impartiality and Reasonableness

1.5 We have carried out our review in collaboration with the Applicant / Landowner and their consultancy team. At all times we have acted with objectivity, impartiality and without interference when carrying out our review.

Confirmation of Instructions

1.6 We attach our terms of engagement in Appendix 1. We confirm that in the preparation of this report, no performance-related or contingent fees have been agreed.

Conflict of Interest

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

Transparency of Information

1.8 Transparency and fairness are key to the effective operation of the planning process. The presumption is that viability assessments will be published in full, except where this may compromise the delivery of the proposed application scheme or infringe other statutory and regulatory requirements.

1.9 In this instance, we understand that the Applicant has requested that certain components within this viability assessment are not published on the basis that they contain commercially sensitive, scheme-specific data including information pertaining to land negotiations and affordable housing offers. Such circumstances are cited within both the Viability PPG and RICS Professional Standard as examples of commercially sensitive information, and putting these details within the public domain may prejudice negotiations, influence the delivery of the scheme and adversely affect the Applicant's interests.

1.10 Further, the NPPF states that, 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.

In this instance, the Applicant is not seeking to depart from the contributions expected from Local Plan policies, and hence, in accordance with Paragraph 58 of the NPPF, the proposed scheme is deemed to be viable without the need for an accompanying assessment. Nonetheless, to assist with the Council's decision-making, the Applicant has commissioned this assessment to demonstrate not only the viability but the deliverability of the proposed scheme.

1.11 Accordingly, it is considered that exceptional circumstances exist that exempt the full assessment from being published. In accordance with Paragraph 021 of the Viability PPG, an executive summary has been provided which contains aggregated figures to alleviate concerns with commercial sensitivity.

Previous Engagement

1.12 We confirm that we have not previously been instructed by the Applicant to provide viability advice in respect of the proposed scheme.

Information Relied Upon

1.13 For the purposes of our appraisals, we have relied on the following information and data:

- Design & Access Statement & Drawings: Adam Architecture
- Planning Statement: hgh Consulting
- Affordable Housing Statement: Tetlow King
- Highway Consultants: SLR

1.14 The information above is logged electronically and can be provided should it be required.

Engagement

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

Authors

1.16 This report has been jointly prepared by:

- Parminder Dosanjh, BSc (Hons) DipTP MSc MRTPI MRICS, Executive Director
- Matthew Olive, BSc (Hons) MSc MRICS, Associate Director
- Tom Melbourne, BSc (Hons), Consultant

1.17 Parm has over 25 years' experience in the planning and development field, with a proven track record of advising on high-profile development schemes. He is a Chartered Surveyor as well as a Chartered Town Planner. Parm has worked throughout England advising public and private sector clients on development feasibility, viability and in particular the delivery of regeneration

development sites, including advice on securing public sector funding. He acts for both public and private sector clients.

- 1.18 Parm currently advises and manages a number of local authority financial viability contracts, including Central Bedfordshire Council, Elmbridge BC, Fareham BC, Harborough DC Reigate & Banstead BC and a number of the Hertfordshire Councils. He has advised on schemes range in size from 5 units up to 3,000 units and including a range of typology e.g. houses, apartments, retirement living, BTR and Co-Living as well as mixed use schemes including commercial uses. He also advises local authorities on the viability of Local Plans and therefore has a detailed understanding the implications of policy on viability in plan making.
- 1.19 Matthew is a Chartered Surveyor and RICS Registered Valuer with extensive experience in undertaking site-specific viability assessments for both private and public sector clientele. He has advised on a range of residential and mixed-use schemes, from off-site contributions for smaller developments (<10 units) to larger strategic sites delivering thousands of homes and key infrastructure. Matthew has acted as an expert witness at planning inquiry and attended several appeal hearings in respect of viability matters. He has a sound understanding of viability in planning and the requirements of this type of assessment.
- 1.20 Tom has worked on several site-specific viability assessments for planning applications involving market sale, build-to-rent, retirement living, mixed-use and commercial development typologies. Tom is currently undertaking his 24-month structured training and is preparing to sit the RICS Assessment of Professional Competence (APC).
- 1.21 As a company, AspinallVerdi is a specialist practice of Chartered Surveyors and Town Planners providing fully integrated services to a wide range of local, regional and national clients across both the public and private sectors. We have extensive experience in undertaking viability assessments, either on behalf of local authorities or for private sector clients to assist with the planning process. In addition, our staff work on a wider range of development, regeneration, valuation and economic development projects which enable us to bring expertise and broader knowledge of large-scale developments and how these can be delivered. We have undertaken viability assessments for both public and private sector clients on schemes ranging from 5no. to 3,000no. residential units, as well as mixed-use schemes including commercial space.
- 1.22 We are an RICS Regulated firm and are actively involved in shaping guidance on viability in planning. Atam Verdi, Chairman, is credited as part of the working group involved in the 'RICS Assessing Viability in Planning under the National Planning Policy Framework 2019 for England' Professional Standard, which is the primary RICS publication for assessing viability in planning. AspinallVerdi therefore have a sound understanding of the requirements of the professional standard and its application in practice.

Applicant Profile

- 1.23 Nutfield Park Developments Ltd are committed to creating a highly sustainable community whilst delivering significant environmental enhancements on the site for the benefit of existing residents, as well as future residents and the local area. The Applicant's vision for the scheme is to achieve high standards of design and sustainability to ensure positive contributions to the area, delivering a beautiful, healthy and enjoyable place to live, work and visit.
- 1.24 The Applicant team are based locally in Surrey and comprise a range of experience and expertise in housebuilding, land remediation / restoration and sustainable drainage making them suitable to lead, deliver, and manage the development now and in the future.
- 1.25 The development team comprises some of the UK's leading Consultants, Land remediation, and Residential development experts. The Directors and Associates have over 50 years' experience in specialist civil engineering work and working with leading Architects on sensitively designed projects.
- 1.26 The approach to this site has been one of consideration and respect for the nature and needs of the local community. The team has engaged with all the key statutory authorities to work up a holistic design that provides a benefit for so many. The cost of providing these benefits is incorporated within this viability study.
- 1.27 Importantly, the Applicant will provide long-term stewardship of the development and the wider site. This will create long-term governance and self-sustaining community stewardship for the management and maintenance of the community assets, including all open space and the woodlands, as well as design coding of the self-build elements of the proposed development.

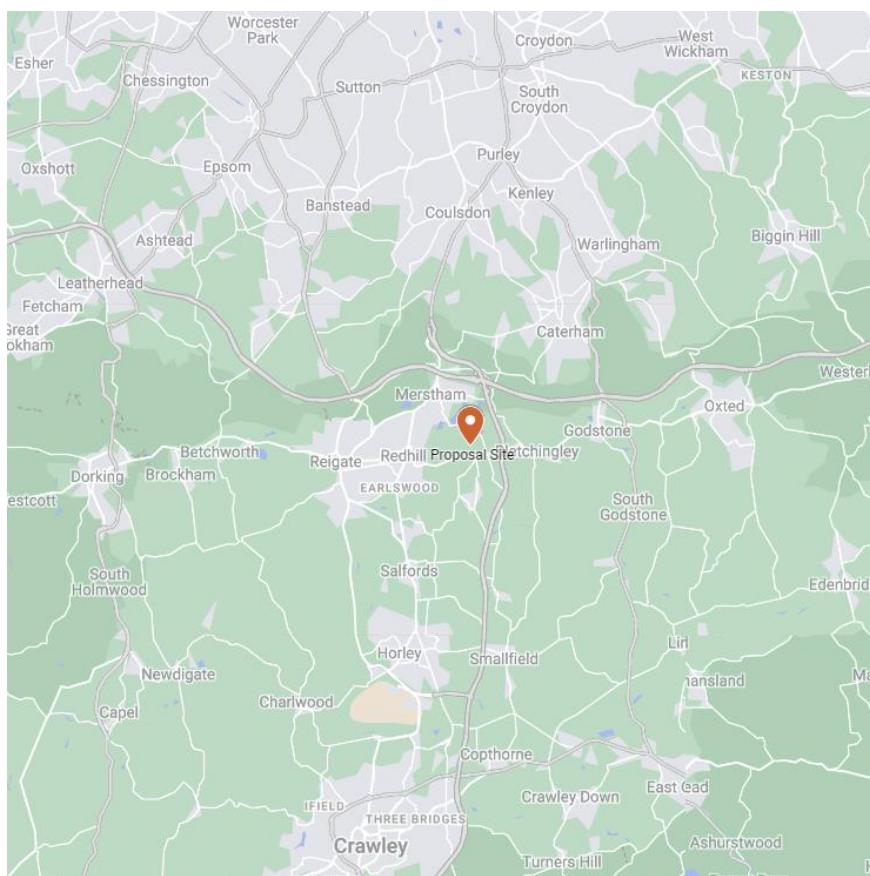
2 Scheme Details

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

Site Location

2.2 The site is within the locality of Nutfield; a town and civil parish within the Tandridge District of Surrey, approximately 2-miles east of Redhill and 12-miles north of Crawley. Nutfield is located on the southern side of the M25, and c. 21-miles south of Central London. The macro location is shown in Figure 2.1.

Figure 2.1 - Location Map



Source: Google MyMaps, 2024.

2.3 The site is positioned to the north of Nutfield Village which comprises lower-density residential uses and local services which are surrounded by larger areas of open space / agricultural land. The 58.8-hectare site currently comprises a mix of grassland, woodland and waterbodies, as well as the remnants of the former Laporte Works – a decommissioned mineral extraction and processing site. We understand the site is partly accessible to the public with a number of rights of way.

2.4 The site is reasonably well connected to public transport links. Redhill train station is located c. 2.1-miles west of the proposal site and provides Southern Railway services to London Victoria, Bedford (via London Bridge), Peterborough and Gatwick Airport. Several bus stops are also located nearby providing routes to Redhill, Gatwick and Reigate, amongst other local destinations.

2.5 The site's immediate surroundings are shown in Figure 2.2. The site is bound to the north by Chilmead Lane, along with a number of detached and semi-detached properties and a public house. The east of the site is bound by Nutfield Marsh Road and collections of terraced and semi-detached residential properties. Nutfield Village extends along the southern boundary of the site and contains a mix of residential properties, along with several local services including a public house, veterinary clinic and coffee shop. The western boundary is predominantly defined by landfill and waste management sites, on the adjacent side of Cornmongers Lane. Please note, the boundary shown in Figure 2.2 is for indicative purposes only.

Figure 2.2 – Site Location



Source: hgh, 2023.

Proposed Scheme

2.6 The application (REF: 2023/1281) seeks outline planning permission for the following:

'Outline planning permission for the development of the site for new homes (Use Class C3) and Integrated Retirement Community (Use Classes C2, E(e), F2), creation of new

access, landscaping and associated works to facilitate the development, in phases which are severable (Outline with all matters reserved, except for Access).'

2.7 The proposed development concerns approximately 7 hectares of the site (c. 12%), with the remaining 52-hectares retained as open space. We understand that the proposed development seeks permission for the following:

- 166no. residential units (including market sale & affordable housing)
- 70no. care home beds (C2)
- 41no. extra care facility beds
- Up to 1,500 sqm of Class E(e) space and / or flexible F2 floorspace, including a health care and community facility
- Sustrans cycle network
- Electric mini-bus shuttle system

2.8 Figure 2.3 shows the proposed site plan.

Figure 2.3 – Proposed Site Plan



Source: Adam Architecture, 2023.

2.9 The developable area is focussed towards the southern part of the site, close to the existing services and infrastructure in Nutfield village. The primary vehicular access points to the development are provided off the A25 Nutfield Road, which runs to the south of the site. There

are also a number of pedestrian access walkways at various points along the site's perimeter. We understand the Applicant is also committed to providing an electric mini-bus shuttle service for the residents of Nutfield and those at the proposed development, along with a Sustrans cycle network.

Unit Mix

2.10 The specific number and mix of units are matters which will be confirmed once a detailed design has been developed for the scheme. However for the purpose of the outline application and this viability assessment, an illustrative accommodation schedule has been prepared based on local policy, national guidance and market conditions.

2.11 For this assessment, it has been assumed that the proposed residential accommodation comprises a mix of 1, 2, 3, 4 and 5-bed units, in the form of apartments and terraced, semi-detached and detached houses. The proposed 41no. retirement units all comprise 2-bed apartments, while the 70-bed care home is made up of 1-bed units.

2.12 The outline accommodation schedule is detailed in Table 2.1. Please note that this does not include the 70no. bed care home. Should the proposed unit mix, numbers or sizes change then we reserve the right to amend our report accordingly.

Table 2.1 – Proposed Outline Unit Mix

Type	No. Units	Size Range (sqft)	Total NIA
			(sqft)
1-Bed Apartment	18	538 - 560	9,838
2-Bed Apartment	32	753	24,111
2-Bed Terrace House	27	850	22,959
2-Bed Semi-Detached House	10	883	8,826
2-Bed Detached House	6	893	5,360
3-Bed Semi-Detached House	37	1,001	37,039
3-Bed Detached House	6	1,100	6,600
3-Bed Detached (self-build)	1	1,100	1,100
4-Bed Detached House	13	1,500	19,500
4-Bed Detached (self-build)	5	1,500	7,500
5-Bed Detached House	9	1,700	15,300
5-Bed Detached (self-build)	2	1,700	3,400

2-Bed Retirement Living Apartment	41	947	38,836
Total	207	538 – 1,700	200,369

Source: Nutfield Park Developments Ltd, 2023.

2.13 The proposed NIA at outline stage and for the purpose of this assessment amounts to an estimate of 115,588 sqft for the houses and 33,954 sqft for the residential apartments. We have assumed a GIA of 40,745 sqft for the residential apartments based on a gross-to-net ratio of 80%. The 41no. retirement units have a GIA of approximately 50,000 sqft, equalling a gross-to-net ratio of 78%.

3 Planning Policy Requirements

3.1 In this section, we set out the relevant planning policy in respect of the scheme's viability.

NPPF (2023)

3.2 Paragraphs 55 – 58 deal with planning conditions and obligations under the revised National Planning Policy Framework. Within this section, we note that there is no longer a 'Paragraph 173' which, under the previous NPPF, referred to providing competitive returns to landowners and developers. The wording within this paragraph was geared towards policies not undermining viability and thus enabling development. Whilst Paragraph 57 of the revised NPPF sets out the conditions on how planning obligations are sought (i.e. being 'fair and reasonable'), the emphasis is on strengthening planning policy rather than allowing obligations to be negotiated, which is instead established further through the PPG (discussed shortly).

3.3 It is stated under paragraph 58 that, 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. Paragraph 58 continues to state that it is the Applicant's responsibility to justify the need for a viability assessment at the application stage, further strengthening the weight given to the viability testing at the plan-making stage.

3.4 In this instance, the Applicant is not seeking to depart from the contributions expected from Local Plan policies, and hence, in accordance with Paragraph 58 of the NPPF, it can instead be deemed that the proposed scheme is viable and therefore deliverable without the need for an accompanying assessment. Nonetheless, to assist with the Council's decision-making, the Applicant has commissioned this assessment to demonstrate the viability and deliverability of the proposed scheme.

3.5 Paragraph 66 of the NPPF requires that, where major development involving the provision of housing is proposed, planning policies and decisions should expect at least 10% of the homes to be available for affordable homeownership.³ This is unless additional contributions to affordable housing would exceed the level required in the given area, or prejudice the ability to meet affordable housing needs of specific groups.

PPG – Viability (2024)

3.6 In addition to the revised NPPF, the Ministry of Housing, Communities and Local Government have updated the Planning Practice Guidance (PPG) on viability, setting out key principles for viability in plan making and decision taking.

³ As part of the overall affordable housing contribution from the site.

3.7 National Policy is seeking to ensure that policy requirements are taken into consideration when land is valued and purchased, and this is reiterated on multiple occasions within the revised PPG. Further, it clearly states that 'the price paid for land is not a relevant justification for failing to accord with relevant policies in the plan.'⁴

3.8 National Policy is aiming to create an environment where viability assessments are only required at the decision-taking stage in exceptional circumstances. Should viability assessments be provided at the decision taking-stage, then the PPG reinforces the responsibility of the Applicant to provide evidence and to be transparent in terms of the assumptions behind the evidence provided.⁵

3.9 Paragraph 010 of the PPG describes the principles for carrying out a viability assessment, stating:

*'viability assessment is a process of assessing whether a site is financially viable, by looking at whether the value generated by a development is more than the cost of developing it.'*⁶

3.10 Paragraph 010 also states that the principles of carrying out viability assessments, namely proportionately and transparency are 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 the maximum benefits in the public interest through the granting of planning permission'*⁷

3.11 Paragraphs 011 and 012 define how the gross development value and costs should be defined for the purposes of viability assessments.

3.12 Paragraph 021 of the PPG has regard to whether a viability assessment should be publicly available, stating the following:

'Any viability assessment should be prepared on the basis that it will be made publicly available other than in exceptional circumstances. Even in those circumstances an executive summary should be made publicly available. Information used in viability assessment is not usually specific to that developer and thereby need not contain commercially sensitive data. In circumstances where it is deemed that specific details of an assessment are commercially sensitive, the information should be aggregated in published viability assessments and executive summaries, and included as part of total costs figures. Where an exemption from publication is sought, the planning authority must be satisfied that the information to be excluded is commercially sensitive. This might include information relating to negotiations, such as ongoing negotiations over land purchase, and information relating to compensation that may be due to individuals, such

⁴ MHCLG, 2019. *Planning Practice Guidance – Viability*. (Paragraph: 002, Reference ID: 10-002-20190509)

⁵ MHCLG, 2019. *Planning Practice Guidance – Viability*. (Paragraph: 008, Reference ID: 10-008-20190509)

⁶ Paragraph: 010 Reference ID: 10-010-20180724, Revision date: 24 07 2018

⁷ MHCLG, 2019. *Planning Practice Guidance – Viability*. (Paragraph: 010, Reference ID: 10-010-20180724)

as right to light compensation. The aggregated information should be clearly set out to the satisfaction of the decision maker. Any sensitive personal information should not be made public.'

Benchmark Land Value

3.13 The PPG defines the benchmark land value (BLV) for any viability assessment as the existing use value (EUV) of the land, plus a premium for the landowner.⁸ The BLV should reflect the implications of abnormal costs; site-specific infrastructure costs; and professional site fees.⁹

3.14 In establishing Benchmark Land Values, Paragraph 014 states:

*'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. There 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'.*

*'this 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.'¹⁰*

3.15 Paragraph 014 also reiterates that in 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 or promotion agreement).¹¹

3.16 Paragraph 015 defines EUV as follows:

*'[...] 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.'*¹²

3.17 Paragraph 016 defines the premium to the landowner:

*'The premium (or the 'plus' in EUV+) [...] is the amount above existing use value (EUV) that goes to the landowner. The premium should provide a **reasonable incentive** for a*

⁸ Paragraph: 013 Reference ID: 10-013-20190509, Revision date: 09 05 2019

⁹ Paragraph: 014 Reference ID: 10-014-20190509, Revision date: 09 05 2019

¹⁰ Paragraph: 014 Reference ID: 10-014-20190509, Revision date: 09 05 2019

¹¹ Paragraph: 014 Reference ID: 10-014-20190509, Revision date: 09 05 2019

¹² Paragraph: 015 Reference ID: 10-015-20190509, Revision date: 09 05 2019

*land owner to bring forward land for development while allowing a **sufficient contribution to fully comply with policy requirements.***

Developer's Return / Profit

3.18 The PPG also defines developer's return / profit for the purposes of viability assessment at the plan-making stage. The key points are:

- The cost of fully complying with policy requirements should be accounted for in the benchmark land value.
- For the purpose of plan-making, an assumption of 15 – 20% of gross development value (GDV) may be considered a suitable return to developers.
- 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 the 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.¹³

3.19 There is no specific profit guidance at the decision-taking stage but we have considered the above principles in our assessment.

Tandridge District Local Development Plan

3.20 The adopted development plan within Tandridge District comprises the following:

- Tandridge District Core Strategy (October 2008);
- Local Plan Part 2: Detailed Policies 2014-2029 (July 2014); and
- Tandridge District Planning Policy Map (2018).

3.21 We summarise the parts of the development plan relevant to this viability assessment in the sections below.

Tandridge District Core Strategy (2008)

3.22 The Tandridge District Core Strategy was adopted in October 2008 and covers the period to 2026. The document forms part of the Local Development Framework (LDF).

3.23 In regards to affordable housing provision, Policy CSP 4 of the Core Strategy states:

'In order to maximise the supply of affordable housing the Council will require:

¹³ Paragraph: 018 Reference ID: 10-018-20190509, Revision date: 09 05 2019

- *on sites within the built up areas of 15 units or more or sites of or greater than 0.5 hectare; and*
- *on sites within the rural areas (see Annex 3) of 10 units or more that up to 34% of the dwellings will be affordable.'*

3.24 In the case of the proposed scheme, we understand the Applicant is proposing to deliver up to 36% affordable housing across all C3 uses, thus exceeding the requirement set out in Policy CSP 4.

3.25 Policy CSP 11 of the Core Strategy (2008) states that developments will be required to make contributions towards improved infrastructure and services necessary to support the proposed development. Our assessment has included contributions for both CIL and S106.

Tandridge Local Plan Part 2: Detailed Policies (2014)

3.26 The Tandridge Local Plan Part 2: Detailed Policies was adopted in July 2014 and outlines the Council's overarching policy for assessing development proposals across the District. Figure 3.1 shows the location of the site in the Planning Policy Map.

Figure 3.1 - Planning Policy Map



Source: Tandridge District Council, 2018.

3.27 The site falls within the green belt (light green shading), under policy DP10 of the Local Plan Part 2 (2014). Policy DP10 states that:

'Within the Green Belt, planning permission for any inappropriate development which is, by definition, harmful to the Green Belt, will normally be refused. Proposals involving inappropriate development in the Green Belt will only be permitted where very special circumstances exist, to the extent that other considerations clearly outweigh any potential harm to the Green Belt by reason of inappropriateness and any other harm.'

3.28 The site also falls within a biodiversity opportunity area (brown hashed lines) and a site of nature conservation importance (purple outline), under Policy DP19 of the Local Plan Part 2 (2014) and Policy CSP17 of the Core Strategy. Policy DP19 of the Local Plan Part 2 (2014) states that:

'There will be a presumption in favour of development proposals which seek to:

1. *Protect, enhance or increase the provision of, and access to the network of multi-functional Green Infrastructure (GI);*
2. *Promote nature conservation and management;*
3. *Restore or create Priority Habitats; or*
4. *Maximise opportunities for geological conservation.'*

3.29 Policy CSP17 of the Core Strategy states:

'Development proposals should protect biodiversity and provide for the maintenance, enhancement, restoration and, if possible, expansion of biodiversity, by aiming to restore or create suitable semi-natural habitats and ecological networks to sustain wildlife in accordance with the aims of the Surrey Biodiversity Action Plan'

'The Council will seek to enhance biodiversity by supporting the work of the Downlands Countryside Management Project and by supporting Local Nature Reserves and Community Wildlife Areas.'

Community Infrastructure Levy

3.30 Tandridge District Council adopted their CIL Charging Schedule on 24th July 2014 which applies to all permissions granted from 01 December 2014. The schedule sets variable rates relative to the type of development, as shown in Table 3.1.

Table 3.1 - Tandridge CIL Rates 2014

Use	Charge (£ / psm)
All Residential Development	£120
Convenience Retail	£100
Comparison Retail	Nil

Offices	Nil
All Other Uses	Nil

Source: Tandridge District Council, 2014.

3.31 CIL Regulations require that rates are inflated to reflect the current market. Paragraph: 104, Reference ID:25-104-20190901 of the PPG (2019) states that:

'In calculating individual charges for the levy, Schedule 1 requires collecting authorities to apply an index of inflation to each relevant CIL rate to keep the levy responsive to market conditions. From 1 January 2020, the index is the RICS CIL Index published by the Royal Institution of Chartered Surveyors. This annual index figure will be published on or around 1 November each year and will apply from 1 January of the following year. The latest RICS CIL Index figure is available on the RICS website.'

'Before 2020, the index figure is the figure for 1 November for the preceding calendar year in the national All-in Tender Price Index published by the Royal Institution of Chartered Surveyors.'

3.32 For the purpose of our assessment, the Applicant's Planning Consultants, hgh, have provided a CIL estimate of £2,113,855 in respect of the proposed scheme. hgh's CIL estimate includes a contribution for the 41 no. retirement units and the medical / pharmacy unit. The Council's CIL Charging Schedule excludes sheltered / retirement housing and extra care accommodation from being liable for CIL charges. Similarly, we would expect the healthcare unit to fall under the 'all other uses' category of the charging schedule which has £nil charge. However, for the purpose of our assessment, we have erred on the side of caution and included CIL charges for these uses based on comparable rates.

3.33 Please note, the responsibility for determining the exact contribution(s) sought from the proposed development is with the Council's CIL Officer and we reserve the right to amend these figures if necessary.

Planning History

3.34 Table 3.2 sets out the site's relevant planning history.

Table 3.2 – Planning History

REF	Description	Decision
2021/1040	Construction and operation of Nutfield Green Park with access from Nutfield Road and Nutfield Marsh Road comprising the construction of an outdoor activity park using imported inert materials, the operation of an outdoor activity park, the construction and operation of an associated	Refused – September 2021

wellbeing centre (GP surgery, pharmacy, community diagnostic hub, community shop, restaurant/cafe, creche, office hub, event space, indoor and outdoor gyms together with ancillary uses such as 2 staff accommodation units, treatment rooms and storage) together with development of up to 239 residential units, a 70 bedroom rehabilitation and respite care facility with an associated up to 100 extra care units and staff accommodation for up to 21 staff together with infrastructure, landscaping and open space. (Outline for Access and Layout)

Source: Tandridge District Council, 2024

3.35 We understand the scheme (REF: 2021/1040) was refused in September 2021 on a number of grounds set out in the Officer's Report. Most notably:

'The proposed development would make insufficient provision for affordable housing and in the absence of a viability assessment would therefore be contrary to the provisions of Policy CSP4 of the Core Strategy and the National Planning Policy Framework 2021.'

3.36 We note that in addition to this viability assessment, the proposed scheme (REF: 2023/1281) provides approximately 74no. affordable units (56no. affordable rent & 18no. shared ownership) which equates to approximately 36% of the proposed scheme, this is higher than the requirement set out in Policy CSP4 of the Core Strategy.

4 Gross Development Value Assessment

4.1 We set out below our assessment of the gross development value (GDV) of the scheme. The purpose of this section is to determine the prospective values that could be achieved upon completion of the different elements of the development. We have considered the following residential sectors in our assessment:

- New-Build Flats & Housing – Sales & Listings
- New-Build Retirement / Senior Living – Sales & Listings
- Custom Self-Build Plots – Listings

4.2 Achieved value data has been obtained from the Land Registry, however this does not disclose the unit type, size or specification. To obtain the corresponding floor area, we have relied on the Energy Performance Certificate (EPC) Register and cross-referenced the data sets. We have relied on other sources such as online portals (Rightmove, Zoopla), property particulars and development brochures to confirm other details such as the number of bedrooms, development features and specifications.

4.3 For the 70no. extra care beds, the revenue included within our appraisals has been informed by an offer received by the Applicant through negotiations with a prospective developer. We understand that this reflects the anticipated delivery for this component of the scheme (i.e. land disposal) and is therefore considered a more accurate means of assessing the viability.

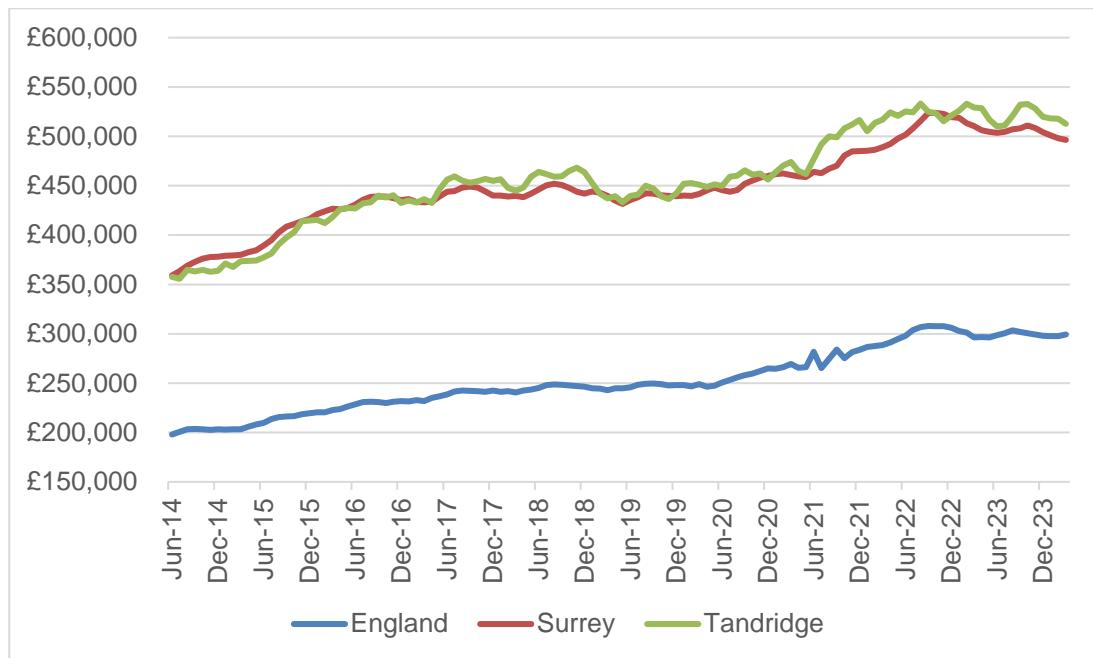
4.4 Similarly, we understand that the Applicant has engaged with Housing Associations and Registered Providers regarding the affordable housing contingent. The revenue included for this element has also been informed by an offer received from a housing association for the affordable units.

4.5 For the medical / pharmacy unit, we have considered lease and sales transactions of comparable properties to identify a suitable market rent and yield.

National & Regional Context

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

Figure 4.1 – Land Registry Average Values



Source: Land Registry, 2024.

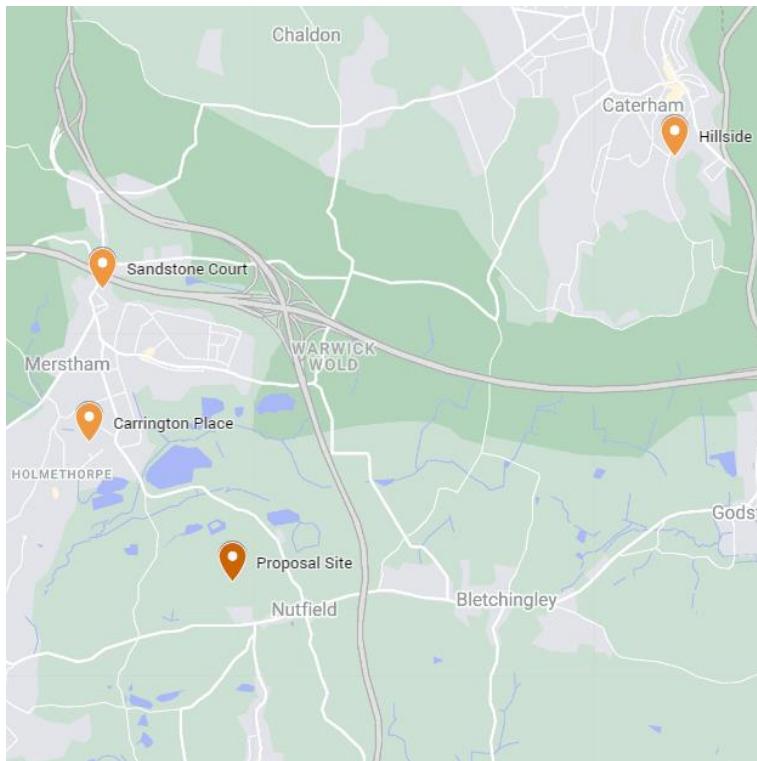
4.7 Figure 4.1 shows the average prices for all property types in England, Surrey and Tandridge District over the past 10 years. Since the lowest point of the market in July 2014, Tandridge has seen average prices increase by c. 50%. The majority of this growth is shown to have occurred during the years 2020 – 2022, following the COVID-19 pandemic.

4.8 As the housing market resumed, demand for larger properties within the suburbs increased nationally (the 'race for space'), leading to a resurgence in house price growth which peaked in April 2023. Since then, average house prices have begun to cool owing to reduced demand, political uncertainty and the latent economic impacts of the pandemic. As of March 2024, the average price for a property in Tandridge of £512,785 is c. 3% higher than the regional average (£496,592) and c. 42% higher than the national average (£299,321).

New-Build Flatted Achieved Values

4.9 We have initially reviewed transactions of new-build flatted units which have completed in the areas surrounding the proposal site within the past two years. Our search has identified a total of 44no. flatted units from three schemes. The locations are shown in Figure 4.2, with the data summarised in Table 4.1. Please refer to Appendix 2 for a full copy of the comparable data obtained.

Figure 4.2 - New-Build Flatted Scheme Locations



Source: Google MyMaps, 2024.

Table 4.1 – New-Build Flatted Transactional Data

Scheme	Unit Type	No. Sold	Price Range	Size Range	Avg. £ / sqft
				(sqft)	
Hillside	1-Bed	3	£295,000 - £310,000	538 - 657	£528
	2-Bed	10	£365,000 - £440,000	753 - 915	£495
Sandstone Court	1-Bed	4	£239,995 - £271,995	506 - 624	£468
	2-Bed	14	£314,995 - £354,995	657 - 850	£439
Carrington Place	1-Bed	6	£233,000 - £245,000	549	£437
	2-Bed	7	£294,500 - £330,000	764 - 775	£402

Source: Land Registry, 2024.

4.10 Achieved values across the sample range from £380 - £576 psf, with an average of £454 psf. As with general market trends, the smaller 1-bed units achieved a higher average price (£468 psf), compared with the larger 2-bed units (£449 psf). We summarise the key features of the schemes identified below:

- **Hillside** is a development brought forward by Mulberry Homes, located c. 4.5-miles north east of the proposal site and to the south of Caterham. The development comprises 18no. units that are a mix of 1 and 2-bed apartments across 2no. purpose-build blocks. Residents benefit from off-street parking and outdoor space in the form of private Juliet balconies and a communal garden area.



The unit mix at this scheme is similar to the apartments in the proposed scheme, and the sizes are also relatively similar to those at the proposed. However, we note that this development is of a smaller scale and in an area which has historically achieved higher average values than Nutfield.



- **Sandstone Court** is a scheme built by Bellway Homes, located c. 2.3 miles north of the proposal site to the north of Merstham. The development comprises 31no. units that are a mix of 1 and 2-bed apartments. Residents at the apartment units benefit from both parking and cycle storage, along with private balconies for a number of the units.



- The units at this scheme are relatively similar in terms of size compared to the proposed. The scale is also comparable in terms of unit numbers compared to the number of apartments at the proposed scheme. House prices in Merstham have historically been similar to those in Nutfield, with Zoopla showing an average differential of c. £16,000 within the past 12-months.



- **Carrington Place** is a development by Linden Homes, located c. 1.6 miles north west of the proposal site. The scheme comprises a mix of 1 and 2-bed apartments, along with 3 and 4-bed houses. Residents benefit from allocated parking spaces, along with a small communal garden. It is unclear whether the apartments at this scheme benefit from private outdoor space (i.e. terrace / balcony).

The sizes of the apartments at this scheme are similar to those at the proposed. In addition to this, the unit mix of 1 and 2-bed apartments, along with houses is also similar to the proposed scheme.



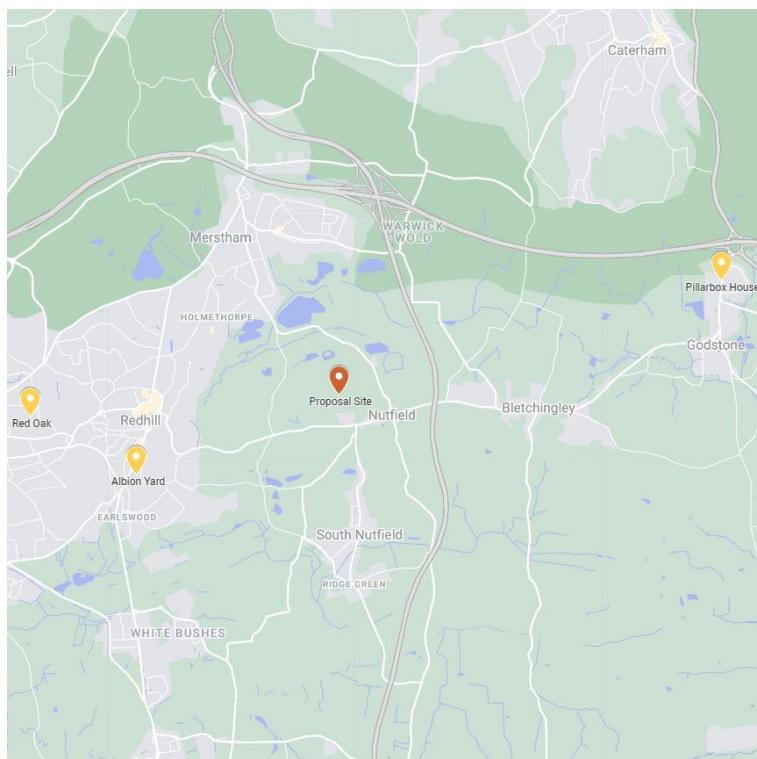
- 4.11 The flatted new-build transactions identified are located in more urban locations within larger settlements. In contrast to this, the units at the proposed scheme benefit from being located next to a large expanse of accessible open space and woodland. Further, the apartments at the proposed scheme benefit from an allocated parking space and the proposed mini bus shuttle service, with the latter offering a USP when compared with other developments.
- 4.12 Of the developments identified, we would consider the Carrington Place scheme to be comparable in terms of the scale and type of development. Carrington Place also comprises a mix of apartments and houses. The apartments are generally similar in size to the proposed scheme, with each apartment also benefitting from an allocated parking space. However, it has been unclear from our analysis whether the units benefit from private outdoor amenity space such as terraces or balconies. In addition to this, we note that all the units were sold in Q3 2022, so the prices may not represent some of the more recent growth observed across Tandridge District and Surrey.
- 4.13 Overall, the transactional data identified has provided a reasonable indication of the values for flatted units in the area surrounding the proposal site, albeit none of the schemes identified are located in the immediate area surrounding the proposal site.

New-Build Flatted Listings

4.14 To supplement the transactional data, we have reviewed asking prices for new-build flatted units currently listed for sale in the areas surrounding the proposal site. This also provides an insight into the type and volume of units that are expected to be delivered in the coming months / years.

4.15 Our search identified 13no. listings from three schemes, as shown in Figure 4.3 and summarised in Table 4.2.

Figure 4.3 - New-Build Flatted Listing Locations



Source: Google MyMaps, 2024.

Table 4.2 - New-Build Flatted Listing Prices

Scheme	Unit Type	No. Listings	Price Range	Size Range	Avg. £ / sqft
Pillarbox House	1-Bed	1	£295,000	494	£597
	2-Bed	3	£395,000 - £430,000	777 - 869	£512
Albion Yard	Studio	3	£220,000 - £250,000	358 - 372	£642
	1-Bed	1	£270,000	552	£489
Red Oak	2-Bed	2	£350,000 - £385,000	739 - 777	£487
	2-Bed	3	£495,000 - £575,000	841 - 936	£596

Source: Rightmove, accessed June 2024.

4.16 The listing prices for new-build flatted units range from £474 - £672 psf, with an average of £562 psf across the sample. This reflects an increase of £108 psf when compared to the average achieved data. We note that listing prices can often be aspiration, however a number of the units identified were listed as being sold subject to contract (STC), suggesting sales have been agreed at the advertised price. It is also observed that a number of the schemes identified are located further from the proposal site in different market areas, and the sample size is notably smaller.

4.17 We provide further information on the scheme identified below:

- **Pillarbox House** is a development brought forward by Frankham Developments. The scheme is located in Godstone, c. 3.5 miles east of the proposal site. The development comprises 8no. apartments contained within one large detached property that was built in 2023. The apartments are made up of 1 and 2-bed units. Residents benefit from an allocated parking space, a select number of the units also benefit from private outdoor terraces.



The 1-bed listing identified at this scheme is slightly smaller compared to the 1-beds at the proposed scheme, however the 2-bed listings identified appear relatively similar. The scale of this development is also considerably smaller.



- **Albion Yard** is a scheme built by Mulberry Homes and comprises 57no. units, including 45no. private sale and 12no. affordable / shared ownership units. The units are a mix of studios, 1-bed and 2-bed apartments. The scheme is located c. 2 miles south west of the proposal site, to the south of Redhill. We understand that there are 40no. secure parking spaces available by separate negotiation. Private outdoor balconies are provided to most of the units, however a select number of the units do not benefit from outdoor amenity space.



The scale of this scheme is similar to the proposed. In addition to this, the sizes of the 1 and 2-bed units



at this development appear to be similar to those at the proposed scheme.

- **Red Oak** is a development built by ADKE Developments Ltd, located c. 3.1 miles west of the proposal site between Reigate and Redhill. The development comprises 12no. units contained within one block, with a mix of 2 and 3-bed apartments. We understand some of the units also comprise duplex apartments. Residents at the scheme benefit from allocated parking and a landscaped communal garden. The ground floor units benefit from a private patio / garden area, while it is unclear if units on the upper floors benefit from private outdoor amenity space.

This development is of a smaller scale compared to the proposed scheme, in addition to this the unit mix is slightly different. The sizes of the 2-bed listings identified also appear slightly larger than the proposed.



4.18 We consider the Albion Yard development to be relatively similar to the apartments at the proposed scheme. The unit sizes appear to be comparable, as is the scale in terms of the unit numbers. The location of Albion Yard is considered to be amongst more urban surroundings and closer to Redhill Station, which may explain why not all of the units benefit from off-street parking.

4.19 In terms of setting, the Pillarbox House scheme is the most similar to the proposed scheme, whereby it is located within a smaller village / rural surroundings. We believe this will have a reasonable indication as to the value that can be achieved at the proposed scheme. The 1-bed listing identified at this scheme appears to be smaller in size compared to those at the proposed scheme, however the 2-bed listings appear to be comparable. It's also noted that the scheme is of a much smaller scale (8no. units) compared to the proposed scheme which comprises approximately 50no. apartments.

4.20 We do not consider the Red Oak development to be a like-for-like comparison to the proposed scheme. This is due to the scale and unit mix on offer at the development. The scheme is also located within a reasonable distance of both Reigate and Redhill Train Stations. The scheme comprises 12no. 2 and 3-bed flats and duplex apartments, whereas the units at the proposed scheme comprise a mix of 1 and 2-bed apartments. Like the proposed scheme, residents benefit from allocated parking, however the 2-bed listings identified all appear to be larger than those at the proposed scheme. We therefore believe that this scheme reflects the top end of the range for values and prices set within the local area.

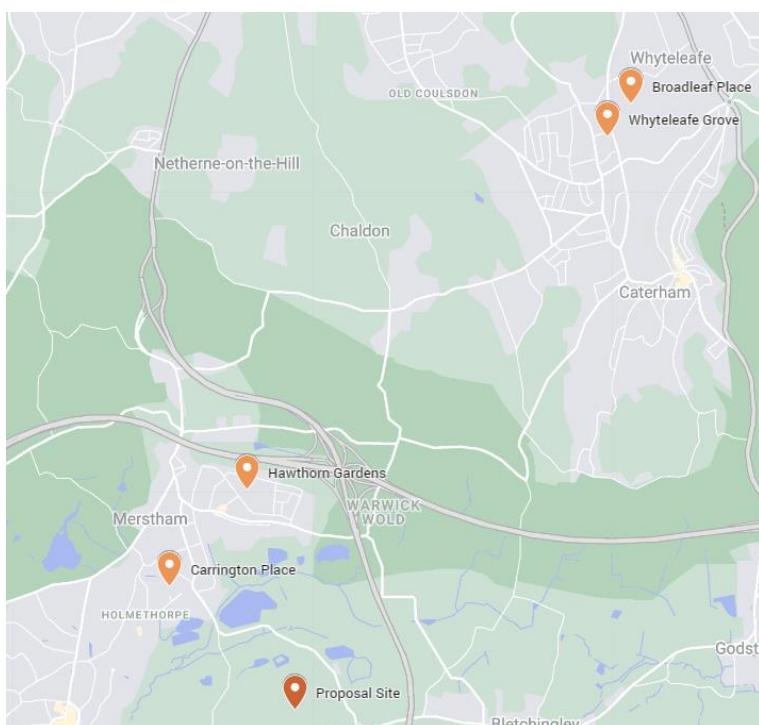
4.21 Overall, the listings identified provide additional evidence which indicates the values for flatted development in the surrounding areas. However, owing to the locations and distance of the developments listed for sale in relation to the proposal site, we believe adjustments would be required to reflect the differences associated with the proposed development.

New-Build Housing Achieved Values

4.22 As with our assessment of the new-build flatted market, we have focussed our analysis on housing transactions that have completed in the surrounding areas within the last two years. We have refined our data to consider those transactions from developments of similar scale and unit sizes to those at the proposed scheme. This data will then be used in conjunction with current listings for new-build schemes to inform the revenue assumptions.

4.23 Our search identified a total of 61no. transactions from four schemes, involving a mix of terraced, semi-detached and detached units. The locations of these schemes are shown in Figure 4.4 and summarised in Table 4.3.

Figure 4.4 - New-Build Houses Scheme Locations



Source: Google MyMaps, 2024.

Table 4.3 – New Build House Sale Comparable Data

Scheme	Unit Type	No. Sold	Price Range	Size Range	Avg. £ / psf
				(sqft)	
Whyteleafe Grove	3-Bed	22	£565,000 - £725,000	1,076 – 1,528	£500
	4-Bed	13	£730,000 - £835,000	1,453 – 1,647	£525
Broadleaf Place	2-Bed	5	£470,000 - £491,000	861 – 872	£532
	3-Bed	4	£675,000 - £700,000	1,270 – 1,324	£556
Carrington Place	3-Bed	3	£495,000 - £500,000	1,109	£448
	4-Bed	5	£565,000 - £580,000	1,302 – 1,324	£433
Hawthorn Gardens	2-Bed	2	£420,000 - £425,000	1,001	£422
	3-Bed	6	£512,000 - £525,000	1,119 – 1,206	£456
	4-Bed	2	£575,000	1,206	£477

Source: Land Registry, 2024.

4.24 Achieved values for new-build housing range from £420 - £575 psf, with an average of £495 psf. The variance in this range is explained by the diversity of unit types, sizes, specifications and locations. We note that across the data identified, terraced houses achieved the lowest psf price (£462 psf), followed by semi-detached (£496 psf) and detached (£518 psf). However, this may also be reflective of the number of properties within each unit type identified in our search. We have been unable to identify any 5-bed transactions.

4.25 We note the following in regards to the schemes identified below:

- **Whyteleafe Grove** is a development brought forward by Antler Homes, located c. 5.4 miles north east of the proposal site between Caterham and Whyteleafe. The scheme comprises approximately 48no. 3-bed and 4-bed units in the form of semi-detached and detached houses. Residents benefit from off-street parking and relatively large private outdoor space.

The scale of this development is slightly smaller compared to the housing at the proposed scheme. A number of the 3-bed units are similarly sized to those at the proposed scheme. The 4-bed units on average appear similar to those at the proposed scheme. We note that Caterham has historically achieved higher values for housing than Nutfield, according to Zoopla data.

- **Broadleaf Place** is a scheme built by Shanly Homes, also located c. 5.4 miles north east of the proposal site, between Caterham and Whyteleafe. The development comprises 42no. units, made up of 34no. houses and 8no. apartments. The houses comprise a mix of 2, 3 and 4-bed units in the form of terrace, semi-detached and detached houses. Each house benefits from 2no. allocated parking spaces, a number of the units also benefit from attached garages.

The 2-bed units identified at this scheme appear to be similarly sized to those at the proposed scheme, while the 3-bed units identified appear to be generally slightly larger.



- **Carrington Place** is a development built by Linden Homes. The scheme is located c. 1.6 miles north west of the proposal site and comprises a mix of 3 and 4-bed houses, along with 1 and 2-bed apartments. The houses are made up of terraced and semi-detached properties. Residents of the houses at this scheme benefit from allocated parking spaces, along with a private garden.

This development is relatively similar to the proposed whereby it comprises a mix of both houses and apartments. The 3-bed units identified appear to be relatively similar to the 3-bed semi-detached and detached units at the proposed scheme, however the 4-bed units appear to be slightly smaller compared to those at the proposed.



- **Hawthorn Gardens** is a relatively small development comprising of 10no. units, built by a local SME developer. The scheme is located c. 2 miles north of the proposal site. The 10no. units are made up of 2, 3 and 4-bed units, in the form of terrace, semi-detached and detached houses. Each unit benefits from off-street parking and a private garden.

This scheme is of a much smaller scale compared to the proposed, however it does have a similar unit mix to the proposed scheme. The 2 and 3-bed units appear to be larger than those at the proposed, while the 4-bed units appear to be slightly smaller.



4.26 The schemes identified present a range of comparable evidence, with prices influenced by a number of factors, including location (access to local amenities), unit types, size of scheme and specification. Of the transactions identified, the units at Hawthorn Gardens achieved the lowest headline prices but demonstrated the largest unit sizes identified for the 2 and 3-bed units. This scheme has a similar unit mix to the proposed scheme, however the 2 and 3-bed units appear to be larger than those at the proposed, while the 4-bed units appear to be smaller.

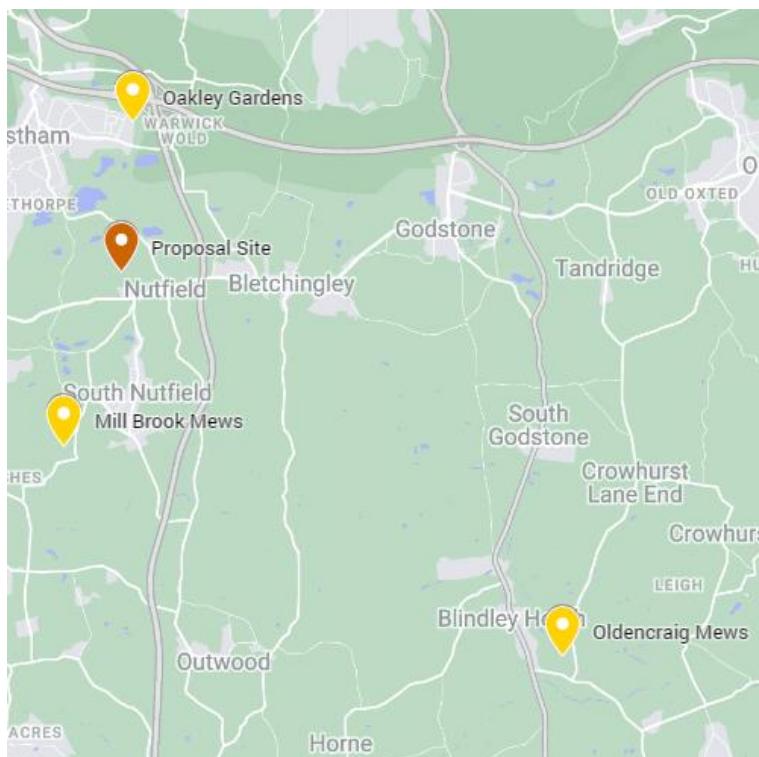
4.27 Given the nature of the proposed scheme and site, the housing schemes identified do not present a perfect, like-for-like comparison. This is primarily due to the location, with other schemes

positioned within larger urban settlements and more densely developed areas. Nonetheless, the data identified provides a reasonable indication as to the values that could be achieved in the local area and adjusted to reflect the merits of the proposed scheme.

New-Build Housing Listings

4.28 We have reviewed the asking prices for new-build housing units currently listed for sale in the areas surrounding the proposal site. Our search has revealed that there is limited new-build housing stock available in the local area, with a total of 15no. listings from three schemes, as shown in Figure 4.5 and summarised in Table 4.4.

Figure 4.5 - New-Build Housing Listing Locations



Source: Google MyMaps, 2024.

Table 4.4 - New-Build Housing Listing Prices

Scheme	Unit Type	No. Listings	Price Range	Size Range (sqft)		Avg. £ / psf
				1,294 – 1,296	1,772	
Mill Brook Mews	3-Bed	3	£730,000 - £760,000	1,294 – 1,296	£571	
	4-Bed	2	£1,125,000 - £1,175,000		1,772	£649
Oakley Gardens	3-Bed	4	£600,000 - £725,000	905 – 1,302	£657	
	4-Bed	2	£750,000 - £850,000	1,421 – 1,658	£520	

Oldencraig	4-Bed	3	£995,000 - £1,175,000	1,773 – 2.167	£550
Mews	5-Bed	1	£1,825,000	3,616	£505

Source: Rightmove, accessed June 2024.

4.29 The listing prices range from £505 - £723 psf, with an average of £589 psf across the sample - an increase of £94 psf when compared to the achieved data. Differences in prices were reflective of unit type, size, location and specification. We note that a number of the listings identified were also marked as being sold subject to contract (STC).

4.30 We provide further information on the schemes identified below:

- **Mill Brook Mews** is a scheme built by Earlswood Homes located in South Nutfield, c. 2.3 miles south of the proposal site. Mill Brook Mews comprises 7no. units made up of 3no. 3-bed terraced, 2no. 3-bed semi-detached and 2no. 4-bed detached houses. The units benefit from large gardens and patio areas, along with 2no. allocated parking spaces for the terrace houses and 3no. allocated parking spaces for the semi-detached and detached houses.

The scale of this scheme is much smaller than the proposed. The 3-bed units are larger in size compared to those at the proposed scheme and the 4-bed units are closer in size to the 5-bed units at the proposed scheme.



- **Oakley Gardens** is a development brought forward by Dion Homes, located c. 1.8 miles north of the proposal site and to the east of Merstham. The scheme is made up of approximately 22no. 3 and 4- and 4-bed houses, along with 8no. apartments. The development is located within a gated estate of a Grade II Listed Manor House and can access 2-acres of private parkland. Each unit benefits from 2no. allocated parking spaces, along with relatively large private gardens.

The scale of this scheme is slightly smaller compared to the proposed. However, the unit sizes identified appear to be generally similar to the 3 and 4-bed units at the proposed scheme.



- **Oldencraig Mews** is a scheme comprising approximately 23no. 4 and 5-bed semi-detached and detached houses. The scheme is located c. 7.8 miles south east from the proposal site, in Blindley Heath. The scheme is set within 21 acres of woodland and meadowland. Each unit either benefits from an allocated parking space or a carport. In addition to this each unit benefits from a large garden.

The location is relatively similar to the proposed, however the unit sizes at this scheme appear to be larger.



4.31 In terms of location, we would consider the listings at Mill Brook Mews to be the most comparable to the proposed scheme. However, the scale of this development is a lot smaller compared to that of the proposed scheme. Instead, we would consider the Oldencraig Mews development to be a stronger comparable to the proposed. The marketing particulars for Oldencraig Mews state that the scheme is set on 21-acres surrounded by woodland and meadowland. This is similar to the immediate surrounding area of the proposed scheme, which is adjacent to a large area of open space and woodland. This scheme is also the only development identified in both the achieved and listing data which has 5-bed units.

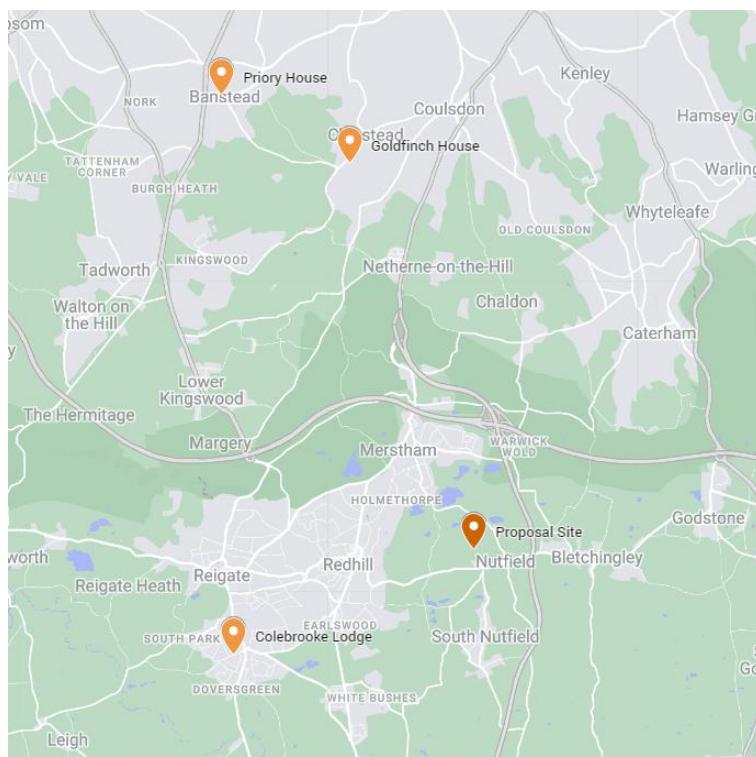
4.32 The schemes above present a range of comparable data, including conventional new-build developments of several units to other smaller developments. We have not been able to identify schemes of a directly similar scale in terms of unit numbers to the proposed. Overall, the listing prices identified provide reasonable supplementary evidence to show suitable values in respect of the proposed scheme.

New-Build Retirement Unit Achieved Values

4.33 The proposed scheme includes 41no. 2-bed retirement units which all measure 946 sqft / 88 sqm in size. As such, we have reviewed transactions of new-build retirement flatbed units which have completed in areas surrounding the proposal site within the past four years.

4.34 There is a lack of data for retirement living schemes when compared to conventional new-build stock, so we have extended our search across the wider Surrey area. Our search has identified a total of 33no. retirement transactions from three schemes. The locations of these schemes are shown in Figure 4.6 and summarised in Table 4.5.

Figure 4.6 - New-Build Retirement Transactions Scheme Locations



Source: Google MyMaps, 2024.

Table 4.5 – New-Build Retirement Transactional Data

Scheme	Unit Type	No. Listings	Price Range (£)	Size Range (sqft)	Avg. £ /
					sqft
Goldfinch House	1-Bed	8	£380,000 - £445,000	516 - 613	£746
	2-Bed	2	£550,000 - £610,000	764 – 1,054	£624
Colebrooke Lodge	1-Bed	4	£349,950 - £380,280	538 - 624	£634
	2-Bed	1	£475,950 - £560,950	796 - 893	£619
Priory House	1-Bed	4	£484,000 - £514,500	581 - 613	£842
	2-Bed	3	£567,500 - £647,500	731 - 796	£789

Source: Land Registry, 2024.

4.35 Achieved values for retirement living units range from £558 - £852 psf, with an average of £695 psf. In line with our expectations, this type of accommodation typically achieves a premium upon conventional market sale housing. We summarise the key features of the schemes identified below:

- **Goldfinch House** is a McCarthy & Stone scheme built in 2020 and located in Chipstead, c. 6.8 miles north of the proposal site. The scheme comprises 1 and 2-bed retirement apartments and is available for residents aged 60 or over. Residents in this scheme can benefit from a communal lounge and garden. Guest facilities are also available.



The sizes of the 2-bed apartments at this scheme appear to be generally similar compared to the units at the proposed scheme. However, the scale of this development is slightly smaller compared to the proposed.



- **Colebrooke Lodge** is a scheme that was also built in 2020 and comprises of 31no. units which are a mix of 1 and 2-bed retirement apartments, the scheme was built by Churchill Retirement Living. This scheme is located south of Reigate, c. 3.7 miles west of the proposal site. This scheme is available to residents aged 60 or over. Residents at this scheme benefit from a communal lounge area and garden.

On-site parking and guest suites are also provided. The unit sizes of the 2-bed apartments at this scheme appear to be slightly smaller compared to the 2-bed units at the proposed scheme. The scale of this development is also slightly smaller compared to the proposed scheme.



- **Priory House** is another McCarthy & Stone development built in 2022 and is made up of 44no. 1 and 2-bed retirement apartments. This scheme is located in Banstead, c. 8.4 miles north of the proposal site. Residents must be aged 60 or over and benefit from a communal lounge and landscaped garden. On-site parking and guest suites are also provided. A number of the units also benefit from private balconies.

This scheme is of a similar scale to that of the proposed, however the 2-bed units identified appear to be slightly smaller compared to those at the proposed scheme.



4.36 In terms of location, the most comparable scheme to the proposed is Colebrooke Lodge. This scheme is located south of Reigate and closest to the proposal site. While we consider this scheme to be comparable in terms of location, the unit sizes of the 2-bed apartments identified appear to be slightly smaller compared to the 2-bed units at the proposed scheme.

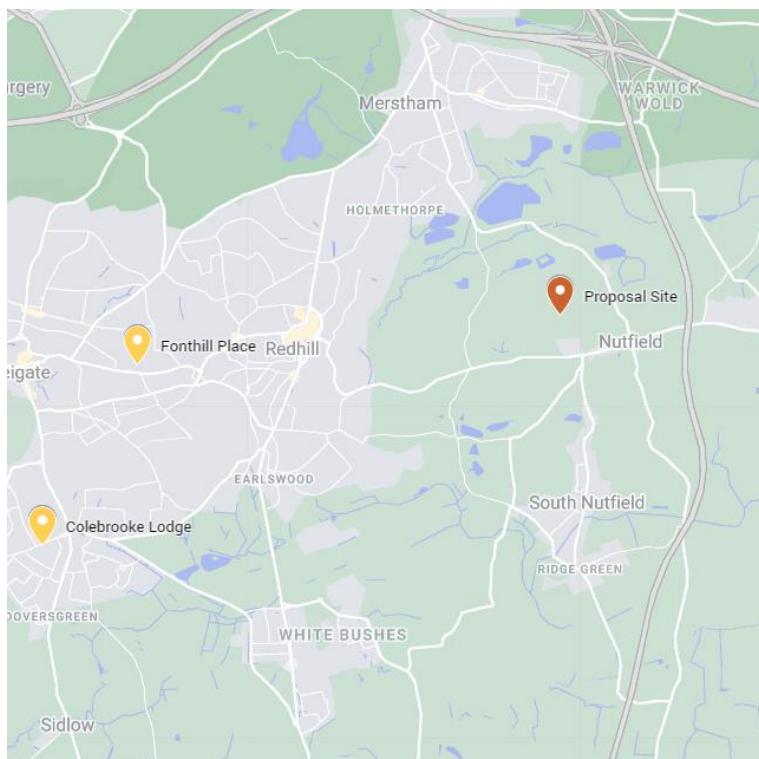
4.37 Priory House is the most comparable to the proposed in terms of scale, as it is made up of 44no. units which is similar to the 41no. at the proposed scheme. However, the 2-bed units identified are again smaller when compared to those at the proposed scheme. Along with Goldfinch House, these developments are located some distance from the proposal site and on the northern side of the M25, which we would expect to command a premium.

4.38 Each of the schemes identified benefits from having different on-site features and being located within close proximity to local amenities. We do however note the retirement units at the proposed scheme will benefit from access to the electric mini-bus shuttle service, as well as having a medical centre / pharmacy adjacent to the scheme.

Retirement Unit Flatted Listings

4.39 We have reviewed the asking prices for retirement units currently listed for sale in the areas surrounding the proposal site. We have focussed our review on new-build units, or resale transactions from developments which have been delivered in recent years. Our search has identified a limited amount of data, only 4no. listings from 2no. schemes, as shown in Figure 4.7 and summarised in Table 4.6.

Figure 4.7 - New-Build Retirement Listing Locations



Source: Google MyMaps, 2024.

Table 4.6 - New-Build Retirement Listing Prices

Scheme	Unit Type	No. Units	Price Range (£)	Size Range (sqft)	Avg. £ / sqft
Colebrooke Lodge	2-Bed	2	£539,950 - £573,950	818	£702
Fonthill Place	2-Bed	2	£650,000	1,066 – 1,163	£585

Source: Rightmove, accessed June 2024.

4.40 The listing prices range from £559 - £702 psf, with an average of £624 psf across the sample. Both the range and average are lower than the achieved data, which may indicate that the values of retirement living units located closer to Nutfield command a lower price than those located on the northern side of the M25. We provide the following information in regard to the scheme not already identified below:

- **Fonthill Place** is a retirement scheme built by Beechcroft developments. The scheme is located c. 3 miles west of the proposed site, between Reigate and Redhill. The development comprises of 39no. units, which are a mix of 1 and 2-bed apartments. This scheme is available for residents over the age of 55 and each unit benefits from either a private terrace, garden or balcony.



This scheme is of a similar scale to that of the proposed, however the listings identified at this scheme are larger than the units at the proposed scheme.



4.41 Fonthill Place is relatively comparable to the proposed retirement living units in terms of the scale of the development and location. However, the listings identified were smaller compared to the units at the proposed scheme. In addition to this, all the units benefit from some sort of private outdoor space in the form of a terrace, balcony or garden. For these reasons, we can consider this scheme to be a reasonable indication of the likely achievable prices at the proposed scheme.

Residential Market Conclusion

4.42 Our review of the residential market in the areas surrounding the proposal site has demonstrated that values can vary substantially depending on the unit type, location and wider development amenities.

4.43 We believe there are several features which will have a positive impact on the values achievable at the proposed development. The scheme occupies a prominent position in Nutfield, with access to local bus services and amenities. The units also benefit from being located adjacent to a large expanse of open space and woodland. Each unit is to be built to a good quality design and we understand all apartments and 2-bed units benefit from allocated parking spaces, while the 3 and 4-bed houses each benefit from 2+no. parking spaces. Cycle parking is also to be provided in accordance with the Council's cycle parking guidance. Residents of the proposed scheme will

also be able to benefit from the electric mini-bus shuttle service and sustrans network that is to be implemented as part of the proposed scheme.

4.44 In our assessment of the potential values which could be achieved, the Applicant has also provided advice from a local estate agent who has appraised the proposed apartments, houses and self-build plots. A copy of the proposed schedule is provided in Appendix 3. From our review of the local market evidence, we consider the agent's recommendations to be appropriate and consistent with the data identified. We have therefore adopted the values recommended by the agent for the proposed market sale apartments and houses. We believe these prices are conservative given the amenities / features that are on offer at the proposed scheme.

4.45 For the retirement apartments, we have based our adopted values on the market data gathered. With consideration for the location, surrounding amenities, proximity to a healthcare facility and provision of a shuttle service, we believe there will be a strong demand for the retirement units in the proposed scheme. However, for the purpose of our assessment, we have adopted relatively conservative values, when compared against the achieved and listing data gathered.

4.46 Table 4.7 summarises the unit values adopted in our assessment for the apartments, houses and retirement units.

Table 4.7 – Apartments, Houses & Retirement Proposed Values

Unit Type	Total No.	Sale Price	Price (psf)
1-Bed Apartment	7	£265,000	£473
2-Bed Apartment	8	£350,000	£464
2-Bed Terrace	11	£475,000	£559
2-Bed Semi-Detached	10	£495,000	£561
2-Bed Detached House	6	£525,000	£587
3-Bed Semi-Detached House	14	£550,000	£549
3-Bed Detached House	6	£575,000	£523
4-Bed Detached House	13	£785,000	£523
5-Bed Detached House	9	£890,000	£524
2-Bed Retirement Apartment	41	£525,000	£554
Total	125	£68,870,000	

Source: AVL, 2024.

Self-Build Plots

4.47 The proposed scheme includes 8no. self-build plots. As part of our analysis, we have looked to identify plot listings / sale prices within the area surrounding the proposal site. To undertake our analysis of self-build plots, we have used websites such as Plotfinder and Rightmove.

4.48 Table 4.8 shows the data from the self-build and custom plots that we have identified in our analysis. Please note that some of the transactions identified did not disclose the full address of the plot.

Table 4.8 - Self-Build & Custom Plot Listings

Address	Price	Description
Building Plot with Full Planning Permission at Chestnut Avenue, Westerham	£540,000	Full planning permission for 4-bed detached property (REF: 22/02873/FUL)
Tilburstow Hill Road, South Godstone, Godstone, Surrey, RH9	£480,000	Full planning permission for 3-bed detached property (REF: TA/2023/490)
Plot 126, Manorwood, West Horsley, Leatherhead, KT24	£375,000	Outline planning approved for a three bedroom fully customisable detached house.
Plot 125, Manorwood, West Horsley, Leatherhead, KT24	£485,000	Outline planning approved for a four bedroom fully customisable detached house.
Plot 127, Manorwood, West Horsley, Leatherhead, KT24	£310,000	Outline planning approved for a two bedroom fully customisable detached house.

Source: Plotfinder, & Rightmove, accessed June 2024.

4.49 The prices of plots in Table 4.8 range from £375,000 - £540,000, with an average of £438,000. The prices listed largely range in value depending on the size or unit type consented.

4.50 We note that, in some instances, the headline prices for completed market sale properties are not substantially different to the self-build plot prices identified above. From our experience, we would expect that self-build plot prices would command a discount upon completed market sale units given the necessity for any prospective buyers to build the housing units themselves.

Accordingly, we have taken a more conservative approach and applied a lower value of £275,000 for each of the self-build plots. This is consistent with our experience of testing self-build plots for plan-wide viability purposes. We reserve the right to amend our adopted values.

Affordable Housing

4.51 The proposed scheme includes 74no. affordable housing units, made up of affordable rent and shared ownership tenures.

4.52 We would typically seek to estimate the amount of housing associations or registered providers would seek to acquire affordable housing units for by calculating the discount for each tenure provided. However, we understand that the Applicant has received an offer [REDACTED]
[REDACTED], which is a more accurate means of assessing the revenue within the appraisal.

4.53 For completeness, we have benchmarked the Applicant's offer using our bespoke affordable housing calculator and the price is shown to be within a reasonable tolerance of our independent calculations. As such, we have adopted this amount within our appraisal.

4.54 Should this offer be retracted, then we reserve the right to amend our appraisal and assumption made in regard to the affordable housing values adopted.

Care Home Land Receipt

4.55 We understand that the Applicant has received an indicative offer [REDACTED]
[REDACTED]
[REDACTED]. We reserve our right to amend our assumption and approach to this element of the scheme.

Commercial / Medical Market Review

4.56 The proposed scheme includes a Use Class E(e) / F2 flexible unit, which measures approximately 5,000 sqft / 464 sqm. We understand the unit is to be used as a medical centre / pharmacy and is divided into the following areas:

- Dental Shell & Core: 2,000 sqft / 186 sqm
- MRI: 1,000 sqft / 93 sqm
- Shop / Pharmacy: 1,500 sqft / 139 sqm
- Concierge – complete: 500 sqft / 46 sqm

4.57 We have sought to identify evidence from lease transactions of similar properties let from 2020 onwards in the Surrey area. Table 4.9 summarises the data identified.

Table 4.9 – Medical Lease Transactions

Address	Date	Size (sqft)	Rent (£ / psf)	Notes
127 Worplesdon Road, Guildford	12/04/2022	551	£34	Effective rent let to Surrey Dental Practice on a 15-year lease.
129 Queens Road, Weybridge	28/10/2021	1,825	£27	Effective rent let to Bupa on a 10-year lease.
92 Walton Road, East Molesey	17/06/2021	736	£34	Effective rent let to The Vet Station on a 20-year lease with 6-month rent free.
31-65A Croydon Road, Caterham	25/01/2021	900	£21	Effective rent let to Caterham Smiles on a 15-year lease.
250-256 High Street, Dorking	10/11/2020	969	£18	Effective rent let to Dorking Smiles on a 15-year lease with 6-month rent free.

Source: CoStar, accessed June 2024.

4.58 The transactions identified demonstrate effective rents of between c. £18 - £34 psf, with an average of £26.70 psf across the sample. We consider the leases identified to provide a good indication of the achievable rents for the different premises of the unit in the proposed scheme. We have elected to adopt a rental value of £30 psf, with a lower rate of £5 psf attributed to the concierge area.

4.59 To identify an appropriate yield, we have sought the Knight Frank Prime Yield Guide for June 2024. For Healthcare (Not for Profit Operator, 30 years, Annual indexed reviews), Knight Frank currently record a yield of 4.75%. For the purpose of our assessment, we have therefore adopted a yield of 4.75%, which has been used to capitalise our adopted rents.

4.60 We have then applied a rent-free period of 18-months for the dental and shop / pharmacy areas and 3-years for the MRI unit (grant to Prostate Cancer UK). We have also made appropriate deductions (which equate to £463,158) for discount / void periods.

4.61 Our assumptions have calculated a net value for the medial / pharmacy unit of £2,263,158, which has been adopted in our appraisal.

5 Cost & Value Analysis

5.1 This section details the cost and value assumptions adopted in our appraisals.

Costs

Construction Costs

5.2 In undertaking our assessment of the construction costs in respect of the proposed scheme, we have obtained data from the RICS Building Cost Information Service (BCIS). As the proposed scheme comprises multiple elements, we have obtained different BCIS rates subject to the proposed use, to ensure the costs are accurate and reflective of the development expected to be delivered. A copy of the data is provided in Appendix 4, with a summary of the rates adopted below:

- **Residential Apartments & Houses (Median, rebased to Surrey, 5-year sample):**
 - Apartments (Generally): £1,943 psm
 - Estate Housing Terrace (Generally): £1,583 psm
 - Estate Housing Semi-Detached (Generally): £1,884 psm
 - Estate Housing Detached (Generally): £2,169 psm
- **Retirement Units (Median, rebased to Surrey, 5-year sample):**
 - Care Homes for the Elderly (Generally): £2,005 psm
- **Medical / Pharmacy / Shop Unit (Median, rebased to Tandridge, Default Period):**
 - Health Centres, Clinics, Group Practice Surgeries: £3,299 psm
 - Shops (Generally): £1,717 psm

5.3 We have then applied a 10% external works allowance to each of our adopted BCIS rates. This is consistent with the external works allowances that have been adopted for apartments and houses in other viability assessments that we have recently reviewed. As this is a more generic input that does not relate to the policy requirements within the emerging plan, we have maintained this rate in our appraisals.

5.4 For the residential apartments, we have assumed a GIA of 40,745 sqft / 3,785 sqm which reflects a gross-to-net ratio of 80% based on the NIA we have been provided with (33,954 sqft / 3,154 sqm).

5.5 A summary of our construction cost calculations is shown in Table 5.1.

Table 5.1 – AVL Adopted BCIS Construction Cost

Component	Size	Rate (psf)	Cost
Apartments	40,745	£180.51	£7,354,869
Terrace Houses	22,959	£147.07	£3,376,477
Semi-detached Houses	45,865	£175.03	£8,027,720
Detached Houses	46,764	£201.51	£9,423,259
Retirement Units	50,000	£186.27	£9,313,530
Cost Residential & Retirement Units	206,333	£178.08	£37,495,856
Dental Shell & Core	2,000	£306.49	£612,974
MRI	1,000	£306.49	£306,487
Shop/Pharmacy	1,500	£159.51	£239,272
Concierge - complete	500	£306.49	£153,244
Cost Medical / Commercial Unit	5,000	£269.74	£1,311,977
Externals Allowance @ 10%	-	-	£3,880,786
Total Construction Cost	-	-	£42,688,642

Source: AVL & BCIS, 2024.

5.6 Our construction cost estimate amounts to a total of £42,688,642 (exclusive of contingency), or £202 psf.

Professional Fees

5.7 We have adopted a professional fees allowance of 10%. This is aligned with our experience of undertaking site-specific viability assessments and reviews, with most professional fee allowances falling within the 8 – 12% range.

Contingency

5.8 We have adopted a 5.0% allowance of contingency which is the same allowance that we have seen adopted in other recent site-specific viability assessments. We have applied this allowance to the residential and commercial construction costs, but not the preparation, enabling and highways works.

Preparation Works

5.9 The Applicant has provided us with an itemised estimate of the preparation works that will be required in respect of the proposed scheme. A summary of these costs can be seen in Table 5.2, with a full breakdown of the costs shown in Appendix 5.

Table 5.2 - Preparation Works Summary

Component	Amount
Signage, comms, website, marketing, community engagement	£35,000.00
Detailed design (retained land)	£258,000.00
Ecology	£209,292.50
Security	£161,640.50
Footpath closure and / or diversion costs	£35,000.00
Sub-Total	£698,933.00
NPDL Contingency @ 10%	£69,893.30
Total	£768,826.30

Source: Nutfield Park Developments Ltd, 2024.

5.10 For the purpose of our appraisal, we have adopted a preparation works allowance of £768,826. The full costs shown in Appendix 5 include allowances for detailed planning submission/reserved matters and conditions discharge, project team costs, set up trading co.'s and legals, sale costs and legals, and interim funding costs. To prevent any double counting, we have deducted these allowances from the preparation works and instead assumed that they are included within the professional fees, disposal costs and finance assumptions.

Enabling Works

5.11 In addition to the preparation works, the Applicant has also provided us with an itemised estimate of the anticipated enabling works. A full breakdown of the costs is provided in Appendix 5, which estimates a total outlay of £13,283,731.

5.12 The costs shown in Appendix 5 include allowances for contractor's preliminaries and site management which we have not included as we have assumed they are instead covered within the professional fees allowance.

Highways Works

5.13 We have been provided with a highway works cost estimate in respect of the proposed scheme, produced by SLR Consulting. A summary of these cost estimates can be seen in Table 5.3.

Table 5.3 – Proposed Highway Works Summary

Component	Amount
Illustrated Proposed Site Access	£133,656
Proposed Signalised Crossing on High Street	£342,226
Improvements Mid Street	£46,371
Proposed Signalised Pedestrian Crossing	£271,347
Proposed Uncontrolled Crossing	£135,726
Total	£929,326

Source: SRL Consulting, 2024.

5.14 For the purpose of our appraisal, we have adopted the estimate of £929,326 provided by SLR Consulting. A full breakdown of the highway works is provided in Appendix 5.

Disposal Costs

5.15 The Harman Report (2012) states that sales and marketing costs typically total between 3 – 5% of GDV.

5.16 For the purpose of our assessment, we have adopted the following disposal allowances in our appraisal:

- Private Sale Marketing, Sales & Legal: █
- Retirement Marketing, Sales & Legal: 5.0% of Retirement GDV
- Affordable Sales & Legal Fee: █
- Commercial Lettings Agent: 10.0% on annual ERV
- Commercial Lettings Legal: 5.0% on annual ERV
- Commercial Investment Agent: 1.0% of capital value
- Commercial Investment Legal: 0.5% of capital value
- Purchaser's costs: 6.8% of capitalised income

Finance Costs

5.17 For smaller developments, we are now seeing finance rates of between 7-10% or more. Lenders will often also require entry and exit fees of up to 1.0% (of gross borrowing), and recent economic uncertainty is leading to increasingly higher finance rates. We have adopted a finance rate of

8.0%, which we consider reasonable in respect of the proposed scheme and current economic conditions.

Developer Profit

5.18 The level of profit developers will expect varies depending on the strength of the market, nature of the scheme and the risk involved. In the current market, we are typically seeing profit requirements between 17% - 20% of the GDV for residential units. This lies at the mid-to-upper end of the range advised in Paragraph 018 of the Viability PPG, which considers 15-20% of GDV to be a suitable return to developers.

5.19 For the purpose of our assessment, we have adopted the following profit amounts for each element of the scheme:

- Private Market Sale: 17.5% of GDV
- Retirement Units: [REDACTED]
- Affordable Housing: 6.0% of GDV
- Custom Self-Build Plots: 10.0% of GDV
- Medical / Pharmacy Unit: 15.0% of GDV
- Care Home Land Receipt: [REDACTED]

S106 Contributions

5.20 We have included the following allowances in regards to S106 contributions which have been advised by planning consultants, hgh:

- Sustrans Costs: £1,342,937
- Early Years Education: £805,526
- Primary School: £749,909
- Secondary School: £157,346

5.21 These contributions have been calculated using the Surrey County Council Developer Contribution Guide (2020) and amount to £3,055,718, however the final contributions will be subject to discussions with the Council. Should the anticipated S106 contributions that are to be expected in respect of the proposed scheme change, then we reserve the right to amend our appraisal accordingly.

CIL Contributions

5.22 For the purpose of our assessment, the Applicant's Planning Consultants, hgh, have provided a CIL estimate of £2,113,855 in respect of the proposed scheme. hgh's CIL estimate includes a contribution for the 41 no. retirement units and the medical / pharmacy unit. We note that the Council's CIL Charging Schedule excludes sheltered / retirement housing and extra care

accommodation from being liable for CIL charges. Similarly, we would expect the healthcare unit to fall under the 'all other uses' category of the charging schedule which has £nil charge. However for the purpose of our assessment, we have erred on the side of caution and included CIL charges for these uses based on comparable rates.

5.23 Please note, the responsibility for determining the exact contribution(s) sought from the proposed development is with the Council's CIL Officer and we reserve the right to amend these figures if necessary.

Phasing

5.24 We have assumed the following timescales in our appraisals:

- Pre-Construction: 6-months
- Construction: 36-months
- Sale: 12-months

5.25 For the private market sale units, we have assumed that 40% of the units are sold off-plan (i.e. receipts received in the first month of the sales period), with the remaining units selling over the subsequent sales period. We have undertaken a similar approach for the retirement units, however instead assumed that 25% of the units are sold off-plan.

5.26 We have modelled the affordable revenue to mirror a typical 'golden brick' payment structure across the construction period.

5.27 For the purpose of the appraisal, we have also assumed that the care home land receipt and grant (we discuss the grant in further detail below) are received within the pre-construction period, all the self-build plots are sold off within the construction period, with the income modelled over quarterly payments and that the management charges are received in the first month of the sales period.

Revenue

Private Market Housing

5.28 We have adopted a total GDV of £47,345,000 for the 84no. private market sale apartments and houses at the proposed scheme. This has been based on our market analysis set out in Chapter 4, along with a local estate agent's opinion of estimated values.

5.29 Based on our analysis of self-build plots, we have adopted a total GDV of £2,200,000 (£275,000 per unit) for the 8no. self-build plots at the proposed scheme.

5.30 For the 41no. retirement units, we have adopted a total GDV of £21,525,000, which reflects a value of £525,000 per unit.

Affordable Housing

5.31 As outlined in our market review, the Applicant has received an offer [REDACTED] [REDACTED]. This has been benchmarked against our bespoke affordable housing calculator and shown to be within a reasonable tolerance of our independent calculations. As such, we have adopted this amount within our appraisal. Should this offer be retracted, then we reserve the right to amend our appraisal and assumption made in regard to the affordable housing values adopted.

Medical / Pharmacy Unit

5.32 Based on the analysis contained in Chapter 4, we have calculated a net value for the medical / pharmacy unit of £2,263,158, which has been adopted in our appraisal.

Care Home Land Receipt

5.33 We understand that the Applicant has received an indicative offer [REDACTED] [REDACTED] [REDACTED] in respect of this element of the scheme. Should this offer be retracted, then we reserve the right to amend our appraisal and assumption made in regard to the affordable housing values adopted.

Management Charge & Grant

5.34 The Applicant has also provided us with information on grant funding in relation to the sustrans units available at the proposed scheme. This grant amounts to £200,000 and as such has been included in our appraisal.

5.35 The Applicant has also provided an estimate of the management charges that are expected in relation to the electric mini-bus shuttle service. This amounts to £482,000 and has been adopted within our appraisal as an additional revenue. We understand from further correspondence with the Applicant that this estimate is likely to have been understated, and the revenue may instead increase and improve viability. Nonetheless, we have retained the conservative estimate at this stage, but reserve the right to amend our appraisal accordingly should the management charge or grant funding estimates change.

Summary

5.36 The cost and value inputs adopted in our assessment are summarised in Table 5.4.

Table 5.4 – Appraisal Input Summary

Item	Assumption
Values	
Private Residential Units GDV	£47,345,000
Affordable GDV	
Self-Built Plots GDV	£2,200,000
Retirement Units GDV	£21,525,000
Medical / Pharmacy Unit Capital Value	£2,263,158
Care Home Land Receipt	
Management Charges	£482,000
Grant	£200,000
Total GDV	£95,715,158
Costs	
Construction Cost	£38,807,833
Construction Cost £ / psf	£183.63 psf
Externals	10.0%
Contingency	5.0%
Professional Fees	10.0%
Preparation Works	£768,826
Enabling Works	£13,283,731
Highways Works	£929,326
S106 Costs	£3,055,718
CIL	£2,113,855
Residential Marketing, Sale & Legal	
Retirement Marketing, Sale & Legal	5.0%
Affordable Legal	
Medical / Pharmacy Letting Agent	10.0%
Medical / Pharmacy Letting Legal	5.0%
Investment Agent	1.0%
Investment Legal	0.5%
Finance Debit Rate	8.0%
Private Residential Profit	17.5% on GDV
Affordable Profit	
Self-Build Profit	10.0% of GDV

Item	Assumption
Medical / Pharmacy Profit	15.0% of GDV
Care Home Land Receipt Profit	■

Source: AVL, 2024.

6 Benchmark Land Value

6.1 In this section, we determine an appropriate Benchmark Land Value (BLV) for the site.

6.2 Paragraph 58 of the NPPF states that 'all viability assessments, including any undertaken at the plan-making stage, should reflect the recommended approach in national planning guidance.' ¹⁴

6.3 The Benchmark Land Value (BLV, also referred to as the threshold land value) is promoted in the Planning Practice Guidance as the preferred method of defining land value. The PPG does not provide an explicit definition of land value but states in Paragraph 013, Reference ID: 10-013-20190509 that:

'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 fully comply with policy requirements.'

6.4 The PPG also states that Existing Use Value can be established by using published sources of information such as agricultural or industrial land values, valuation office agency data or public sector estate / property teams' locally held evidence.¹⁵

6.5 In regards to the factors which should be considered in establishing a BLV, Paragraph 014, Reference ID: 10-014-20190509 states:

'Benchmark land value should:

- *be based upon 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.' (Our emphasis).*

6.6 The PPG also states that Alternative Use Values (AUVs) may be informative in establishing Benchmark Land Values for viability assessments. Paragraph 017 states the following:

¹⁴ MHCLG, 2021. *National Planning Policy Framework*. (p. 16)

¹⁵ MHCLG, 2019. *Planning Practice Guidance – Viability*. (Paragraph: 015, Reference ID: 10-015-20190509)

'For the purpose of viability assessment alternative use value (AUV) refers to the value of land for uses other than its existing use. AUV of the land may be informative in establishing benchmark land value.'

AVL Assessment of BLV

- 6.7 The site largely comprises greenfield land with a small area of previously developed land from the former mineral and land infill site. We consider the EUV+ method to be the most appropriate approach to determining a BLV for the site. As the site does not currently benefit from any extant planning permission or allocation for residential development in the current Local Plan, we conclude that the AUV approach advocated in the PPG would not be appropriate in this instance. Instead, it is expected an EUV could be derived by reviewing agricultural land value assumptions and then applying a suitable multiplier premium, which is an accepted approach to defining greenfield land values in viability assessments.
- 6.8 We note that the site falls within the green belt, which we would expect to influence the existing use value when compared to similarly-sized unrestricted greenfield sites. Further, the site's former use may also mean that abnormal costs are incurred which would also need to be reflected in any BLV assumption (in accordance with Paragraphs 012 and 014 of the Viability PPG).
- 6.9 Accordingly, and owing to the limitations identified above, we have elected to adopt a £nil land value in our appraisals at this stage. We reserve the right to revisit our benchmark land value if necessary.

7 Conclusions & Recommendations

7.1 This chapter sets out the results of our viability appraisals. We have tested the scheme's viability using ARGUS Developer software. Please refer to Appendix 6 for a copy of our development appraisal. We also undertake sensitivity analysis to demonstrate scheme viability and show how this could change depending on market conditions.

Appraisal Outputs

7.2 The output of our appraisal is shown in Table 7.1.

Table 7.1 – Appraisal Outcome

Description	Outcome
Surplus / Deficit	+£2,186,925

Source: AVL, 2024.

7.3 Table 7.1 shows that the proposed scheme generates a surplus of c. £2.19m. This is based on the delivery of a policy-compliant level of affordable housing (36%), in addition to all the estimated S106 contributions and CIL that the Applicant is committing to deliver.

Sensitivity Analysis

7.4 The RICS Practice Statement requires that all FVAs and subsequent reviews must provide a sensitivity analysis of the results, and an accompanying explanation and interpretation in respect of calculations on viability. This is to:

- Allow both the Applicant and decision-maker to consider how changes in inputs to a financial appraisal affect viability, and
- Understand the extent of these results, to arrive at an appropriate conclusion on viability of the application scheme.

7.5 This also forms part of an exercise to 'stand back' and apply a viability judgment to the outcome of a report.

7.6 In this respect, we have carried out a sensitivity analysis to show the impact of fluctuations to build costs and sales values on the scheme's viability. The outputs of this analysis are shown in Figure 7.1.

Figure 7.1 – Sensitivity Analysis

		Construction: Gross Cost				
		-2.00%	-1.00%	0.00%	1.00%	2.00%
Sales Values	-2.00%	£2,159,573	£1,585,129	£1,010,685	£436,241	-£138,204
	-1.00%	£2,745,253	£2,173,249	£1,598,805	£1,024,361	£449,916
	0.00%	£3,329,711	£2,759,046	£2,186,925	£1,612,480	£1,038,036
	1.00%	£3,914,169	£3,343,504	£2,772,839	£2,200,600	£1,626,156
	2.00%	£4,498,627	£3,927,962	£3,357,297	£2,786,632	£2,214,276

Source: AVL, 2024.

7.7 The profit levels have remained consistent at 17.5% on GDV for the market sale and 10% for the self-build plots. The cell highlighted blue shows the base scenario (i.e. without adjustments).

7.8 This analysis shows that adjustments are required to both the sales values and construction costs for the delivery of the scheme to become unviable. For example, with a 2.0% increase in construction costs and a corresponding decrease in sales values, the scheme becomes unviable with a deficit of c. -£138,000 (shown red) and therefore still considered to be deliverable (on the basis accepted a marginally lower return). Conversely, if conditions were to improve with sales values increasing by 2% and construction costs continuing to rise by a corresponding amount, the surplus would increase to c. £4.50m (shown green).

Conclusion

7.9 Our review has identified that the proposed scheme is viable with a fully policy-compliant level of affordable housing, in addition to the S106 contributions and wider amenities. The Applicant is not only committed to delivering these benefits as part of the proposed development but also create a highly sustainable community.

7.10 Our appraisals show that the scheme produces a surplus of £2,186,925. This is based on our assessment of achievable sales values and offers received for certain aspects of the scheme. Our appraisals include BCIS cost data in addition to detailed costs produced in respect of the preparation, enabling and highway works required in order to build the scheme.

7.11 Given the nature of the proposal site and in the interest of viability, our appraisal does not include a BLV; however, given that a viability surplus of c. £2.3m is generated as well as a developer profit of c. £14m, this suggests that there is an appropriate level of return being achieved for the Applicant. The Applicant can therefore confirm that they are able to meet all the required planning policy requirements.

Appendix 1 – AVL Terms of Business

AspinallVerdi – Property Regeneration Consultants

Standard Terms of Appointment

Definitions

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

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

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

Description of services to be provided

AspinallVerdi shall provide the services described within the Fee Proposal.

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

Client’s Obligations

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

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

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

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

Changes to the scope of instructions

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

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

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

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

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

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

Conflicts of Interest

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

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

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

Professional Fees

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

Disbursements

The Client will pay all incidental expenses incurred by AspinallVerdi, including without limitation: all travel expenses incurred, accommodation, subsistence, special delivery postage/carrier services, copying, Land Registry Title plans, Ordnance Survey plans, photography, advertising, professional photography, "For Sale / All Enquiries" Boards, printed brochure etc, unless otherwise agreed in the Fee Proposal.

Car mileage will be recharged at 0.55 pence per mile.

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

Payment Terms

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

All fees and charges including disbursements are exclusive of Value Added Tax (VAT) which if due shall be paid concurrently in addition. VAT will be charged at the prevailing rate.

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

AspinallVerdi reserves the right to charge interest and debt recovery costs in respect of any amounts that remain unpaid after 30 days of the invoice date. Interest will be calculated at a rate of 4% a year above the Bank of England's base rate from time to time on any invoice which remains unpaid 30 days after the invoice date. Such interest will accrue on a daily basis.

Documentation

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

AspinallVerdi shall not be liable for any use of the documents for any purpose other than that for which they were prepared and provided by AspinallVerdi or for any use by a third party.

No reliance will be placed by the Client on draft reports or other work products (oral or written) provided by AspinallVerdi as these may vary significantly from any final report or work product.

Intellectual Property

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

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

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

Reporting

Unless otherwise agreed, AspinallVerdi will provide an electronic pdf version of the final report/output.

AspinallVerdi reserves the right to charge for the production of paper copies or reports. Incidental expenses for additional paper copies will be recharged together with administration time for the preparation and collation of further reports.

AspinallVerdi reserves the right to charge for the production of 'Accessible reports' where these have not been specified by the Client from the outset.

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

Data Protection

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

Assignment

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

Land and Property Agency Sales and Acquisitions:

Type of Agency

Unless otherwise agreed in writing, you appoint AspinallVerdi as a sole agent with sole selling rights for the duration of this agreement. Sole agent means that the Client agrees a not to appoint or employ any other agent for the purposes for which AspinallVerdi are so appointed during the course of this agreement and be that the sole agent has sole selling rights.

Sole Selling Rights

You are liable to pay remuneration to AspinallVerdi, in addition to any other costs or charges agreed, in each of the following circumstances:

if unconditional contracts for the sale of the property are exchanged in the period during which we have sole selling rights, even if the purchaser was not found by us but by another agent or by any other person, including yourself;

if unconditional contracts for the sale of the property are exchanged after the expiry of the period during which we have sole selling rights but to a purchaser who was introduced to you during that period or with whom we had negotiations about the property during that period.

Agency Period

The Client appoints AspinallVerdi from the date of this agreement for a minimum period of 6 calendar months, after which the agreement may be terminated by either party by giving the other 15 working days' notice in writing to this effect.

Agency Fees

AspinallVerdi's commission will be calculated as a percentage of the purchase price – as set out in the Fee Proposal, plus VAT.

AspinallVerdi will submit an invoice for our commission / fees to your solicitor on exchange of contracts. You shall, as soon as reasonably possible after instructing your solicitor to deal with your property sale, instruct your solicitor to provide us with an undertaking to pay our invoice from the monies held in your client account with your solicitor, and you shall confirm to us when this instruction has been provided. You agree that we may send our invoice direct to your solicitor for settlement, and that your solicitor is authorised to pay that invoice. However, for the avoidance of doubt, you remain fully liable for payment of the invoice for our commission / fees at all times and we may recover payment from you direct if we do not receive payment from your solicitor.

Our invoice is payable upon completion of the sale of the property, or by a payment schedule for a 'subject to planning' or other more complex land and/or development transaction as set out in the Fee Proposal.

Ready, Willing and Able Purchaser

A purchaser is a "ready, willing and able purchaser" if he / she is prepared and is able to exchange contracts for the purchase of your Property. You will be liable to pay remuneration to us, in addition to any other costs or charges agree. If such a purchaser is introduced by us in accordance with your instructions and this must be paid even if you subsequently withdraw and contracts for sale are not exchanged, irrespective of your reasons.

Referral and Introductory Fees

Where AspinallVerdi refer the Client or Land and/or Property to a third party in furtherance of the Clients objectives, business plan, economic plan, Local Plan etc., AspinallVerdi reserves the right to claim a reasonable fee or commission in respect of such service, referral, introduction which will be charged to the third party.

Vacant Properties

AspinallVerdi will not accept responsibility for the maintenance or repair of damage to the property at any time, or insurance of properties under their agency, unless specifically instructed to do so in writing.

Professional Indemnity insurance

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

The level of PI Insurance cover appropriate for the instruction being undertaken is limited to £5 million. AspinallVerdi shall on the written request of the Client provide evidence that PI insurance is in place.

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

Liability of Employees

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

RICS Regulation

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

Complaints

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

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

Notice

Any notice to be given under this Agreement shall be in writing and delivered by hand or sent by recorded delivery post to the party at the address showing in this Agreement or to such an address as the other party may have specified from time to time by written notice to the other.

Suspension and Termination

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

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

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

Law

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

230426 AspinallVerdi Standard Terms and Conditions_v0.8

Appendix 2 – Comparable Data

Address			Postcode	Date Sold	Price	No. Beds	SQM	SQFT	£ / psf	Comments
FLAT 8	55, TUPWOOD LANE	CATERHAM	CR3 6DB	15/07/2022	£295,000	1	61	657	£449	Hillside
FLAT 2	57, TUPWOOD LANE	CATERHAM	CR3 6DB	20/06/2022	£310,000	1	50	538	£576	Mulberry Horn
FLAT 5	57, TUPWOOD LANE	CATERHAM	CR3 6DB	08/08/2022	£300,000	1	50	538	£557	18 units
FLAT 1	55, TUPWOOD LANE	CATERHAM	CR3 6DB	14/10/2022	£385,000	2	73	786	£490	1 and 2-bed
FLAT 2	55, TUPWOOD LANE	CATERHAM	CR3 6DB	20/06/2022	£440,000	2	85	915	£481	
FLAT 4	55, TUPWOOD LANE	CATERHAM	CR3 6DB	23/06/2022	£395,000	2	74	797	£496	
FLAT 5	55, TUPWOOD LANE	CATERHAM	CR3 6DB	20/06/2022	£427,500	2	85	915	£467	
FLAT 6	55, TUPWOOD LANE	CATERHAM	CR3 6DB	20/06/2022	£410,000	2	72	775	£529	
FLAT 1	57, TUPWOOD LANE	CATERHAM	CR3 6DB	26/09/2022	£400,000	2	72	775	£516	
FLAT 3	57, TUPWOOD LANE	CATERHAM	CR3 6DB	29/07/2022	£395,000	2	73	786	£503	
FLAT 6	57, TUPWOOD LANE	CATERHAM	CR3 6DB	20/06/2022	£390,000	2	73	786	£496	
FLAT 7	57, TUPWOOD LANE	CATERHAM	CR3 6DB	20/06/2022	£365,000	2	70	753	£484	
FLAT 9	57, TUPWOOD LANE	CATERHAM	CR3 6DB	29/07/2022	£375,000	2	72	775	£484	
2 SCOTIA COURT, 3	MERSTHAM	RH1 3GH	15/07/2022	£239,995	1	47	506	£474	Sandstone C	
7 SCOTIA COURT, 3	MERSTHAM	RH1 3GH	30/06/2022	£264,995	1	51	549	£483	Bellway	
8 SCOTIA COURT, 3	MERSTHAM	RH1 3GH	30/05/2022	£267,995	1	52	560	£479	33 units	
16 SCOTIA COURT, 3	MERSTHAM	RH1 3GH	29/04/2022	£271,995	1	58	624	£436		
1 SCOTIA COURT, 3	MERSTHAM	RH1 3GH	29/07/2022	£324,995	2	61	657	£495		
3 SCOTIA COURT, 3	MERSTHAM	RH1 3GH	29/04/2022	£354,995	2	75	807	£440		
5 SCOTIA COURT, 3	MERSTHAM	RH1 3GH	20/05/2022	£314,995	2	67	721	£437		
6 SCOTIA COURT, 3	MERSTHAM	RH1 3GH	27/05/2022	£331,995	2	72	775	£428		
10 SCOTIA COURT, 3	MERSTHAM	RH1 3GH	15/07/2022	£323,995	2	73	786	£412		
11 SCOTIA COURT, 3	MERSTHAM	RH1 3GH	28/04/2022	£340,000	2	70	753	£451		
12 SCOTIA COURT, 3	MERSTHAM	RH1 3GH	29/03/2022	£341,295	2	74	797	£428		
13 SCOTIA COURT, 3	MERSTHAM	RH1 3GH	05/08/2022	£332,495	2	73	786	£423		
14 SCOTIA COURT, 3	MERSTHAM	RH1 3GH	01/07/2022	£337,995	2	70	753	£449		
15 SCOTIA COURT, 3	MERSTHAM	RH1 3GH	27/05/2022	£337,995	2	74	797	£424		
17 SCOTIA COURT, 3	MERSTHAM	RH1 3GH	01/07/2022	£334,995	2	70	753	£445		
18 SCOTIA COURT, 3	MERSTHAM	RH1 3GH	27/07/2022	£348,995	2	70	753	£463		
31 SCOTIA COURT, 3	MERSTHAM	RH1 3GH	24/06/2022	£349,995	2	79	850	£412		
32 SCOTIA COURT, 3	MERSTHAM	RH1 3GH	06/05/2022	£353,995	2	74	797	£444		
1 MITHIAN COURT, 3	MONTAGU CRESCENT	RH1 2GR	05/08/2022	£233,000	1	51	549	£424	Carrington P	
4 MITHIAN COURT, 3	MONTAGU CRESCENT	RH1 2GR	26/08/2022	£240,000	1	51	549	£437	Linden Home:	
5 MITHIAN COURT, 3	MONTAGU CRESCENT	RH1 2GR	05/08/2022	£235,000	1	51	549	£428		
8 MITHIAN COURT, 3	MONTAGU CRESCENT	RH1 2GR	29/07/2022	£242,500	1	51	549	£442		
9 MITHIAN COURT, 3	MONTAGU CRESCENT	RH1 2GR	30/09/2022	£245,000	1	51	549	£446		
12 MITHIAN COURT, 3	MONTAGU CRESCENT	RH1 2GR	30/09/2022	£245,000	1	51	549	£446		
2 MITHIAN COURT, 3	MONTAGU CRESCENT	RH1 2GR	29/07/2022	£300,000	2	72	775	£387		
6 MITHIAN COURT, 3	MONTAGU CRESCENT	RH1 2GR	23/08/2022	£305,000	2	72	775	£394		
7 MITHIAN COURT, 3	MONTAGU CRESCENT	RH1 2GR	05/08/2022	£305,000	2	72	775	£394		
10 MITHIAN COURT, 3	MONTAGU CRESCENT	RH1 2GR	16/09/2022	£294,500	2	72	775	£380		
11 MITHIAN COURT, 3	MONTAGU CRESCENT	RH1 2GR	16/09/2022	£310,000	2	72	775	£400		
13 MITHIAN COURT, 3	MONTAGU CRESCENT	RH1 2GR	31/08/2022	£330,000	2	71	764	£432		
15 MITHIAN COURT, 3	MONTAGU CRESCENT	RH1 2GR	20/09/2022	£326,000	2	71	764	£427		

Address		Postcode	Date Sold	Price	Type	No. Beds	SQM	SQFT	£ / psf	Comments
1 PORKELE PLACE	CATERHAM	CR3 5FZ	25/11/2022	£695,000	S	3	119	1281	£543	Whyteleafe Grove
2 PORKELE PLACE	CATERHAM	CR3 5FZ	08/07/2022	£590,000	S	3	100	1076	£548	Antler Homes
3 PORKELE PLACE	CATERHAM	CR3 5FZ	06/06/2022	£680,000	S	3	142	1528	£445	c. 48 units
4 PORKELE PLACE	CATERHAM	CR3 5FZ	08/07/2022	£580,000	S	3	100	1076	£539	3 & 4 beds
5 PORKELE PLACE	CATERHAM	CR3 5FZ	30/06/2022	£685,000	S	3	141	1518	£451	off street parking
6 PORKELE PLACE	CATERHAM	CR3 5FZ	24/03/2023	£640,000	S	3	137	1475	£434	Semi detached and detached
7 PORKELE PLACE	CATERHAM	CR3 5FZ	29/06/2022	£615,000	S	3	106	1141	£539	
8 PORKELE PLACE	CATERHAM	CR3 5FZ	09/02/2023	£590,000	S	3	100	1076	£548	
10 PORKELE PLACE	CATERHAM	CR3 5FZ	22/03/2023	£565,000	S	3	100	1076	£525	
12 PORKELE PLACE	CATERHAM	CR3 5FZ	16/01/2023	£705,000	S	3	137	1475	£478	
16 PORKELE PLACE	CATERHAM	CR3 5FZ	19/06/2023	£620,000	S	3	137	1475	£420	
18 PORKELE PLACE	CATERHAM	CR3 5FZ	20/01/2023	£725,000	S	3	137	1475	£492	
3 UPWODE WAY	CATERHAM	CR3 5GF	22/04/2022	£622,000	S	3	108	1163	£535	
5 UPWODE WAY	CATERHAM	CR3 5GF	22/04/2022	£670,000	S	3	142	1528	£438	
6 UPWODE WAY	CATERHAM	CR3 5GF	26/04/2022	£620,000	S	3	108	1163	£533	
8 UPWODE WAY	CATERHAM	CR3 5GF	29/04/2022	£685,000	S	3	142	1528	£448	
1 GATIERS LANE	CATERHAM	CR3 5GG	23/06/2023	£630,000	S	3	137	1475	£427	
3 GATIERS LANE	CATERHAM	CR3 5GG	13/07/2023	£638,000	S	3	137	1475	£433	
7 GATIERS LANE	CATERHAM	CR3 5GG	20/10/2022	£600,000	S	3	100	1076	£557	
8 GATIERS LANE	CATERHAM	CR3 5GG	12/08/2022	£595,000	S	3	100	1076	£553	
9 GATIERS LANE	CATERHAM	CR3 5GG	13/10/2022	£610,000	S	3	100	1076	£567	
10 GATIERS LANE	CATERHAM	CR3 5GG	05/08/2022	£582,000	S	3	100	1076	£541	
9 PORKELE PLACE	CATERHAM	CR3 5FZ	25/08/2022	£825,000	D	4	153	1647	£501	
11 PORKELE PLACE	CATERHAM	CR3 5FZ	05/08/2022	£820,000	D	4	151	1625	£505	
20 PORKELE PLACE	CATERHAM	CR3 5FZ	31/01/2023	£825,000	D	4	135	1453	£568	
24 PORKELE PLACE	CATERHAM	CR3 5FZ	23/12/2022	£830,000	D	4	141	1518	£547	
26 PORKELE PLACE	CATERHAM	CR3 5FZ	06/01/2023	£835,000	D	4	135	1453	£575	
28 PORKELE PLACE	CATERHAM	CR3 5FZ	10/01/2023	£835,000	D	4	135	1453	£575	
1 UPWODE WAY	CATERHAM	CR3 5GF	14/04/2022	£820,000	D	4	153	1647	£498	
2 UPWODE WAY	CATERHAM	CR3 5GF	14/07/2022	£835,000	D	4	153	1647	£507	
4 UPWODE WAY	CATERHAM	CR3 5GF	22/04/2022	£827,500	D	4	152	1636	£506	
7 UPWODE WAY	CATERHAM	CR3 5GF	27/04/2022	£825,000	D	4	153	1647	£501	
2 GATIERS LANE	CATERHAM	CR3 5GG	05/08/2022	£730,000	D	4	135	1453	£502	
4 GATIERS LANE	CATERHAM	CR3 5GG	31/08/2022	£740,000	D	4	135	1453	£509	
6 GATIERS LANE	CATERHAM	CR3 5GG	31/08/2022	£805,000	D	4	141	1518	£530	
1 BROADLEAF PLACE	CATERHAM	CR3 5GP	13/10/2022	£700,000	T	3	119	1281	£546	Broadleaf Place
27 BROADLEAF PLACE	CATERHAM	CR3 5GP	21/12/2022	£675,000	T	3	118	1270	£531	Shanly Homes
32 BROADLEAF PLACE	CATERHAM	CR3 5GP	22/12/2022	£675,000	T	3	118	1270	£531	2,3 bed units
33 BROADLEAF PLACE	CATERHAM	CR3 5GP	20/12/2022	£690,000	S	3	119	1281	£539	some with attached garages
35 BROADLEAF PLACE	CATERHAM	CR3 5GP	19/12/2022	£680,000	D	3	123	1324	£514	c. 42 units
11 BROADLEAF PLACE	CATERHAM	CR3 5GP	03/02/2023	£491,000	S	2	80	861	£570	34 houses
12 BROADLEAF PLACE	CATERHAM	CR3 5GP	22/12/2022	£480,000	S	2	80	861	£557	8 apartments
13 BROADLEAF PLACE	CATERHAM	CR3 5GP	13/02/2023	£470,000	S	2	81	872	£539	
5 MONTAGU CRESCENT	REDHILL	RH1 2GN	14/04/2022	£565,000	T	4	121	1302	£434	Carrington Place
7 MONTAGU CRESCENT	REDHILL	RH1 2GN	16/12/2022	£565,000	T	4	124	1335	£423	Linden Homes
9 MONTAGU CRESCENT	REDHILL	RH1 2GN	25/04/2022	£565,000	T	4	121	1302	£434	
11 MONTAGU CRESCENT	REDHILL	RH1 2GN	30/03/2022	£580,000	S	4	123	1324	£438	
13 MONTAGU CRESCENT	REDHILL	RH1 2GN	29/03/2022	£575,000	S	4	123	1324	£434	
14 MONTAGU CRESCENT	REDHILL	RH1 2GN	21/01/2022	£495,000	S	3	103	1109	£446	
16 MONTAGU CRESCENT	REDHILL	RH1 2GN	25/02/2022	£495,000	S	3	103	1109	£446	
18 MONTAGU CRESCENT	REDHILL	RH1 2GN	28/01/2022	£500,000	S	3	103	1109	£451	
13B MANSFIELD DRIVE	MERSTHAM	RH1 3JP	13/07/2022	£420,000	T	2	93	1001	£420	HAWTHORN GARDENS
4 HAWTHORN GARDENS	MERSTHAM	RH1 3JQ	08/09/2022	£425,000	T	2	93	1001	£425	Local Developer
11A MANSFIELD DRIVE	MERSTHAM	RH1 3JP	09/09/2022	£525,000	S	3	104	1119	£469	19/02559/F
11B MANSFIELD DRIVE	MERSTHAM	RH1 3JP	30/09/2022	£525,000	S	3	104	1119	£469	10 units
13A MANSFIELD DRIVE	MERSTHAM	RH1 3JP	21/07/2022	£515,000	T	3	104	1119	£460	Tumbl Land, The South London
13C MANSFIELD DRIVE	MERSTHAM	RH1 3JP	28/07/2022	£512,000	T	3	104	1119	£457	
3 HAWTHORN GARDENS	MERSTHAM	RH1 3JQ	03/08/2022	£535,000	T	3	112	1206	£444	
5 HAWTHORN GARDENS	MERSTHAM	RH1 3JQ	29/07/2022	£530,000	T	3	112	1206	£440	
1 HAWTHORN GARDENS	MERSTHAM	RH1 3JQ	22/07/2022	£575,000	D	4	112	1206	£477	
2 HAWTHORN GARDENS	MERSTHAM	RH1 3JQ	22/07/2022	£575,000	D	4	112	1206	£477	

Scheme	Beds	Price	SQM	Sqft	£ / psf	Comments
8 Pillarbox House, Godstone Hill, Godstone	1	£295,000		494	£597	Pillarbox House
4 Pillarbox House, Godstone Hill, Godstone, Surrey, RH9 8DJ	2	£395,000		777	£508	
Godstone Hill, Godstone, Surrey, RH9 8DJ	2	£415,000		777	£534	
Godstone Hill, Godstone, Surrey, RH9 8DJ	2	£430,000		869	£495	
Albion Yard, Redhill	2	£385,000		770	£500	Albion Yard
Albion Yard, Redhill	2	£350,000		739	£474	Mulberry Homes
Albion Yard, Redhill	1	£270,000		552	£489	A number sold STC
Albion Yard, Redhill	s	£250,000		372	£672	57 units, 1 & 2 bed
Albion Yard, Redhill	s	£235,000		368	£639	40 parking spaces
Albion Yard, Redhill	s	£220,000		358	£615	
Doods Park Road, Reigate, Surrey, RH2	2	£575,000		936	£614	Red Oak
Doods Park Road, Reigate, Surrey, RH2	2	£500,000		841	£595	
Doods Park Road, Reigate, Surrey, RH2	2	£495,000		854	£580	

Scheme	Beds	Type	Price	SQM	Sqft	£ / psf	Comments
Kings Mill, Kings Mill Lane, South Nutfield, Surrey, RH1	4	D	£1,175,000		1772		£663 MILL BROOK MEWS
Kings Mill, Kings Mill Lane, South Nutfield, Surrey, RH1	4	D	£1,125,000		1772		£635 Earlswood Homes
Kings Mill, Kings Mill Lane, South Nutfield, Surrey, RH1	3	T	£765,000		1358		£563 7 units
Kings Mill, Kings Mill Lane, South Nutfield, Surrey, RH1	3	t	£760,000		1296		£586 A number sold stc
Kings Mill, Kings Mill Lane, South Nutfield, Surrey, RH1	3	s	£730,000		1294		£564
Oakley Gardens, Merstham	3	t	£625,000		905		£691 Oakley Gardens
Oakley Gardens, Merstham	3	d	£700,000		968		£723 Dion Homes
Oakley Gardens, Merstham	3	ind of terrace	£600,000		914		£656
Oakley Gardens, Merstham	4	s	£750,000		132	1421	£528
Oakley Gardens, Merstham	4	d	£850,000		154	1658	£513
Oakley Gardens, Merstham	3 d		£725,000		121	1302	£557
Oldencraig Mews, Tandridge Lane	4	d	£1,175,000		2150		£547 OLDENCRAIG MEWS
Oldencraig Mews, Tandridge Lane	5	d	£1,825,000		3616		£505 Chartwell Land & New Homes Ltd
Oldencraig Mews, Tandridge Lane	4	d	£1,175,000		2167		£542 23 units
Oldencraig Mews, Tandridge Lane	4	d	£995,000		1773		£561 set within 21 acres of woodland and meadowland

Address		Postcode	Date Sold	Price	No. Beds	SQM	SQFT	£ / psf	Comments
1 GOLDFINCH HOUSE	CHIPSTEAD	CR5 3LU	20/04/2022	£443,000	1	53	570	£777	GOLDFINCH HOUSE
2 GOLDFINCH HOUSE	CHIPSTEAD	CR5 3LU	29/10/2021	£445,000	1	57	613	£726	McCarthy stone
9 GOLDFINCH HOUSE	CHIPSTEAD	CR5 3LU	26/07/2022	£433,000	1	53	570	£760	
10 GOLDFINCH HOUSE	CHIPSTEAD	CR5 3LU	23/06/2022	£380,000	1	48	516	£736	
11 GOLDFINCH HOUSE	CHIPSTEAD	CR5 3LU	29/10/2021	£405,000	1	49	527	£769	
16 GOLDFINCH HOUSE	CHIPSTEAD	CR5 3LU	27/05/2022	£443,000	1	58	624	£710	
18 GOLDFINCH HOUSE	CHIPSTEAD	CR5 3LU	30/09/2022	£388,000	1	49	527	£736	
21 GOLDFINCH HOUSE	CHIPSTEAD	CR5 3LU	31/05/2022	£413,500	1	51	548	£754	
5 GOLDFINCH HOUSE	CHIPSTEAD	CR5 3LU	27/05/2022	£583,000	2	88	946	£616	
8 GOLDFINCH HOUSE	CHIPSTEAD	CR5 3LU	29/10/2021	£550,000	2	71	764	£720	
12 GOLDFINCH HOUSE	CHIPSTEAD	CR5 3LU	30/03/2022	£567,000	2	84	903	£628	
13 GOLDFINCH HOUSE	CHIPSTEAD	CR5 3LU	29/04/2022	£562,000	2	81	871	£645	
14 GOLDFINCH HOUSE	CHIPSTEAD	CR5 3LU	29/04/2022	£610,000	2	98	1054	£579	
15 GOLDFINCH HOUSE	CHIPSTEAD	CR5 3LU	10/12/2021	£570,000	2	95	1022	£558	
24 GOLDFINCH HOUSE	CHIPSTEAD	CR5 3LU	29/04/2022	£570,000	2	85	914	£624	
FLAT 10	COLEBROOKE LODGE, 36	REIGATE	RH2 8EE	30/09/2021	£352,950	1	54	581	£608 COLEBROOKE LODGE, 36
FLAT 12A	COLEBROOKE LODGE, 36	REIGATE	RH2 8EE	31/03/2022	£380,280	1	58	624	£610 Churchill
FLAT 15	COLEBROOKE LODGE, 36	REIGATE	RH2 8EE	31/03/2022	£349,950	1	50	538	£651
FLAT 25	COLEBROOKE LODGE, 36	REIGATE	RH2 8EE	31/03/2022	£358,950	1	50	538	£668
FLAT 1	COLEBROOKE LODGE, 36	REIGATE	RH2 8EE	07/11/2021	£516,950	2	76	817	£633
FLAT 11	COLEBROOKE LODGE, 36	REIGATE	RH2 8EE	31/03/2022	£499,950	2	75	807	£620
FLAT 14	COLEBROOKE LODGE, 36	REIGATE	RH2 8EE	14/01/2022	£495,950	2	74	796	£623
FLAT 2	COLEBROOKE LODGE, 36	REIGATE	RH2 8EE	29/09/2021	£475,950	2	75	807	£590
FLAT 3	COLEBROOKE LODGE, 36	REIGATE	RH2 8EE	22/09/2021	£476,950	2	75	807	£591
FLAT 30	COLEBROOKE LODGE, 36	REIGATE	RH2 8EE	27/10/2022	£560,950	2	83	893	£628
FLAT 5	COLEBROOKE LODGE, 36	REIGATE	RH2 8EE	29/06/2022	£517,950	2	74	796	£651
FLAT 2	PRIORY HOUSE	BOLTERS LANE	SM7 2AJ	05/07/2023	£514,500	1	57	613	£839 Priory House
FLAT 24	PRIORY HOUSE	BOLTERS LANE	SM7 2AJ	31/03/2023	£484,000	1	54	581	£833 McCarthy stone
FLAT 4	PRIORY HOUSE	BOLTERS LANE	SM7 2AJ	27/01/2023	£494,950	1	54	581	£852
FLAT 7	PRIORY HOUSE	BOLTERS LANE	SM7 2AJ	28/10/2022	£488,500	1	54	581	£841
FLAT 3	PRIORY HOUSE	BOLTERS LANE	SM7 2AJ	27/01/2023	£647,500	2	74	796	£814
FLAT 36	PRIORY HOUSE	BOLTERS LANE	SM7 2AJ	26/10/2022	£617,500	2	74	796	£776
FLAT 40	PRIORY HOUSE	BOLTERS LANE	SM7 2AJ	30/06/2023	£567,500	2	68	731	£776

Address	Price
Custom Build at Greenhayes, Uvedale Road, Oxted	£2,500,000
Custom Build at Greenhayes, Uvedale Road, Oxted	£1,875,000
Building Plot with Full Planning Permission at Chestnut Avenue, Westerham	£540,000
Tilburstow Hill Road, South Godstone, Godstone, Surrey, RH9	£480,000
Plot 2, 24 Park Avenue, Camberley, Surrey, GU15	£1,000,000
Plot 126, Manorwood, West Horsley, Leatherhead, KT24	£375,000
Plot 125, Manorwood, West Horsley, Leatherhead, KT24	£485,000
Plot 127, Manorwood, West Horsley, Leatherhead, KT24	£310,000

Description

Planning permission 5-bed detached property

Planning permission 5-bed detached property

full planning permission for 4-bed detached 22/02873/FUL

full planning permission for 3-bed detached TA/2023/490

Full planning permission 21/0211/FFU

Outline planning approved for a three bedroom fully customisable detached house

Outline planning approved for a four bedroom fully customisable detached house

Outline planning approved for a two bedroom fully customisable detached house

Lease Comps

Start Date	Address	City	Postcode	SF Leased	Rent PA
12/04/2022	127 Worplesdon Road	Guildford		551	£18,745
28/10/2021	129 Queens Road	Weybridge		1825	£49,001
17/06/2021	92 Walton Road	East Molesey		736	£25,311
25/01/2021	31-65A Croydon Road	Caterham		900	£18,504
10/11/2020	250-256 High Street	Dorking		969	£17,113

Rent (psf)	Rent Type	Tenant	Term
£34	Effective	Surrey Dental Practice	15 yrs
£27	Effective	Bupa	10 yrs
£34	Effective	The Vet Station	20 yrs
£21	Effective	Caterham Smiles	15 yrs
£18	Effective	Dorking Smiles	15 yrs

Appendix 3 – Value Schedule

Private	92	units	Type	Scope	Size m2	sq.ft		Total sq.ft	Notes
265,000	473	Apartment	1 Bed 2 Person	52	560	4%	7	3919	£1,855,000 Total sq ft is pro rata fraction of sum, within 2%
350,000	464	Apartment	2 Bed 4 person	70	754	5%	8	6029	£2,800,000
475,000	558	House Terraced	2 Bed 4 person	79	850	7%	11	9355	£5,225,000
495,000	560	House Semi Detached	2 Bed 4 person	82	883	6%	10	8828	£4,950,000
550,000	549	House Semi Detached	3 Bed 5 person	93	1001	8%	14	14016	£7,700,000
525,000	587	House Detached	2 Bed 4 person	83	894	4%	6	5361	£3,150,000
575,000	522	House Detached	3 Bed 5 person	83	1100	4%	6	6600	£3,450,000
785,000	523	House Detached	4 Bed 4 person	83	1500	8%	13	19500	£10,205,000
890,000	523	House Detached	5 Bed 5 person	83	1700	5%	9	15300	£8,010,000

Appendix 4 – BCIS Cost Data

£/M2 STUDY

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

Last updated: 18-May-2024 07:46

Rebased to Surrey (115; sample 186)

MAXIMUM AGE OF RESULTS: DEFAULT PERIOD

Building function (Maximum age of projects)	£/m ² gross internal floor area						Sample	
	Mean	Lowest	Lower quartiles	Median	Upper quartiles	Highest		
New build								
345. Shops								
Generally (30)	2,094	792	1,139	1,717	2,589	5,555	14	
1-2 storey (30)	2,119	792	1,134	1,659	2,694	5,555	13	
414.1 Ear, nose and throat units (45)	2,447	1,696	-	2,368	-	3,355	4	
414.4 Cardiac units (20)	4,229	3,537	3,631	3,891	4,619	5,645	6	
414.8 Hospital facilities for treatment of parts of the body (15)	3,731	2,340	3,038	3,434	4,027	5,818	5	
417.7 Chemotherapy including pharmacies, dispensaries (25)	3,652	3,260	3,331	3,660	3,990	4,010	6	
417.73 Chemotherapy units (25)	3,718	3,260	3,358	3,961	3,999	4,010	5	
421. Health Centres, clinics, group practice surgeries								
Generally (15)	3,425	1,672	2,608	3,299	3,958	6,106	46	
Public (15)	3,809	2,117	3,080	3,829	4,211	6,106	31	
Private (15)	2,631	1,672	2,464	2,583	2,787	4,049	15	

£/M2 STUDY

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

Last updated: 18-May-2024 07:46

Rebased to Surrey (115; sample 186)

MAXIMUM AGE OF RESULTS: 5 YEARS

Building function (Maximum age of projects)	£/m ² gross internal floor area						Sample	
	Mean	Lowest	Lower quartiles	Median	Upper quartiles	Highest		
New build								
447. Care homes for the elderly								
Generally (5)	2,181	1,500	1,864	2,005	2,224	3,461	6	
Over 2000m2 GFA (5)	2,181	1,500	1,864	2,005	2,224	3,461	6	
810. Housing, mixed developments (5)	1,842	942	1,574	1,758	2,025	4,374	374	
810.1 Estate housing								
Generally (5)	1,786	908	1,494	1,729	1,961	3,884	230	
Single storey (5)	2,005	1,174	1,736	1,908	2,136	3,884	44	
2-storey (5)	1,735	908	1,482	1,679	1,929	2,952	181	
3-storey (5)	1,698	1,284	1,438	1,702	1,914	2,152	5	
810.11 Estate housing detached (5)	2,305	1,445	-	2,169	-	3,438	4	
810.12 Estate housing semi detached								
Generally (5)	1,885	1,092	1,560	1,884	2,130	3,884	60	
Single storey (5)	1,946	1,377	1,715	1,920	2,132	3,884	23	
2-storey (5)	1,840	1,092	1,546	1,766	1,984	2,952	36	

Building function (Maximum age of projects)	£/m ² gross internal floor area						Sample
	Mean	Lowest	Lower quartiles	Median	Upper quartiles	Highest	
810.13 Estate housing terraced							
Generally (5)	1,643	1,034	1,436	1,583	1,848	2,386	10
2-storey (5)	1,687	1,034	1,472	1,583	1,957	2,386	8
816. Flats (apartments)							
Generally (5)	2,090	1,076	1,710	1,943	2,373	4,223	184
1-2 storey (5)	2,054	1,188	1,621	1,839	2,460	3,862	32
3-5 storey (5)	2,083	1,076	1,728	1,943	2,292	4,223	128
6 storey or above (5)	2,172	1,493	1,807	2,066	2,389	3,017	24

Appendix 5 – Applicant Cost Information

Nutfield Green Park; Post Planning Project Costs

Item Activity

1	Detailed planning submission/reserved matters and conditions discharge HGH	
2	Section 106 costs Sustrans, £1m, Mid Street, Pedx £0.50m, Paths£0.10m Church Car Park, Football/Play pitch £0.20m	
3	CILs Contribution Residential jv only	
4	Project Team Costs - prior to enabling works commencement Project Director Project FD Senior PM Project QS Office Temporary services Travel, expenses and consumables, IT, Phoens etc	12 12 part time 12 12 12
5	Site Signs, comms, website, pre-marketing, further community engagement	
6	Detailed Design (Retained land) Further site investigations and ground gas monitoring etc Highway Junctions Roads Drainage and SUDs Remediation and development platforms earthworks	
7	Set up trading co's and legals Includes formalising JV agreement with Consoro	
8	Sale Costs and legals Care facilities House Builder Social/affordable Consultants and marketing in agency fees	
9	Interim Funding Costs	say 12 m
10	Ecology Further surveys Fencing costs (newt and invertabrate) Translocation costs	4650

11	Security Clearance for fencing and access works Site Perimeter fencing Security gates Footpath deliniation fencing	4971 4 5400
12	Footpath closure and/or diversion costs	

	pc sum	50,000.00
See Separate Tab	pc sum	0.00
See Separate Tab	pc sum	0.00
months	155,000.00	
months	110,000.00	
months	50,000.00	
months	72,000.00	
months	42,000.00	
months	20,000.00	
	28,000.00	
		477,000.00
	pc sum	35,000.00
pc sum	85,000.00	
pc sum	65,000.00	
pc sum	45,000.00	
pc sum	15,000.00	
pc sum	48,000.00	
		258,000.00
	pc sum	45,000.00
pc sum	25,000.00	
pc sum	25,000.00	
pc sum	25,000.00	
pc sum	125,000.00	
		200,000.00
onths @ 6% on £3.9m		234,000.00
pc sum	45,000.00	
8.45	39,292.50	
pc sum	125,000.00	

		209,292.50
pc sum	35,000.00	
15.5	77,050.50	
1800	7,200.00	
7.85	42,390.00	
		161,640.50
pc sum		35,000.00
	Total	1,704,933.00
NPDL Contingency	0.10	170,493.30
Grand Total		1,875,426.30

NUTFIELD GREEN PARK; PROJECT ENABLING INFRASTRUCTURE C

Assumptions

Each developer to provide for service connections into each plot, within their development costs
Each developer to make provisions for road surfacing for everything but the main roads/acccess
Each developer to provide surface water drainage to their plot perimeter
Each Developer to provide for their own fencing and security to each sub plot
All clearance works in one campaign by NPDL
Note; Risk on ground conditions for Assisted Living development platform, assumed modus operan
Perimter fencing in Post Planning Budget tab
Ecological translocation and fencing in Post Planning Budget tab
Assumes roundabout to A25/Pimlico Junction TBC?
Land clearing costs for Sports Park in the Sports Park Construction tab
Security provision for entire construction programme (156 weeks)
Enabling Contractor provide site wide security and raod sweeping for the 156 weeks of the main deve
Retaining walls, and loclaised excavations for access, construction, basements etc all priced by eac

Item	Activity
1	Mobilisation; Enabling Contractors plant & equipment and establish compound
2	Provision of Enabling Contractors compound and welfare etc
3	Enabling Contractors Prelimonaries and Site Management Project Manager Project QS Section Foreman x 2 Gofor Clerk/PA Site services and consumeables
4	Land Clearance to all development plots Clearance and chipping/flail gang stump grinding and deep ripping
5	Temporary crossings, barriers and gates man and maintain provision
6	Site Security and road sweeping Maintenace of fences and signs Establish security office and welfare Security staff (4 staff, rotating 24/7) Maintain welfare and systems Security transport "Mule" "Mule" fuel and maintenace Surviellance system establish Establish flood lighting (out of hours), to gates and offices

	Maintain common access and security compound flood lighting Road Sweeper Hire for the whole scheme (£425/day inc op and fuel)
7	Topsoil strip and set aside Place to stockpiles
8	Bulk Excavation and placement to accommodate development platforms Assumes selectivity
9	Compaction to general fill for development platforms
10	Double handling and screening/crushing and segregation of mixed spoil/waste Assumes some of the bulk excavation will require re-processing offsite disposal of unsuitable waste residues (inc landfill tax)
11	Ground improvement works; Assisted Living Village & Care Development Platform Either dredge and replace or geobric raft, stabilisation and bored pile or stone column, premiums
12	Trim formations in readiness for handover All Plots A-H plus Wellnees centre footprint and main car park Main Access Plot A Plot B Plot C Plot D Plot E Plot F Plot G Plot H
13	Misc Earthworks, banks, slopes, restoration works
14	Provision of main service connections Mains Electric to site Divert overheads; Gore Meadow and Assisted Living etc Connection to mains sewer Connection to mains gas BT and Fibre *Note; developers remain responsible for each sub-plot. For mains drainage also)
15	Settling Ponds and Suds Features and Connecting Culverts, Interceptors and Weir Structures includes earthworks to support BNG drainage and wetland improvements Topsoil stripping and Replacement Excavation, filling and compaction Lining and blinding

	Cover lining and landscape Wetland planting and broad walk Weir Culverts and Oil Interceptors
16	BNG Planting, tilling, seeding and habitat creations Plough, cross blend, inert soils nutrient depletion to support wildflower glades and seed Tree and scrub planting Woodland restoration/enhancement (net of timber/chip sales)
17	Main access lighting
18	Main access landscaping. EO item 23.
19	Main access entrance walls and gates
20	Internal Roads, footpaths and tracks (excludes internal cycle tracks in Sustrans upgrade budget) Internal Roads, main access, assumed 7m wide, footpath one side, 2 x kerbs, 250mm type 1, 150mm base course, 150mm wearing course Culvert bridges and ballustrades and abutments at Park Wood and Cricket Pitch Footpaths Service ducts to footways to main access to allow sub plot distribution Catch pits, manholes and distribution points
21	Main Site Access from the A25 Highways works T Junction - Not Roundabout
22	Topsoil replacement to common areas
23	Landscaping to common areas - Main access
24	Drainage works and watercourse works to connect roads and common areas to Suds
25	Demobilisation Enabling Contractors, Plant and Machinery
26	Unforeseen exceptional risks/Contractors Risk (no SI at budget stage)
27	Enabling Contractors Risk and Profit
28	Add NPDL Project team 52 weeks enabling works oversee/manage

29	Add; NPDL risks not included in the Enabling Contract

COSTS

di without SI and design

Development programme

h developer in each sub plot

					Total
			sum		£25,000.00
1850	per week	50	weeks		£92,500.00
1750	per week	50	weeks	£87,500.00	
1565	per week	50	weeks	£78,250.00	
1300	per week	100	weeks	£130,000.00	
975	per week	50	weeks	£48,750.00	
750	per week	50	weeks	£37,500.00	
155	per week	50	weeks	£7,750.00	
					£389,750.00
10450	per week	10	weeks		£104,500.00
2500	per week	50	weeks	£125,000.00	
4500	ea	8	no	£36,000.00	
					£161,000.00
150	per week	156	weeks	£23,400.00	
sum				£32,000.00	
3400	per week	156	weeks	£530,400.00	
225	per week	156	weeks	£35,100.00	
sum				£18,000.00	
125	per week	156	weeks	£19,500.00	
sum				£55,000.00	
	sum			£18,000.00	

2125	per week	156	sum weeks	£15,000.00 £331,500.00	£1,077,900.00
25000	m3	at 150mm 3.85	thick m3		£96,250.00
135000	m3	4.25	m3		£573,750.00
50000	m3	1.45	m3		£72,500.00
30000	m3	6.75	m3	£202,500.00	
900	tonnes	135	per tonne	£121,500.00	£324,000.00
RISK ITEM			pc sum		£450,000.00
12682	m2				
22132	m2				
35078	m2				
15642	m2				
8385	m2				
377	m2				
533	m2				
15737	m2				
25065	m2				
100000	m2	1.08	m2		£108,000.00
			pc sum		£80,000.00
	pc sum		300000		
	pc sum		165000		
	pc sum		125000		
	pc sum		125000		
	pc sum		75000		
					£790,000.00
12500	m2	2.45	per m2	£30,625.00	
8500	m3	4.65	per m3	£39,525.00	
6500	m2	14.85	per m2	£96,525.00	

6500	m2	8.45	per m2	£54,925.00	
		sum		£28,000.00	
		sum		£64,000.00	
				£313,600.00	
202300	m2	0.62	per lin m	£125,426.00	
18,000	no	4.62	ea	£83,160.00	
65,000	m2	1.85		£120,250.00	
				£328,836.00	
		pc sum		£35,000.00	
		pc sum		£85,000.00	
		pc sum		£185,000.00	
245	per m2	12682	m2	£3,107,090.00	
2	no	375000		£750,000.00	
850	lin m	18.45	lin m	£15,682.50	
	pc sum			£45,000.00	
			say	£3,917,772.50	
		pc sum		£950,000.00	
25000	m3	5.75	m3		£143,750.00
		pc sum		£155,000.00	
		pc sum		£105,000.00	
		sum		£25,000.00	
			Sub Total	£10,589,108.50	
			0.05	£529,455.43	
			Costs	£11,118,563.93	
			0.16	£1,778,970.23	
			Total Contract Cost	£12,897,534.15	
			fee	£350,000.00	
			Sub total	£13,247,534.15	

			0.04	£529,901.37
		Gross Enabling works costs		£13,777,435.52

Junction
Illustrated Proposed Site Access
Proposed Signalised Crossing on High Street (connecting to Memorial Hall westbound bus stop)
Improvements Mid Street
Proposed Signalised Pedestrian Crossing (west of Church Hill/A25/Cooper's Hill Road junction)
Proposed Uncontrolled Crossing (connecting to Nutfield Cemetery westbound bus stop)

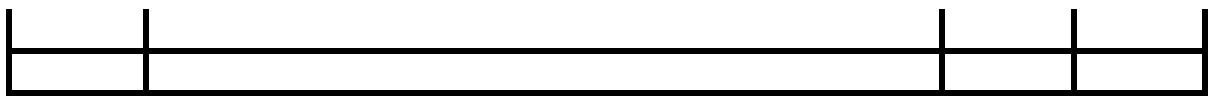
Improvement Description
The proposed site access is expected to comprise a 3.0m shared footway/cycleway along the site frontage, with a raised 'Copenhagen' style crossing for pedestrians and cyclists. Furthermore, the 30mph speed limit signage shall be moved further west.
To improve pedestrian access to the Memorial Hall westbound bus stop, on the southern side of the A25, a signalised puffin crossing is proposed over the A25. The crossing would comprise a 3.2m wide crossing point with localised lane narrowing and shortening of the southern bus stop layby.
Formalising left and right lanes from Mid Street onto the A25, potentially reducing the chance of queues forming. This is achieved by changes to lane markings within the existing carriageway width.
The potential signalisation of the existing uncontrolled crossing on the A25, west of the Church Hill junction, to improve pedestrian safety and enable greater opportunity for vehicles to exit Church Hill once the crossing is called and the eastbound A25 traffic is halted.
It is proposed to improve access to the Nutfield Cemetery westbound bus stop, by providing an uncontrolled crossing and new section of footway. This crossing will feature a 1.6m by 1.5m refuge island, and a 2m wide footway approximately 100m in length.
TOTAL

Specific Improvements
Site clearance, drainage, earthworks, pavement, kerbs, footways, paved areas, traffic signs & road markings, signage & traffic calming, and landscaping.
Site clearance, drainage, earthworks, pavement, kerbs, footways, paved areas, traffic signs & road markings, signage & traffic calming, and landscaping.
Pavement, traffic signs & road markings, and signage & traffic calming.
Site clearance, pavement, kerbs, footways, paved areas, traffic signs & road markings, and signage & traffic calming.
Site clearance, pavement, kerbs, footways, paved areas, traffic signs & road markings, signage & traffic calming, and landscaping.

Cost
£133,656
£342,226
£46,371
£271,347
£135,726
£929,326

Sustrans 21 Restoration Master Budget

1	Mobilise to site, Contractors plant , machinery and compound		
2	Establish Contractors Compound		
3	Contractors prelimonaries and Security	7000.5	per week
4	Permanent and Temporary Works design inc investigations		
5	Restoration works CH 0-178	119.5957	per lin m
6	Signage Improvements CH 0-755		
7	Cormongers Lane Crossing Improvements and Signage		
8	Restoration works CH780-1100 and drainage works	145.769	
9	Bridge repairs CH 1100		
10	Restoration works CH1105 -1545 and drainge works	145.769	
11	Bridge repairs CH 1545		
12	Redhill Brook Dredging and Clearance SWT land		
13	Restoration and drainage works CH 1565-1953	145.769	
14	Restoration works CH 1953-2355	119.5957	
15	Drainage works and ditching CH 2340		
16	Restoration works CH 2340-2507	119.5957	
17	Street Works and signage ch 2507		
18	General vegetation trimming and cutting back		
19	Signage improvements		
20	Low level lighting option	465	ea
21	New cycleways NGP	195.45	per lin m
22	River Restoration Works as proposed		
23	Demobilisation		



sum		£8,500.00
sum		£6,500.00
24	weeks	£168,012.00
sum		£15,000.00
178	Lin m	£21,288.03
sum		£8,500.00
sum		£45,450.00
320	lin m	£46,646.08
sum		£16,400.00
440	lin m	£64,138.36
sum		£24,240.00
sum		£18,974.00
398	lin m	£58,016.06
402	lin m	£48,077.46
sum		£11,435.00
167	lin m	£19,972.48
sum		£6,352.00
sum		£16,845.00
sum		£18,500.00
265	no	£123,225.00
2681	Lin m	£524,001.45
sum		£64,364.00
sum		£8,500.00

Total	£1,342,936.92
--------------	----------------------

Appendix 6 - AVL Development Appraisal

2405 Nutfield Green Park Updated Appraisal (1)

Development Appraisal
AspinallVerdi
13 June 2024

2405 Nutfield Green Park Updated Appraisal (1)

Appraisal Summary for Phase 1

Currency in £

REVENUE

Sales Valuation	Units	ft ²	Sales Rate ft ²	Unit Price	Gross Sales
Market Sale Units	84	88,909	532.51	563,631	47,345,000
Retirement Units	41	38,836	554.25	525,000	21,525,000
Self Build Plots	8	12,000	183.33	275,000	2,200,000
Affordable Units	<u>74</u>	<u>60,633</u>			
Totals	207	200,378			

Rental Area Summary

	Units	ft ²	Rent Rate ft ²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Medical/Pharmacy/Dentist/Shop	1	5,000	27.50	137,500	107,500	137,500

Investment Valuation

Medical/Pharmacy/Dentist/Shop	107,500	YP @	4.7500%	21.0526	2,263,158
Current Rent					

GROSS DEVELOPMENT VALUE

Purchaser's Costs		(153,895)
Effective Purchaser's Costs Rate	6.80%	(153,895)

NET DEVELOPMENT VALUE

Additional Revenue		
70 Bed Carehome Land Receipt		
Management Charges	482,000	
Grant	200,000	

NET REALISATION	95,561,263
-----------------	------------

OUTLAY

CONSTRUCTION COSTS

Construction	ft ²	Build Rate ft ²	Cost
Medical/Pharmacy/Dentist/Shop	5,000	262.40	1,312,000
Residential Construction Costs	156,333	180.27	28,182,326
Retirement Units	<u>50,000</u>	186.27	<u>9,313,530</u>
Totals	211,333 ft²		38,807,856
Contingency		5.00%	1,940,393
Externals		10.00%	3,880,786
			5,821,178

Other Construction Costs

Preparation Works	768,826
Enabling Works	13,283,731
Highways Works	929,326
	14,981,883

Section 106 Costs

Section 106 Costs	3,055,718
CIL	2,113,855
	5,169,573

PROFESSIONAL FEES

Professional Fees	10.00%	5,767,052
		5,767,052

MARKETING & LETTING

2405 Nutfield Green Park Updated Appraisal (1)

Marketing, Sales & Legal	5.00%	██████████	██████████	
Retirement Marketing, Sales & Legal	5.00%	██████████	██████████	1,076,250
Affordable Unit Legal		██████████	██████████	
Letting Agent Fee	10.00%	██████████	██████████	10,750
Letting Legal Fee	5.00%	██████████	██████████	5,375
				2,754,225

DISPOSAL FEES

Investment Agent Fee	1.00%	██████████	██████████	22,632
Investment Legal Fee	0.50%	██████████	██████████	11,316
				33,947

Additional Costs

Market Sale Profit	17.50%	██████████	██████████	12,052,250
Self Build Profit	10.00%	██████████	██████████	220,000
Affordable Profit		██████████	██████████	
Medical/Dental/Pharmacy/Shop	15.00%	██████████	██████████	339,474
Carehome Land Receipt Profit		██████████	██████████	
				14,073,724

TOTAL COSTS BEFORE FINANCE

87,409,439

FINANCE

Debit Rate 8.000%, Credit Rate 0.000% (Nominal)				
Construction				5,249,086
Other				715,813
Total Finance Cost				5,964,900

TOTAL COSTS

93,374,338

PROFIT

2,186,925

Performance Measures

Profit on Cost%	2.34%			
Profit on GDV%	2.40%			
Profit on NDV%	2.41%			
Development Yield% (on Rent)	0.12%			
Equivalent Yield% (Nominal)	4.75%			
Equivalent Yield% (True)	4.89%			
IRR% (without Interest)	11.44%			
Rent Cover	20 yrs 4 mths			
Profit Erosion (finance rate 8.000)	4 mths			

**Net MRV
at Sale**
107,500

London | Leeds | Liverpool
Newcastle | Birmingham

Property | Infrastructure | Planning
Development | Regeneration

www.aspinallverdi.co.uk

Aspinall
Verdi property
regeneration
consultants