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To: The Members of the **Planning Applications Committee**  
(Councillors: Edward Hawkins (Chairman), Victoria Wheeler (Vice Chairman),  
Graham Alleway, Peter Barnett, Cliff Betton, Stuart Black, Mark Gordon, David Lewis,  
David Mansfield, Charlotte Morley, Robin Perry, Darryl Ratiram, Graham Tapper,  
Helen Whitcroft, Valerie White and Shaun Garrett (Substitute))

**In accordance with the Substitute Protocol at Part 4 of the Constitution,  
Members who are unable to attend this meeting should give their apologies and  
arrange for one of the appointed substitutes, as listed below, to attend.  
Members should also inform their group leader of the arrangements made.**

Substitutes: Councillors Dan Adams and Emma-Jane McGrath

#### Site Visits

**Members of the Planning Applications Committee and Local Ward Members may  
make a request for a site visit. Requests in writing, explaining the reason for the  
request, must be made to the Development Manager and copied to the Head of  
Planning and the Democratic Services Officer by 4pm on the Thursday  
preceding the Planning Applications Committee meeting.**

**This meeting will be livestreamed on the Council's Youtube Channel -  
<https://www.youtube.com/user/surreyheathbc>**

Dear Councillor,

A meeting of the **Planning Applications Committee** will be held at Council Chamber,  
Surrey Heath House, Knoll Road, Camberley, GU15 3HD on **Thursday, 28 October 2021 at  
7.15 pm**. The agenda will be set out as below.

Please note that this meeting will be recorded.

Yours sincerely

Damian Roberts

Chief Executive

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#### AGENDA

	<b>Pages</b>
<b>1 Apologies for Absence</b>	
<b>2 Minutes of Previous Meeting</b>	<b>3 - 10</b>

To approve as a correct record the minutes of the meeting of the Planning Applications Committee held on 23 September 2021.

### **3 Declarations of Interest**

Members are invited to declare any disclosable pecuniary interests and non pecuniary interests they may have with respect to matters which are to be considered at this meeting. Members who consider they may have an interest are invited to consult the Monitoring Officer or the Democratic Services Manager prior to the meeting.

#### **Human Rights Statement**

The Human Rights Act 1998 (the Act) has incorporated part of the European Convention on Human Rights into English law. All planning applications are assessed to make sure that the subsequent determination of the development proposal is compatible with the Act. If there is a potential conflict, this will be highlighted in the report on the relevant item.

<b>4</b>	<b>Enforcement Monitoring Report</b>	<b>11 - 14</b>
	<b>Planning Applications</b>	
<b>5</b>	<b>Application Number: 21/0004- Princess Royal Barracks, Brunswick Road, Deepcut, Camberley, Surrey, GU16 6RN</b>	<b>15 - 176</b>
<b>6</b>	<b>Application Number: 20/0913 - 45 And Land To The Rear Of 43 And 47, Station Road, Frimley, Camberley, Surrey, GU16 7HE</b>	<b>177 - 198</b>
<b>7</b>	<b>Application Number: 21/0555 - 1 Gorse Bank, Lightwater, Surrey, GU18 5QX</b>	<b>199 - 214</b>
<b>8</b>	<b>Application Number: 21/0836 - 13 Parsonage Way, Frimley, Camberley, Surrey, GU16 8HZ</b>	<b>215 - 228</b>

\* indicates that the application met the criteria for public speaking

**Minutes of a Meeting of the Planning Applications Committee held at Council Chamber, Surrey Heath House, Knoll Road, Camberley, GU15 3HD on 23 September 2021**

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+ Cllr Edward Hawkins (Chairman)  
+ Cllr Victoria Wheeler (Vice Chairman)

+ Cllr Graham Alleway	+ Cllr Robin Perry
- Cllr Peter Barnett	+ Cllr Darryl Ratiram
+ Cllr Cliff Betton	+ Cllr John Skipper
+ Cllr Mark Gordon	+ Cllr Graham Tapper
+ Cllr David Lewis	+ Cllr Helen Whitcroft
+* Cllr David Mansfield	+ Cllr Valerie White
+ Cllr Charlotte Morley	

+ Present

- Apologies for absence presented

\*Present for minutes 22/P and 23/P

Members in Attendance: Cllr Richard Brooks, Cllr Tim FitzGerald,  
Cllr Shaun Garrett, Cllr Sashi Mylvaganam,  
Cllr Morgan Rise and Cllr Pat Tedder

Officers Present: Duncan Carty, Gavin Chinniah, Julia Greenfield,  
William Hinde, Jonathan Partington, Neil Praine, Eddie Scott  
and Ryno Van der Hoven

Also Present: Nick Molyneaux (Viability Consultant)

## **22/P Minutes of Previous Meeting**

The minutes of the meeting held on 12 August 2021 were confirmed and signed by the Chairman.

## **23/P Application Number: 20/1048: 22-30 Sturt Road, Frimley Green, Camberley, Surrey, GU16 6HY**

The application was for the erection of a residential development of 160 dwellings, including the conversion of the pumphouse building into residential dwellings, to provide 36 no one bedroom and 48 no two bedroom flats; 30 no two bedroom, 37 no three bedroom and 9 no four bedroom houses, along with associated estate roads and accesses onto Sturt Road, car parking, bin and cycle storage, local area of play and external landscaping following the demolition of all other buildings.

Members were advised of the following updates on the application:

**“UPDATE**

In the second recommendation set out in the update report (Page 21 of the Agenda report), the satisfactory legal agreement needs to be completed by 28 October 2021.

The infrastructure payment through CIL, discounting SANG, is **£498,520**.

The Council's Drainage Engineer has raised no objections.

The Council's Viability Advisers, the DixonSearle Partnership, have provided a summary on viability which is provided as an Annex to this Update.

The County Highway Authority have advised further on the lack of need for controlled crossings across Sturt Road as follows:

*“Controlled crossings were not required as the likely level of pedestrian use throughout the day would be insufficient to meet the criteria for controlled crossings. It is considered that crossings will only operate correctly if they are used on a regular basis throughout the day. If there are too few pedestrians for most of the day drivers may tend to ignore the crossing and put pedestrians at risk on the occasions when they are using the facility.”*

**Correction**

Para 7.4.25 of the original report: The nearby church is the Church of St Andrew.”

Following the introduction of the Officer's report and recommendation, Nick Molyneux of the DixonSearle Partnership (DSP), as the Council's Viability Advisors, presented the viability position.

As the application had triggered the Council's public speaking scheme, Mr David Gilchrist spoke on behalf of the applicant. Mr David Whitcroft, on behalf of the Mytchett, Frimley Green & Deepcut Society, and Mr Alister Mogford spoke in objection to the application.

It was noted that some Members had concerns in respect of the proposed affordable housing provision (15 affordable dwellings (discount market sales), with a review procedure mechanism). Reservations focussed in on how this figure fell short of the 40% affordable housing requirement in The Core Strategy and Development Management Policies Development Plan (CSDMP) and the associated viability assessment. It was reaffirmed that the affordable housing would not go below the 9.4% provision (indicated in the officer update report) and that the provision would be the subject of a secured in perpetuity if the application was approved.

Members expressed reservations in respect of the overall parking layout of the scheme, but also in particular respect of the flatted developments and in particular plots 86, 87 and 88. The Committee felt they needed more information on the proposal's features relating to sustainability including the provision solar panels and ground source heat pumps.

The Committee also had unanswered questions in respect of whether the elements of the scheme would be in accordance with the Council's Residential Design Guide. This was in respect of the requirement for parking arrangements to



be softened by soft landscaping; and the levels of amenity space provided for the flatted units.

As a result of the need for further clarity on these elements of the application, a proposal to defer the application for investigation into these matters was proposed by Councillor Helen Whitcroft, seconded by Councillor Edward Hawkins and put to the vote and carried.

**RESOLVED that application 20/1048 be deferred in order to receive further information on the following matters:**

- **Amenity space in regard to compliance with the Residential Design Guide**
- **Parking layout**
- **Sustainable energy features**
- **Landscaping.**

**Note 1**

It was noted for the record that Councillor Helen Whitcroft declared that her father was attending the Committee meeting as a public speaker, but she had come to the meeting with an open mind.

**Note 2**

In accordance with Part 4, Section D, paragraph 18 of the Constitution, the voting in relation to the application was as follows:

Voting in favour of the alternative proposal to defer the determination of the application:

Councillors Graham Alleway, Cliff Betton, Edward Hawkins, Mark Gordon, David Lewis, David Mansfield, Charlotte Morley, Robin Perry, Darryl Ratiram, John Skipper, Graham Tapper, Victoria Wheeler, Helen Whitcroft and Valerie White.

**24/P Application Number: 20/0405 - Land At Bagshot Retail Park, 150-152 London Road, Bagshot, Surrey, GU19 5DF**

The application was for the amalgamation of existing (Class E) retail units (Units 2B & 2C) for use as a foodstore (Class E) along with internal works (including a reduction in mezzanine floorspace), changes to the building elevations (including a revised shop front), site layout (including revised servicing and car parking arrangements), revised opening and servicing hours, external plant area, trolley bay and associated works.

Members were advised of the following updates:

**“UPDATE**

The Council’s GIS system names the properties to be amalgamated as Units 2A & 2B. This has been amended on the proposal description.

The Council's retail adviser raises no objections subject to clarification on retail impact. This clarification was subsequently provided by the applicant and a view was taken by officers on these submissions. Officers are satisfied that all outstanding matters have been addressed.

### **Representations**

Waitrose & Partners have sent a further representation, maintaining their objection to the proposal, and requested that, if approved, they are given the opportunity to comment on the servicing plan (requested by Condition 6). They have also requested additional text to the condition to ensure that the open parts of the service yard shall be maintained free from obstruction and not used for storage purposes (whether temporary or permanent).

*[Officer comment: It is considered that the servicing plan will provide such information and the temporary storage of goods in the service yard (as they are offloaded and before they are taken into the building) would not be easily enforceable. The more permanent storage could more easily be enforced. It is noted that the Waitrose service yard is only accessed by vehicles through the service yard to the rear of the proposed store. The servicing plan will be provided to ensure access is maintained through this service yard to the Waitrose service yard beyond and control deliveries (during the proposed extension of servicing hours). No amendment to this condition is therefore considered to be necessary. If approved, any application to agree these details will be published and they can be notified at that time].*

Two further objections have been received but these objections raise no new issues.

### **Corrections**

Para 4.2: The net retail floorspace provided under this proposal (for Units 2A & 2B) is 1,019 square metres. This is the amount proposed to be limited by Condition 4.

Para 4.3: The approved opening hours for the existing development is 07:00 to **23:00** hours on Mondays to Saturdays and 10:00 to **18:00** hours on Sundays [Condition 6 of permission 16/1041 and the same as Condition 26 of earlier permission 13/0435].

Para 7.3.8: The retail assessment considers that the proposal would result in a trade diversion from Bagshot of 1.9%.

### **Response from applicant**

The applicant has commented on the officer report by a two page email summarised below:

- The proposal would not lead to an adverse impact on any defined centre or planned investment within any centre and the proposal complies with the sequential test.
- Under the terms of national and local policy, there is no requirement to consider retail impact and that any retail impact would need to be

“significant adverse”. The benchmark for what is deemed unacceptable is high.

- The existing Co-op stores being top-up shopping destinations is demonstrated by the Council’s retail evidence base [Town Centre Uses & Future Directions Study (August 2021)].
- Bagshot is defined as a district centre.
- The former BHS site had also been discounted in the sequential test because there were a number of constraints which make it unsuitable for a food retailer and Camberley is a different catchment for Lidl from Bagshot.
- The pre-application public consultation exercise undertaken by the applicant concluded that of 7,805 properties notified of the proposal, there were 1,979 replies of which 12,483 were in support and 452 were not in support (with 44 undecided).

The applicant has sought amendments to Condition 9, relating to the provision of electric charging points. The applicant is concerned that it will need to be tested how much the charging points are used to see if there is a demand for 13 charging points. They have suggested providing a number (below 13) and add the remainder if demand arises.

The County Highway Authority has agreed with the principle of this approach but has suggested a shorter timescale to deliver the remainder (6 months after occupation). However, it is considered that the wording of this condition needs to reflect the overall provision requirement and there are other mechanisms to challenge these requirements e.g. the NMA procedure. A longer period (6 months) to provide the full amount is accepted. An amended condition in this regard is therefore proposed.

#### **Amended condition**

*9. The development hereby approved shall not be occupied prior to the provision of **7 parking spaces and a further 6 parking spaces within 6 months of such occupation** with a fast charge socket (current minimum requirements - 7kw Mode 3 with Type 2 connector - 230v AC 32 Amp single phase dedicated supply) in accordance with a scheme to be submitted to and approved by the Local Planning Authority and thereafter retained and maintained to the satisfaction of the Local Planning Authority.*

*Reason: In the interests of site sustainability and to comply with Policies CP2, CP11 and DM11 of the Surrey Heath Core Strategy and Development Management Policies 2012 and the National Planning Policy Framework.”*

As the application had triggered the Council’s public speaking scheme, Mr Adrian Fox, who attended on behalf of the agent, Quod, spoke in support of the application.

Members had concerns in respect of the potential negative impact of the deliveries by Heavy Goods Vehicles (HGVs), associated with the proposal, on the neighbouring residential amenity. As a result it was agreed that condition 5 in the officer’s report would be amended to stipulate that the latest HGV delivery should be completed by 9:30pm. Furthermore, it was agreed that an associated informative be added to the recommendation to reaffirm that deliveries should be conducted in a manner as to minimise impact on neighbouring residential amenity.

To further protect neighbouring residential amenity, the Committee agreed that an informative would be added to the recommendation in relation to the proposal's travel plan; which requested that staff parking be provided on the application site.

Members had reservations in respect of the loss of trees attached to the proposal which would have a negative impact on the visual amenity of the area. It was noted that the details in respect of the hard and soft landscaping would be subject to a details to comply application.

The officer recommendation to grant the application was proposed by Councillor Edward Hawkins, seconded by Councillor Graham Tapper and put to the vote and carried.

**RESOLVED that**

- I. Application 20/0405 be granted subject to the conditions in the officer report, as amended, the additional informatives, and the completion of a legal agreement to secure a £50,000 contribution towards improvements to traffic lighting; and**
- II. The wording of the revised condition and the additional informatives be delegated to the Head of Planning in consultation with the Chairman, Vice-Chairman and relevant Ward Councillors; and**
- III. The Committee's concerns in respect of the loss of trees be noted.**

**Note 1**

It was noted for the record that:

- I. Councillor Edward Hawkins declared that**
  - i. all Committee Members had received a letter from the adjoining retailer; and**
  - ii. himself and Councillor Victoria Wheeler had been copied into an email to Councillor Valerie White from a resident in respect of the application**
- II. Councillor Valerie White declared that she had received a phone call from the manager of Waitrose checking that she had received their written representation.**

**Note 2**

In accordance with Part 4, Section D, paragraph 18 of the Constitution, the voting in relation to the application was as follows:

Voting in favour of the officer recommendation to grant the application:

Councillors: Graham Alleway, Mark Gordon, Edward Hawkins, Robin Perry, Darryl Ratiram, Graham Tapper, Victoria Wheeler and Helen Whitcroft.

Voting against the officer recommendation to grant the application:

Councillors: Cliff Betton, David Lewis, Charlotte Morley, John Skipper and Valerie White.

**25/P Application Number: 21/0724: 151 Gordon Avenue, Camberley, Surrey,**

## **GU15 2NR**

The application was for the change of use of a single family dwelling house (C3) to short term accommodation for up to 6 homeless people (sui generis).

An application of this type would usually be determined under the Council's Scheme of Delegation. However, the application had been reported to the Planning Applications Committee because the Council was the landowner and the applicant.

The officer recommendation to grant the application was proposed by Councillor Mark Gordon, seconded by Councillor Graham Tapper and put to the vote and carried.

**RESOLVED that application 21/0724 be granted subject to the conditions in the officer report.**

### **Note 1**

In accordance with Part 4, Section D, paragraph 18 of the Constitution, the voting in relation to the application was as follows:

Voting in favour of the officer recommendation to grant the application:

Councillors Graham Alleway, Peter Barnett, Cliff Betton, Edward Hawkins, Mark Gordon, David Lewis, Charlotte Morley, Robin Perry, Darryl Ratiram, John Skipper, Graham Tapper, Victoria Wheeler, Helen Whitcroft and Valerie White.

## **26/P Application Number: 21/0799: 17 Sefton Close, West End, Woking, Surrey, GU24 9HT**

The application was for the erection of a two storey rear extension and single storey side extension, following demolition of single garage and conservatory.

The application had been reported to the Planning Applications Committee because the applicant was a serving Councillor of Surrey Heath Borough Council.

Members were advised of the following updates on the application:

### **“UPDATES**

One recommended additional condition as follows:

*4. No additional windows shall be created in the northern elevation of the two storey extension facing number 16 Sefton Close without the prior approval in writing of the Local Planning Authority.*

*Reason: In the interests of the amenities enjoyed by neighbouring residents and to accord with Policy DM9 of the Surrey Heath Core Strategy and Development Management Policies 2012.”*

The officer recommendation to grant the application was proposed by Councillor Robin Perry, seconded by Councillor Valerie White and put to the vote and carried.

**Note 1**

It was noted for the record that Councillor Edward Hawkins declared that all members of the Committee knew the applicant as he was a fellow Councillor.

**Note 2**

In accordance with Part 4, Section D, paragraph 18 of the Constitution, the voting in relation to the application was as follows:

Voting in favour of the officer recommendation to grant the application:

Councillors Graham Alleway, Peter Barnett, Edward Hawkins, Mark Gordon, David Lewis, Charlotte Morley, Robin Perry, Darryl Ratiram, John Skipper, Graham Tapper, Victoria Wheeler, Helen Whitcroft and Valerie White.

Voting in abstention in respect of the officer recommendation to grant the application:

Councillor Cliff Betton.

**27/P Information Report**

The Committee were advised of a procedural error which had been made during the determination of a planning application. The Committee noted the relating actions which were due to be taken as a result.

**RESOLVED that the report be noted.**

**28/P Enforcement Monitoring Report**

In accordance with Part 4, Section D, paragraph 10 of the Constitution the Committee considered whether to continue the meeting post-10pm. It was agreed that the item would be deferred for consideration at the next meeting of the Committee.

**RESOLVED that the item be deferred.**

Chairman

**Monitoring Report**

Portfolio:	Regulatory
Ward(s) Affected:	All Wards

**Purpose: As an information item providing an overview of function and performance of the Corporate Enforcement Service for the period 1 May 2021 – 31 August 2021**

**1. Key Issues**

- 1.1 This report provides clarification over the performance of the Corporate Enforcement Team over the period spanning from 01 May 2021 to 31 August 2021. The previous monitoring update to the Planning Applications Committee was in August 2021 as a verbal update on the highest priority urgent investigations.
- 1.2 The following matters will be discussed within the report:
- 1) Enforcement Performance
  - 2) Uniform
  - 3) Enforcement Register
  - 4) High Priority Investigations
  - 5) Resource Update

**2. Enforcement Performance**

- 2.1 The Corporate Enforcement Team (the Team) has continued reviewing their internal procedures in order to put emphasis on customer service for both internal and external customers. Extensive work has now been undertaken alongside the IT Department to improve Uniform, the Team's operating system. This has led to the commencement of the larger procedural review of the Team's internal procedures and this will remain on-going until after Uniform with Enterprise (sub-system to Uniform) has been completed, which is explained later in this report. It should be noted that this review is having a direct impact on officers' availability to working through the remaining historical backlog and the Enforcement Register that is currently under review. Consequently, the Team has closed down 67 investigations overall during the period of 01 May 2021 to 31 August 2021, 5 of which are historical investigations.

**3. Uniform**

- 3.1 Uniform is one of the IT systems the Corporate Enforcement team uses. As part of the Uniform package, the Council has obtained access to Enterprise which is a managing tool for Uniform that allows more complex reports to be drawn from. Consultants of Enterprise will be assisting the IT Department and the team in setting this sub-system up in January 2022. Unfortunately, a significant amount of work needs to be undertaken before Enterprise can be installed which will impact workloads of all officers in the Corporate Enforcement team. The reason being that the current data review of Uniform will need to have been completed by then, including the finalisation of all Planning Enforcement internal processes (this includes mapping all of those procedures) and template writing (this includes the installation of all templates into Uniform).

- 3.2 As part of the above process, the Team has managed to-date to close a significant number of open historical investigations (an update in May 2021 clarified the extent of historical cases closed at that time, and this remains ongoing), create a number of new internal processes (this included expanding on current internal processes) and templates for ease of the usage of the Uniform system (the IT Department has advised that numerous templates have now been uploaded, but the main templates for expediency reports and formal Notices still needs to be finalised and then uploaded).

#### **4. Enforcement Register**

- 4.1 The Council by law has to provide an Enforcement Register that contains all Enforcement Notices, Stop Notices and Breach of Condition Notices issued by the Council since records began. The reviewing of the current Register remains ongoing with a large part of the existing Notices already scanned. Once all Notices have been scanned and uploaded then a full review of the status of each Notice needs to be undertaken before the Register can be signed off by Legal. This is an extensive exercise that will remain ongoing alongside the current caseload of officers.

#### **5. High Priority Investigations**

- 5.1 An appendix has been attached to this report providing a list of the highest priority investigations the team are currently dealing with. As part of this list, a traffic-light system has been introduced showing the current progress on those investigations. The red-light system works as follows:

Red: The investigation requires urgent attention;

Orange: The investigation is progressed on an ad-hoc basis;

Green: The investigation is held in abeyance pending consideration of other decisions; such as a planning appeals, planning applications, etc.

#### **6. Resource Update**

- 6.1 The Council has appointed Jina Parker as an Assistance Corporate Enforcement Officer who started on 7<sup>th</sup> June 2021. In addition to her day-to-day job, she has also been tasked to assist Corporate Enforcement officers in their day-to-day activities, including accompanying officers during site inspections. Jina has settled in and is an invaluable member to the Team.

- 6.2 Furthermore, the Council has also appointed Rebecca Green as a Planning Enforcement Officer (Compliance) whom will start on Monday 13 September 2021. She has an extensive planning enforcement background having worked 12 years for a local Surrey Borough Council. She has worked in the private sector for the last 3 years and her overall experience will provide the Team with a wide range of additional skills.

#### **7. Summary**

- 7.1 The Corporate Enforcement Team has now added two additional resources. As a consequence, the Team aims to increase performance by reviewing the overall number of open investigations, resolve the highest priority investigations at the earliest opportunity and thus increasing officer availability to tackle new cases in a more expedient manner.

- 7.2 The challenge for the current year is to complete the reviewing of the Team's internal processes, review and update Uniform and finalise all templates, including the



completion of the Enforcement Register and make it available in a more convenient electronic form whilst maintaining the reduction in open enforcement investigations.

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<b>Head of Service</b>	Executive Head of Transformation - Louise Livingston

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21/0004/DTC

**Reg. Date**

11 August 2021

Mytchett & Deepcut

**LOCATION:** Princess Royal Barracks, Brunswick Road, Deepcut, Camberley, Surrey, GU16 6RN,

**PROPOSAL:** Submission of details to comply with condition 9 (affordable housing) attached to planning permission 12/0546 dated 4 April 2014 (as amended by 18/0619 dated 19 July 2019 and 18/1002 dated 14 November 2019 in respect of residential parcels comprising Phases 4b, 4c, 4d, 4f, 4h, 6a, 6b, 6c and 6d

**TYPE:** Details to comply

**APPLICANT:** Secretary Of State For Defence

**OFFICER:** Mrs Sarita Bishop

This application is being brought to the Planning Applications Committee as it seeks to reduce the level of affordable housing to be secured at Princess Royal Barracks (PRB) from a target of 35% to 15%.

**RECOMMENDATION: AGREE DETAILS subject to LEGAL AGREEMENT to secure a minimum of 15% affordable housing provision and a mechanism to review the viability of the scheme**

## 1.0 SUMMARY

- 1.1 This application, submitted by the Secretary of State for Defence, seeks approval of the level of affordable housing to be delivered in the remaining residential phases to be built at the Princess Royal Barracks site prior to the submission of the relevant reserved matters applications.
- 1.2 The applicant has submitted a Financial Viability Assessment which sets out the methodology for the assessment, the assumptions used in relation to income received and costs incurred by the Master Developer (comprising Defence Infrastructure Organisation for the Ministry of Defence and Skanska as their development partner) and in relation to the income received and costs incurred by the housebuilders in relation to individual serviced parcels. The assessment concludes that no further affordable housing should be provided.
- 1.3 Policy CP4 has a target affordable housing provision of 35%. The proposal is for an affordable housing provision of 15% as set out in applicant's Affordable Housing Strategy. The applicant's assessment has been tested by the Council's Financial Viability and Costs consultants. They are of the view that the development could secure an affordable housing provision of 15% subject to a review mechanism.

## 2.0 SITE DESCRIPTION

- 2.1 The Princess Royal Barracks site has an overall site area of some 114 hectares. This former military site has permission for a major residential development totalling 1,200 new dwellings, with associated public open space, community facilities, a primary school, retail and commercial uses and access and highway works.

- 2.2 The redevelopment is divided into 6 phases, three non residential (1, 3 and 5) and three delivering housing (2, 4 and 6). A copy of the approved phasing plan is attached as Annex A.
- 2.3 Phase 1 which includes the provision of the spine road (now Mindenhurst Road), the Village Green, pond and play areas, the Green Swathe, the Green Swale and the Central SANG are generally complete except for some outstanding remediation and landscaping works.
- 2.4 Phase 2 comprising Phases 2a and 2b and Phase 4a comprising 363 dwellings are currently under construction.
- 2.5 Phase 3a which comprises the primary school is complete and has been handed over to Surrey County Council. Phase 3c comprising the public house is under construction with a view to opening early Spring 2022.
- 2.6 The remainder of Phases 3 and 4 and all of Phases 5 and 6 have not yet been the subject of reserved matters applications.
- 2.7 This application specifically relates to the residential phases comprising Phases 4b, 4c, 4d, 4f, 4h, 6a, 6b, 6c and 6d.

### 3.0 RELEVANT HISTORY

- 3.1 12/0546 Hybrid planning application for a major residential led development totalling 1200 new dwellings with associated public open space, community facilities, a primary school, retail and commercial uses, access and highways works. Approved 6 April 2014. The Section 106 agreement for this application was signed on 17 April 2014.

As this was a hybrid application full planning permission was granted for the residential conversion of the Officers Mess building (now Phase 6e), the Sergeants Mess building (now Phase 4g) and the Headquarters of the Director or Logistics building (now Phase 4e) to provide a total of 81 flats. There is no requirement to provide affordable housing for these phases.

The outline element of the application included the approval of means of access and the following matters to be the subject of later reserved matters applications:

- 1,119 new build dwellings of which 35% would be affordable; (Officer note this would equate to an overall provision of 420 dwellings as it would also address the non provision on the converted buildings);
- A 2 form entry Primary School, together with a nursery facility;
- A foodstore;
- Local shops;
- Space for medical facilities to accommodate GPs/dentists;
- A library building with co-located police desk and village visitor centre;
- A public house
- Retention of the Garrison Church of St Barbara as a religious facility with a replacement church hall;
- Provision of 69.12 hectares of public open space comprising;
- 35 hectares of SANGs and 1.07 hectares of link between the Southern and Central SANGs;
- 19.85 hectares of semi natural open space (ANGST);
  - A 2 hectare Village Green;
  - 1.16 hectare Allotments;
  - 2.54 hectares of formal Parkland;
  - Areas of amenity green space within the residential areas;
  - Dedicated play spaces within the residential areas.

- A care home;
  - Improved footpaths, cycleways, public transport linkages and highway improvements; and
  - A Sustainable Urban Drainage system.
- 3.2 12/0546/1/NMA Realignment of the approved roundabout access at Deepcut Bridge Road, Blackdown Road and Newfoundland Road and the spine road (now Mindenhurst Road). Approved 1 September 2015. This has been implemented
- 3.3 12/0546/2/NMA Variation to conditions 2 (phasing) and 3 (design codes) attached to hybrid permission 12/0546 to add reference to the residential units and infrastructure except the spine road to allow for the implementation of the spine road. Approved 12 November 2015.
- 3.4 On 8 March 2016 the original section 106 agreement was varied to bring forward the delivery of the Central SANG to include the SANG hut before the Southern SANG due to unforeseen delays in the Ministry of Defence vacating the site (the first variation).
- 3.5 15/1062 Reserved matters for Phase I infrastructure comprising the Spine Road, the Central SANGs and Village Green. Approved 27 July 2016. This was implemented but has been superseded in parts by 17/0774 and 19/0735 as set out below.
- 3.6 12/0546/3/NMA Variation to condition 35 attached to the hybrid permission for all dwellings to achieve Code Level 4 for Sustainable Homes. Approved 8 July 2016.
- 3.7 On 9 February 2017 a submission was made pursuant to condition 9 (affordable housing) which proposed 35% affordable housing on Phases 2a and 2b. This matter was considered by the Planning Applications committee on 7 March 2019 who resolved to agree this level of affordable housing on these phases.
- 3.8 On 12 May 2017 a second deed of variation to the original section 106 agreement as subsequently amended was signed to amend various definitions including in relation to the Central SANGs, the combined NEAP/LEAP, the Southern SANGs, the Sports Hub, the Travel Plan Monitoring Fee, the Travel Plan and the Village Green. Various provisions relating to education, open space, highways, sustainable travel, community facilities and the public house were also agreed.
- 3.9 17/0774/MMA To permit changes to conditions 10 (exclude works in Southern SANG) and 17 (approved plans) attached to 15/1062 to agree principle of SUDs within Southern SANGs, amend size and shape of the Village Green, allow changes to alignment of the Spine Road, cycleways, footpaths and provide connection to future retail area, to permit a sub-station and provide a SUDs management plan. Approved 20 November 2017. This has been implemented but has been superseded In part by 19/0735/RRM
- 3.10 17/0871 Reserved matters for Phase 2b for the erection of 215 dwellings, of which 35% are to be affordable. Approved 1 March 2018. This has been implemented by Cala Homes but has been amended by 17/0871/1/NMA and 17/0871/2/NMA. This development is in the latter stages of construction. It is understood that about half the site is now occupied. This will deliver 75 affordable units with the following tenure:

Bedroom	Affordable rent	Intermediate
1	12 (30%)	14 (39%)
2	11 (30%)	19 (15%)
3	9 (24%)	4%
4	6 (16%)	0
Total	38 (100%)	37 (100%)

The report explains that whilst the section 106 and policy documents refer to social rented, the application proposed affordable rented. Affordable rented is housing let by a private registered landlord to persons eligible for social rented housing and is let at a rent of no more than 80% of the local market rent. It is acceptable provision for the purposes of the National Planning Policy Framework as set out below

- 3.11 17/1141 Reserved matters for the primary school and nursery. This has been implemented and is complete. The site was handed over to Surrey County Council in January this year.
- 3.12 17/0871/NMA To amend wording for condition 11 attached to 17/0871 to remove requirement for final certificates to be submitted in respect of Code for Sustainable Homes (CSH).
- 3.13 12/0546/4/NMA Variation to conditions 35 (CSH), 48 (provision of the library) and 50 (provision of church hall attached to the hybrid permission to remove the need for final certificates to be submitted in respect of CSH, to provide an either or scenario for the provision of the library building to tie in with the section 106 agreement and to double the size of the church hall. Approved 13 August 2018 but it is noted that condition 50 was deemed to be a material change and remained as originally drafted.
- 3.14 In January 2019 a submission was made pursuant to condition 9 (affordable housing) which proposed no affordable housing on Phase 4a. This was in advance of an application for reserved matters with this phase. This matter was considered by the Planning Applications committee on 7 March 2019 who resolved:
- I) The land parcel 4a deliver nil (0%) affordable housing but the decision letter be caveated to make clear this agreement relates solely to parcel 4a as identified on the attached plan, is limited to the delivery of up to 30 units from that parcel; and
  - II) Any future affordable housing submission proposing less than 35% from any parcel on the site must be supported by a detailed and robust viability statement and be subject to approval by the Planning Applications committee
- 3.15 18/0619 Section 73 application to vary condition 51 (public house) Phase 3c of the hybrid permission to allow for a larger public house with an increase in floor area from 220 square metres to 1000 square metre and in site area from 0.12 hectares to 0.4 hectares. Approved 19 July 2019. The section 106 legal agreement was amended to link this permission to the original obligations (the third variation). This permission is also linked to 19/0440 below.
- 3.16 18/1002 Section 73 application to vary condition 50 (church hall) Phase 3d of the hybrid permission to allow for a larger church hall with an increase in floor area from 125 square metres to 250 square metres. Approved 14 November 2019. The section 106 legal agreement was amended to link this permission to the original obligations (the fourth variation).

- 3.17 18/1027 Reserved matters for Phase 2a for the erection of 127 dwellings. This included a submission pursuant to condition 9 which proposed that 35% of the dwellings are to be affordable. Approved 4 June 2020. This has been implemented by Vistry Homes and is under construction. The first dwellings are due to be occupied this month. This will deliver 44 affordable units with the following tenure

:

Bedroom	Social rented	Shared ownership
1	6 (27% compared to S106 requirement of 30%)	12 (54% compared to S106 requirement of 40%)
2	10 (45% as compared to S106 requirement of 30%)	8 (37% compared to S106 requirement of 50%)
3	4 (18% as compared to S106 requirement of 25%)	2 (9% as compared to S106 requirement of 10%)
4	2 (9% as compared to S106 requirement of 15%)	-
Total	22	22

The committee report noted that the above mix was not compliant with the S106 agreement as it would deliver a higher percentage of smaller units. However in so far as the rented accommodation was concerned it was noted that this would deliver social rented as opposed to affordable rented. As the former is generally considered to be more affordable the Council's Housing Manager supported this mix and tenure.

- 3.18 17/0871/2/NMA Variation to condition 1 (plan numbers) to allow minor layout changes. Approved 22 July 2019. This has been implemented.
- 3.19 19/0411 Section 73 application to vary condition 1 (plan numbers) attached to 17/0871 to allow for layout and elevational changes. Approved 30 October 2019. This has been implemented.
- 3.20 19/0440 Reserved matters for Phase 3c in respect of the public house. Approved 15 January 2020. This has been implemented and is under construction. It will be operated by Hall and Woodhouse and is scheduled to open in March next year.
- 3.21 19/0735/RRM Revised reserved matters for Phase I to replace 15/1062 (as amended by 17/0774) in relation to the Central SANG, the Village Green, the Spine Road, landscaping, the Green Swathe and the Southern SUDs. In March 2021 the Planning Applications committee resolved to grant permission subject to the completion of a legal agreement relating to the surface water drainage system. This agreement is due to be completed shortly.
- 3.22 18/0619/1/NMA Variation of condition 3 (Design Codes) to remove the requirement for Design Codes to be submitted for the public house to be in accordance with the objectives of the Deepcut Supplementary Planning Document (SPD). Approved 19 May 2020. The development is being implemented on this basis.

- 3.23 19/2193/DTC Details to comply with Schedule 6 Part 1 Clause 2.9 pursuant to the section 106 agreement dated 17 April 2014 in respect of environmental improvements to Deepcut Bridge Road. This is under consideration.
- 3.24 20/0226/RRM Reserved matters for Phase 4a for the erection of 21 dwellings. Approved 21 October 2020. This has been implemented by Trivselhus and is in the latter stages of construction. No affordable housing was sought for this parcel in respect of condition 9 as set out above.
- 3.25 20/0383/NMA Variation to condition 3 (design codes) of the hybrid permission as amended by 18/1002 to remove the requirement for Design Codes to be submitted with all future parcels required to accord with the objectives of the Deepcut Supplementary Planning Document (SPD). Approved 12 June 2020. The development is being implemented on this basis.
- 3.26 21/0968/NMA. Variation to conditions 10 (care home, Phase 4i), 17 (village green Phase 1), 18 (allotments Phase 5e) and 19 (formal parks/gardens Phases 5g and 5h). This has been recently received and is out to consultation.

#### 4.0 THE PROPOSAL

4.1 This application is made pursuant to condition 9 of the hybrid permission (12/0546) as amended in respect of the remaining residential phases namely 4b, 4c, 4d, 4f, 4h, 6a, 6b, 6c and 6d. This condition states:

“The first reserved matters application for each phase shall include an Affordable Housing Strategy for that phase which shall include:

- a) The number and percentage of affordable housing units to be provided in that phase;
- b) Details of the type and tenure of the affordable housing units;
- c) A plan identifying the location of the affordable units within the development and their tenure

Each phase of development shall thereafter be implemented in accordance with the approved strategy unless otherwise agreed in writing with the Local Planning Authority.

Reason: To ensure that the level of affordable housing is appropriate and to meet the objectives of Policy CP4 of the Surrey Heath Core Strategy and Development Management Policies 2012 and the objectives of the Deepcut SPD”

4.2 The applicant is proposing a discharge of condition 9 in relation to part a) and part of part b), tenure only. The application is supported by an Affordable Housing Strategy and a Financial Viability Statement. The applicant has also provided an Affordable Housing Application Briefing Notice to explain the background to the application. This is provided as Annex B.

4.3 Policy CP4 has a target affordable housing provision of 35%. The proposal seeks to provide 15% affordable housing to be distributed across the remaining residential phases as set out below:

Phase	Phase size (ha)	Phase approx. number of dwellings	Affordable Housing Provision Percentage	Affordable Housing Provision Number of Dwellings



Phases 4b and 4c	3.42	123	16%	20
Phase 4d	0.77	15	0%	0
Phase 4e	0.50	15	None required	-
Phase 4f	1.07	20	0%	0
Phase 4g	0.80	33	None required	-
Phase 4h	1.49	37	15%	5
Phase 6a	3.13	120	16%	19
Phase 6b	2.20	57	16%	9
Phase 6c	3.84	147	18%	26
Phase 6d	6.71	237	15%	36
Phase 6e	0.40	33	None required	-
Total	24.33	837 (756 excluding conversions)	16% (number rounded up as whole numbers used but 15.21% is the minimum percentage)	115

Across these remaining residential phases, this calculates to approximately 756 dwellings in total with 115 affordable housing units equating to a percentage of 15.21%. It is also noted that this level of affordable housing when added to that secured on Phases 2a and 2b would result in a minimum affordable housing provision of 20% ie 234 dwellings.

- 4.4 The original proposal detailed one review clause after the sale of the last residential phase. In the event that the remaining phases could have accommodated more than 115 affordable housing dwellings as proposed, a financial contribution would be made towards the provision of off site affordable housing within the Borough.

4.5 Officers were not satisfied with this proposal as it was considered that at least two reviews should be undertaken and there should be also be an opportunity to secure additional provision of affordable housing on Phase 6d which was identified as being the last development phase to be released.

4.6 The applicant has subsequently amended the proposal as follows:

Review 1: Details of accepted offers per phase provided by 29 April 2022 in order to allow Review to be undertaken and Phase 6d marketing to commence by 31 May 2022;

Review 2: A financial review mechanism once all sales have completed. If the completed land value is higher than the accepted offer land value then an overage would be payable to the Council by the MoD. Any sum could be payable to an RP of the Council's choice for that RP to spend on affordable housing provision in SHBC, or an alternative as agreed with the Council.

It is noted that any review would be based on the report provided by the Council's Financial Viability and Costs Consultants.

4.7 With regard to part b) the Affordable Housing Strategy proposes that the tenure of the affordable housing be Affordable Rent and intermediate only on the remaining phases providing affordable housing.

4.8 It is proposed that the remainder of part b), type and all of part c) would be discharged by the residential developers of those phases as part of their reserved matters applications.

4.9 This application is also a submission to amend the existing section 106 agreement to tie the minimum level of provision of 15% affordable housing to the remaining residential phases of development and to add the review clauses as set in this report.

## 5.0 CONSULTATION RESPONSES

5.1 Viability and Cost Consultants (BPS and Geoffrey Barnett Associates) advises that, based on the submitted viability assessment an affordable housing provision of 15% is reasonable subject to a review mechanism being implemented. Further details of this response is set out at paragraph 7.6.1 below. The full response is attached under Annex C of this report.

5.2 Council's Housing Services Manager advises that there would be no objection to a proposed tenure mix of affordable rented and intermediate, whilst noting if social rented housing could be secured this would be welcome.

## 6.0 REPRESENTATION

6.1 A total of 207 individual letters were sent out on 16 September to the Deepcut Neighbourhood Forum, the Deepcut, Frimley Green and Mytchett Society, Cala Homes, Vistry Thames Valley and addresses in Alfriston Road, Brunswick Road, and Deepcut Bridge Road. At the time of the preparation of this report no representations have been received. An update will be given to the meeting if any representations are subsequently received.

## 7.0 PLANNING CONSIDERATION

7.1 The main determining issue to be considered is whether the submitted Affordable Housing Strategy is acceptable for the purposes of condition 9 a and b (in part) as set out above.

### 7.2 Background

7.2.1 There have been extensive discussions over the last 18 months concerning the level of affordable housing to be provided. Officers have been clear that having regard to the original planning submission, the Committee report that was considered by full Council and Policy CP4 being quoted for the reason for condition 9, as set out below the baseline position is for the provision of 35% affordable housing within the development.

7.2.2 To date the applicant has provided a new primary school and nursery, new open space including the Village Green with a NEAP/LEAP and pond, the Central SANG including the SANG hut, the Green Swathe and the Green Swale and various highway works including a new Spine Road, a new roundabout at the junction of Deepcut Bridge Road, Newfoundland Road and Blackdown Road, a pedestrian/cycle route which runs between the new roundabout and Brunswick Road, improvements to access to the Basingstoke Canal and the cycleway across Frith Hill from Deepcut to Tomlinscote Way. It is noted that, amongst other matters, land contamination and the delay in the site being vacated by the Ministry of Defence have impacted finances and the delivery of the development.

7.2.3 The applicant has provided an Affordable Housing Application Briefing Note in support of the application. The following comments are considered to be of particular note for the current application:

*2.1.6 As in 2014 when the hybrid permission was approved the MoD aspiration was to seek to comply with Policy CP5 target 35% affordable housing. In 2014 only an outline proposal was known with associated indicative costs. During the process of seeking Reserved Matters Approvals the scope of works has increased significantly in many areas compared to the indicative outline scheme granted in 2014, including enhanced grades of road infrastructure and electric vehicle charging requirements that were not factored into the original proposal. The MoD has sought to provide these and absorb the cost of the increased scope or works sought where possible.*

*2.17 In addition, the original Land Quality Assessment included some limited sampling of the site for the existence of contamination, the selection of sample location was based on the historical use of the land, the investigations concluded that a low contamination risk existed in 2014. On site work has uncovered that more work was necessary to enhance land quality either to sell to developers or to be adoptable by the Borough Council or County Council. This is necessary work to undertake or the development will be fail to be delivered as approved.*

*2.18 Additionally, there has been significant cost inflation as a result of the pandemic which means that any uplift in land/house prices in recent times does not prove of net benefit to the overarching development viability.”*

7.2.4 The applicant has also advised that, on the basis that this application is agreed by the Council, the remaining land parcels will be marketed in batches by Spring 2022. The reason for this is that the planning permission expires in April 2024. This means that between Spring 2022 and April 2024 all land sales need to be completed and the developers need to design their schemes, progress pre-application consultation with the Council and Design Review Council and formally submit their Reserved Matters applications.

### 7.3 Policy Context

7.3.1 Paragraph (ii) of Policy CP4 of the Surrey Heath Core Strategy and Development Management Policies Document states:

(ii) a target of 35% of housing provision to be affordable. Housing mix shall reflect identified need in accordance with Policy CP6.

Policy CP5 of the above document also states that:

“.....In seeking affordable housing provision the Borough Council will assess scheme viability, including assessing the overall mix of affordable unit size and tenure, other development scheme costs and any Housing Corporation grant subsidy secured.

A financial contribution in lieu of provision for affordable housing on developments of 5 or more units (net) will only be acceptable where on site provision is not achievable and where equivalent provision cannot be readily be provided by the developer on an alternative site. The approach to seeking financial contributions in lieu of on site provision will be set out in an Affordable Housing SPD.....”

7.3.2 The Deepcut SPD states that:

“Affordable housing will be provided on site at a level of 35% of the total net new housing provision

Affordable sector	Bedroom size			
	1 bed	2 bed	3 bed	4 bed
Intermediate (50%)	20	40	40	-
Social rented (50%)	35	30	20	15

- Small clusters of affordable housing will be dispersed throughout the PRB site;
- The quality of affordable housing will be indistinguishable from general housing;
- Outdoor amenity space will be expected for all types of affordable homes and family accommodation will be supplied with adequate garden space for private play and recreation.

7.3.3 The current definition of affordable housing as set out in the National Planning Policy Framework 2021 is as follows:

Affordable housing: housing for sale or rent, for those whose needs are not met by the market (including housing that provides a subsidised route to home ownership and/or is for essential local workers); and which complies with one or more of the following definitions:

a) Affordable housing for rent: meets all of the following conditions: (a) the rent is set in accordance with the Government’s rent policy for Social Rent or Affordable Rent, or is at least 20% below local market rents (including service charges where applicable); (b) the landlord is a registered provider, except where it is included as part of a Build to Rent scheme (in which case the landlord need not be a registered provider); and (c) it includes provisions to remain at an affordable price for future eligible households, or for the subsidy to be recycled for alternative affordable housing provision. For Build to Rent schemes affordable housing for rent is expected to be the normal form of affordable housing provision (and, in this context, is known as Affordable Private Rent).

b) Starter homes: is as specified in Sections 2 and 3 of the Housing and Planning Act 2016 and any secondary legislation made under these sections. The definition of a starter home should reflect the meaning set out in statute and any such secondary legislation at the time of plan-preparation or decision-making. Where secondary legislation has the effect of limiting a household’s eligibility to purchase a starter home to those with a particular maximum level of household income, those restrictions should be used.

c) Discounted market sales housing: is that sold at a discount of at least 20% below local market value. Eligibility is determined with regard to local incomes and local house prices. Provisions should be in place to ensure housing remains at a discount for future eligible households.

d) Other affordable routes to home ownership: is housing provided for sale that provides a route to ownership for those who could not achieve home ownership through the market. It includes shared ownership, relevant equity loans, other low cost homes for sale (at a price equivalent to at least 20% below local market value) and rent to buy (which includes a period of intermediate rent). Where public grant funding is provided, there should be provisions for the homes to remain at an affordable price for future eligible households, or for any receipts to be recycled for alternative affordable housing provision, or refunded to Government or the relevant authority specified in the funding agreement.

7.3.4 Paragraph 74 of the NPPF requires plan making authorities to identify and update annually a five year supply of deliverable housing sites. The most recent Five Year Housing Land Supply Paper 2019-2025 published in August 2020 clearly identifies Princess Royal Barracks as the single largest site for the delivery of new housing in the Borough. As the site has planning permission it is identified as the main contributor for housing supply within the Borough from existing commitments.

**7.4 The hybrid planning permission (12/0546) and section 106 agreement (as varied)**

7.4.1 The report that was considered by Full Council sitting as the Planning Applications committee in July 2013 stated the following on the amount of affordable housing and its tenure:

*“9.9.1 The application includes the provision of 1,200 new residential units and Policy CP4 of the CSDMP requires the 35% of the proposed residential units shall be affordable. This equates to a requirement for 420 affordable units.*

*9.9.2 The applicant is proposing the following affordable housing mix*

	1 bed	2 bed	3 bed	4 bed	Total
Social rented	63	63	52	32	210
Intermediate	22	104	84	-	210
Total	85	167	136	32	420

*9.9.3 The Council’s Housing Service Manager has considered the tenure and the mix of units proposed by the application and advises that the development would be appropriate to meet the housing needs in the area. Accordingly it is considered that the number and range of affordable housing to be delivered meets the requirements of Policy CP4 of the CSDMP and the Deepcut SPD”*

7.4.2 It is noted from the committee minutes that condition 9 was amended so that the percentage of affordable housing would be a reserved matter. This is reflected in the wording of the condition as set out in paragraph 4.1 above.

7.4.3 In the section 106 agreement dated 17 April 2014 the definition of affordable housing was stated as “Social Rented Housing Units, Affordable Rented Housing Units and Intermediate Housing Units.....” . *Whilst the definition of the Affordable Housing mix for social rented housing reflected the figures set out in paragraph 7.1.3 above, the intermediate housing mix stated that 40% were to be one bedroom (84 units based on 50/50 split between intermediate and social rented housing), 50% were to be two bedroom (105 units) and 10% were to be three bedroom (21 units). This definition also allowed for “any different mix as may be approved in writing by the Council pursuant to the Affordable Housing Strategy for the relevant Phase”.*

## 7.5 The applicant's submission

7.5.1 The application is supported by a Financial Viability Assessment prepared for the applicant by BNP Paribas Real Estate. This sets out the assumptions made in their appraisals and the results of said appraisals. The reasons for the changes in viability have been identified as relating to:

- changes in infrastructure costs;
- policy changes eg the requirement to provide electric charging points at an additional cost of some £3.6 million;
- increased costs due to the MoD legacy eg ground remediation including the removal of Japanese Knotweed and trees (just over £8 million when compared to just over £5 million as originally estimated);
- additional fees eg estate agency, legal and marketing fees (an increase of just over £200,000);
- design changes/scope creep estimated as an increase of over £1 million eg upgrading the DIO road to adoptable standards has risen by just over 13% with demolition costs increasing by 500% and delays in the military decant from PRB;
- Covid 19 delays estimated to be just over £1.5 million of just under £800,00 were costs incurred to comply with Covid 19 protocols;
- 

7.5.2 The assessment makes the following conclusions:

*“The DIO is bringing the site forward for development to generate receipts in facilities in alternative locations. If the receipts are insufficient to fund the site infrastructure costs and the Section 106 costs, there is a significant risk that the DIO will mothball the Development, resulting in no further housing being provided.*

*As outlined in our report, DIO and Skanska will operate in a “Master Developer” role involving securing planning permission, relocating services, investing in replacement facilities, and funding site infrastructure requirements. They will recoup their costs and secure a return from receipts arising from the sale of serviced plots to housebuilders. Initial phases have proceeded on the basis of 35% of residential units being provided as affordable housing. However if this level of affordable housing continues into future phases, the Proposed Development is forecast to incur a significant loss.*

*The results of our modelling indicate that the future phases will need to proceed on the basis of 100% private housing to generate a positive land value for the Master Developer.*

*The scheme already includes 119 units of affordable housing in parcels A and M (Cala and Vistry) which equates to 9.9% of the total, assuming no additional affordable housing is provided on any other phases.”*

7.5.3 The applicant's viability assessment states that if future phases are required to provide any affordable housing the Land Trading Model generates a negative land value ranging from -£2.32 million to -£15 million at 5% and 35% affordable housing respectively.

## 7.6 The Council's response – Condition 9 part a

7.6.1 The Council's Viability and Cost Consultants have undertaken a number of reviews of financial viability and affordable housing including a detailed assessment of the scheme costs to date which are included in their consultation response which is attached as Annex C. In response to a request for information on the Applicant's anticipated return when compared to their current position the following details were provided.

7.6.2	2014	2020	Difference %
Land receipt	£135,370,000 (assuming 35% affordable housing)	£143,776,221 (assuming 10% affordable housing)	+6.2%
Costs	£55,640,000	£138,711,987	+149%
Land Cost	£8,573,370	£8,573,370	+/- 0%
Return	£71,156,360	-£3510,136	-105%
Simple return on cost	110.81%	-2.38%	-102%
Simple return on value	52.56%	-2.44%	-105%

7.6.3 The Council's Consultants did not agree that some of the identified costs should be offset against the provision of affordable housing at Deepcut. This includes Defence Infrastructure Organisation (DIO) costs before the submission of the hybrid planning application, costs which would be considered as normal developer risk and the use/misuse of the land by the Ministry of Defence. As a result of the removal of these costs, the Viability consultants are of the view that the scheme can support an affordable housing provision of 15%.

7.6.4 This report has been carefully considered and having regard to the above commentary and makes the following conclusions and recommendations were made:

*"We conclude that the proposed amendment to reduce the affordable housing provision to 15% over the remaining sites as yet undeveloped, to be consistent with our assessment of scheme viability. The inclusion of a further late stage review to enable further potential on site affordable delivery ensures that the scheme would in light of these proposed changes deliver the maximum reasonable level of affordable housing consistent with the viability of the scheme as assessed in our attached reports."*

Given the above commentary and conclusions it is considered that the case for an affordable housing provision of 15% on grounds of financial viability has been demonstrated.

7.6.5 It is noted that, as proposed, two of the smallest phases (4d (15 units) and 4f (20 units)) would not provide any affordable housing. At 15% provision this would result in 2 dwellings for Phase 4d and 3 dwellings for Phase 4f. In the consideration of the affordable housing on Phase 4a, there are management issues for Registered Providers when dealing in small numbers. Officers have made enquiries on this and have only been able to identify one provider that potentially could take small numbers of dwellings. Given this, and to provide certainty for the future developers of these phases, no objection is raised to the five units which would come forward within Phases 4d and 4f being provided across the larger phases. However it would be appropriate to specifically reference the table at paragraph 4.3 in any decision to ensure a minimum overall provision of 15% affordable housing is secured.

## 7.7 The review clause

7.7.1 On the basis that the affordable housing provision of 15% is acceptable, a robust review clause would be required.

7.7.2 It is the Council's view that the last parcel to be delivered should be Phase 6d which is identified as providing 237 dwellings. The applicant's current proposal is for two reviews of the financial viability of the development. If the first review were to support the provision of additional affordable housing, this would be provided within Phase 6d, up to a maximum of 35%. If the second review were to demonstrate that the scheme could have supported more affordable housing, a financial contribution would be payable to the Council towards the provision of affordable housing within the Borough.

7.7.3 In support of the proposed review clauses the applicant has advised:

*By basing the Review on the accepted offer (which must be the maximum received from the market) the Council can be assured of highest figures for the Review and maximum prospects for increased affordable housing provision on Phase 6d. If Condition 9 is approved in October 2021 than marketing is due to commence in November 2021.*

*Review 2 will not come into play in reality as the offer accepted by the MoD will always be higher or at best the same as the completion price. All completion prices on site to date have been lower than accepted offer price. A developer will not raise an offer once accepted.*

*Review 2 is purely proposed to ensure that the Council's position is fully protected and that the MoD could not unduly profit in any way from the land sale process. The MoD would not seek to retrospectively capture the reduction between accepted offer price in Review 1 and completion price in Review 2, even if additional affordable housing was achieved on Phase 6d that would not have been applicable if the lower completion price was used. It is purely proposed as a one-way only protective review mechanism for the Council in order to support the use of accepted offer price for Review 1 to enable timely marketing of Phase 6d from May 2022.*

*Overall, I believe this provides the best prospect of achieving more affordable in Phase 6d by using the highest land sale figure possible. It would also ensure best prospects of Phase 6d selling and being delivered prior to expiry of the permission.*

7.7.4 The proposed review clauses are considered to be sufficiently robust to give the Council oversight of the financial viability of the overall development. Subject to viability they would secure either the provision of additional affordable housing on Phase 6d at the first review or the payment of a financial contribution at the second review. It is also noted that in the event that a financial contribution were to be payable the repayment period would be 10 years post the completion of the development.

## **7.8 Condition 9 b (in part) – tenure**

7.8.1 The tenures proposed by the applicant are affordable rented and intermediate. As noted below the applicant's viability assessment has been undertaken based on these tenures.

7.8.2 Whilst the Council's Housing Services Manager's preference is for social rented, he raises no objection to the tenure as proposed. It is also noted that the proposed tenure has previously been accepted for Phase 2b which is currently being built by Cala Homes. However the provision of social rented would be welcomed if Phase 6d were to be able to provide additional affordable housing as part of the review process.

7.8.3 The applicant has been advised of the preference for social rented housing. It has commented that viability assessment was based on Affordable Rent. If Social Rent were pursued this would further reduce the percentage of affordable housing provision down to 10% as Social Rent is a more expensive form of provision. However there would be the opportunity to secure Social Rent as part of the review mechanism.



7.8.4 In response to this, and having regard to the decision taken on Phase 2b, it is the Officer's view that affordable rent/intermediate with a minimum provision of 15% would be the most appropriate option in the first instance. On the basis that a minimum provision of 15% would be secured on Phase 6d, and having regard to the view of the Housing Services Manager, the potential option to secure social rented on this last phase of development should be pursued. Subject to appropriate controls being secured by way of a legal agreement the proposed tenure of affordable rent and intermediate is considered to be acceptable for the purposes of condition 9 b (in part).

## **7.9 Proposed changes to the section 106 legal agreement**

7.9.1 On the basis that the minimum provision of affordable housing at a level of 15% is agreed it will be necessary to tie this minimum level of provision to the remaining residential phases of development. In this regard it is appropriate to link this to the phasing of development as set out at table at paragraph 4.3 above. .

7.9.2 To ensure that any uplift in profit is captured on this site, a review clause will be required. The review will be based on the report prepared by the Council's Viability Consultant Phase 6d will be identified as the last phase of residential development to come forward. A review will take place following the sale of all the residential phases before Phase 6d and before the reserved matters application for Phase 6d is submitted. Phase 6d will provide a minimum affordable housing provision of 15% with tenures of affordable rent and intermediate. If the review demonstrates an improvement in the financial position, then further provision of affordable housing will be sought for social rent.

7.9.3 The definition of affordable housing in the legal agreement allows for both affordable rent and intermediate tenures. The precise mix will be the subject of a submission under condition 9 b (in part) and c. As such no amendment to the legal agreement is required in this regard.

## **8.0 POSITIVE/PROACTIVE WORKING AND PUBLIC SECTOR EQUALITY DUTY**

8.1 In assessing this application, officers have worked with the applicant in a positive, creative and proactive manner consistent with the requirements of paragraphs 38-41 of the NPPF. This included the following:-

- a) Provided or made available pre application advice to seek to resolve problems before the application was submitted and to foster the delivery of sustainable development.
- b) Provided feedback through the validation process including information on the website, to correct identified problems to ensure that the application was correct and could be registered.
- c) Have suggested/accepted/negotiated amendments to the scheme to resolve identified problems with the proposal and to seek to foster sustainable development.
- d) Have proactively communicated with the applicant through the process to advise progress, timescale or recommendation.

8.2 Under the Equalities Act 2010, the Council must have due regard to the need to eliminate discrimination, harassment or victimisation of persons by reason of age, disability, pregnancy, race, religion, sex and sexual orientation. This planning application has been processed and assessed with due regard to the Public Sector Equality duty. The proposal is not considered to conflict with this Duty.

## **9.0 CONCLUSION**

- 9.1 The provision of affordable housing at Deepcut is important to ensure that the housing needs of the local community are addressed and given that it is the Council's largest redevelopment site in the borough. The development has delivered various parts of the hybrid permission, whilst circumstances which had not been envisaged have caused delays to housing delivery. The application is supported by a Financial Viability Assessment which the Council's Financial Viability Consultant is satisfied that it demonstrates that the development can make an affordable housing provision at 15%. The use of review clauses will give the Council the opportunity to oversee the development with a view to securing additional affordable housing at the first review or the provision of a financial contribution towards the provision of affordable housing within the Borough at the second review. Whilst recognising that this proposal does not meet the policy objectives for the delivery of affordable housing at Deepcut, the proposal will provide affordable housing for the local village community.
- 9.2 The Council may determine to refuse the application or seek a higher percentage outside of the proposed review mechanism. However the applicant has indicated that such action is likely to prejudice the overall deliverability of the development. Princess Royal Barracks is critical to the Council's Five Year Housing Land supply. If housing delivery does not continue on this site then it places the Council at serious risk of not being able to demonstrate a Five Year Housing Land supply which in turn makes the Borough vulnerable to development being allowed on appeal in less acceptable locations.

## **10.0 RECOMMENDATION**

APPROVE the details subject to condition 9 (a) and (b) (in part) subject to a legal agreement :

To agree a minimum of 15% affordable housing in accordance with the distribution of affordable housing as set out in table at paragraph 4.3 in this report

To secure the following review clauses:

Review clause 1: Details of accepted offers per phase provided by 29 April 2022 in order to allow Review to be undertaken and Phase 6d marketing to commence by 31 May 2022.

If the first review demonstrates that the scheme is able to deliver any additional affordable housing it is to be provided on Phase 6d and be for social rent to a maximum of 35% provision

Review clause 2: A financial review mechanism once all sales have completed. If the completed land value is higher than the accepted offer land value then an overage would be payable to the Council by the MoD. Any sum could be payable to the Council or an Registered Provider of the Council's choice to spend on affordable housing provision with Surrey Heath, or an alternative as agreed with the Council.

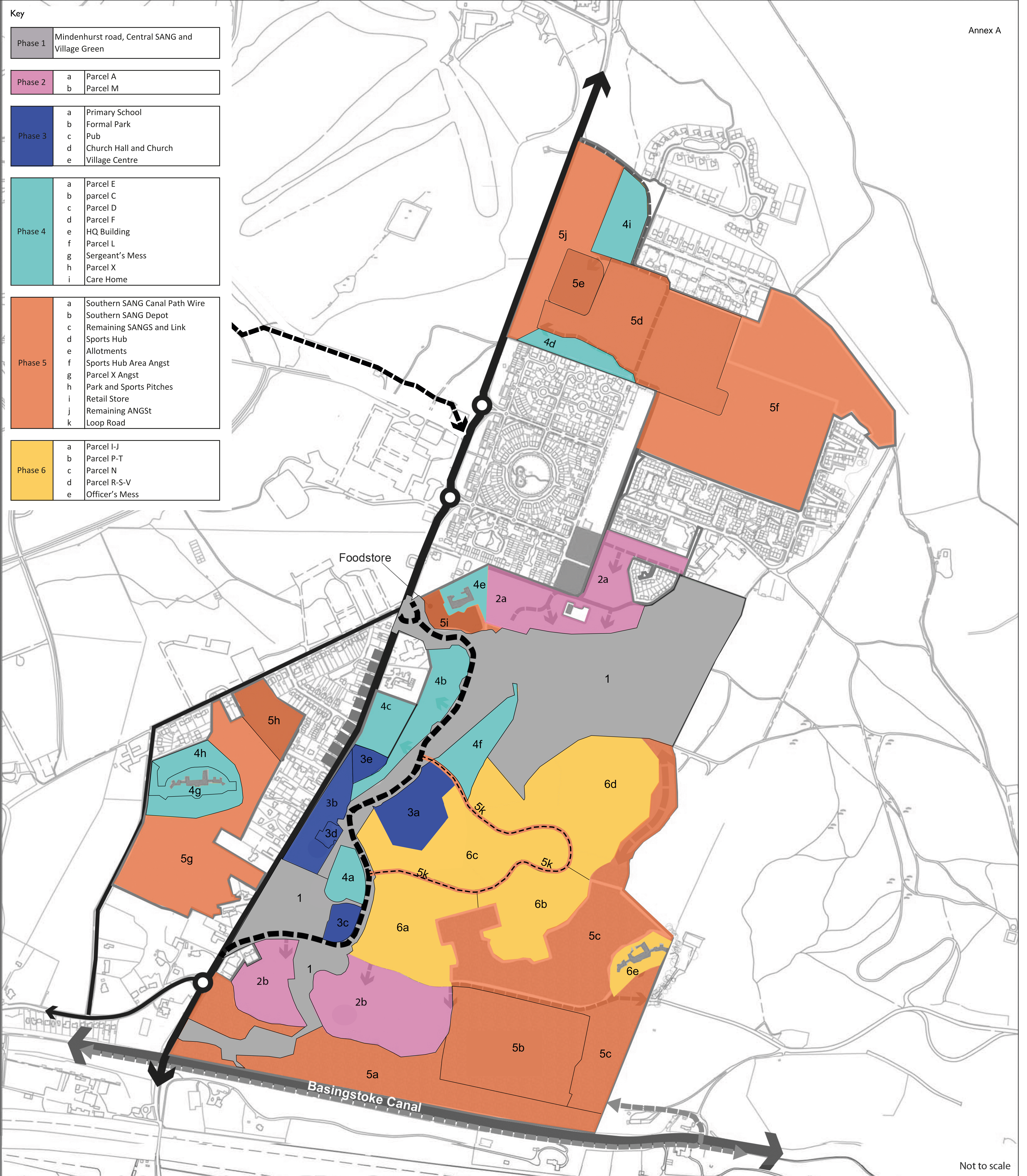
The repayment period for any contribution received to be 10 years from the date of the completion of the overall development

The review is to be based on the assessment by Council's Viability Consultant.

Subject to the provisions of review clause 1 in relation to Phase 6d, to agree the tenure of affordable rent and intermediate on the development phases as set out in the table at paragraph 4.3.



Key	
Phase 1	Mindenhurst road, Central SANG and Village Green
Phase 2	a Parcel A
	b Parcel M
Phase 3	a Primary School
	b Formal Park
	c Pub
	d Church Hall and Church
	e Village Centre
Phase 4	a Parcel E
	b parcel C
	c Parcel D
	d Parcel F
	e HQ Building
	f Parcel L
	g Sergeant's Mess
	h Parcel X
	i Care Home
	Phase 5
b Southern SANG Depot	
c Remaining SANGS and Link	
d Sports Hub	
e Allotments	
f Sports Hub Area Angst	
g Parcel X Angst	
h Park and Sports Pitches	
i Retail Store	
j Remaining ANGSt	
k Loop Road	
Phase 6	a Parcel I-J
	b Parcel P-T
	c Parcel N
	d Parcel R-S-V
	e Officer's Mess



Not to scale

	Phase 1
	Phase 2
	Phase 3
	Phase 4
	Phase 5
	Phase 6

Note – colour tone differences on the plan are due to transparent effect to allow the Indicative Strategic Masterplan to be visible.

D08	D8	26.02.21	Drawing reverted to last approved Phasing Plan. School, Hub and Phase 6 boundary updated to match RMA red-line. Off-site Cycle Path Route to match S108 approval.	BY	GP
D07	D7	28.04.20	Loop Road amended	VB	RF
D06	D6	22.04.20	Loop Road added as separate phase	VB	RF
D05	D5	25.03.20	Minor Rev Changes Re alignment as approved	VB	RF
D04	D4	17.03.20	Phases amended	BY	RF
D03	D3	26.06.19	Draft Issue - Minor Amendments	BY	RF
D02	D2	13.06.19	Draft Issue - Minor Amendments	BY	RF
D01	D1	10.06.19	Draft Issue	BY	RF
SKANSKA REV: Rev   Date   Description   Drawn   Check					
Drawing Status: DRAFT					
Client: SKANSKA					
JTP Studios Unit 5, The Rum Warehouse Farnington Street London, E1W 2AP +44 (0)20 7617 1780 www.jtp.co.uk					
Project: PRB Deepcut					
Drawing Title: Phasing Plan					
Scale: NTS Job Ref: 00752					
Drawing No: 00752_PP_01 Revision: D8					
Scale Bar					



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# Affordable Housing Application Briefing Note

## **Princess Royal Barracks**

Brunswick Road

Deepcut

Camberley

GU16 6RN

October 2021

## **Prepared by**

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## 1 INTRODUCTION

- 1.1 In 2014 the Ministry of Defence (MoD) selected Skanska as its Land Sale Delivery Partner for the redevelopment of Princess Royal Barracks, Deepcut and the construction of a new Defence College of Logistics, Policing and Administration at Worthy Down Camp in Winchester. The construction project at Worthy Down has completed and was funded entirely independently from the Princess Royal Barracks redevelopment
- 1.2 At Princess Royal Barracks the MoD retains freehold of the site until it is sold in phases to residential developers, ancillary use developers (such as the Public House and Foodstore) or land is transferred to the Borough Council or County Council in accordance with the s106 Agreement. The emerging new development is known as Mindenhurst Village.
- 1.3 The Defence Infrastructure Organisation (DIO) and Skanska support the MoD in the timely delivery of Mindenhurst Village in accordance with hybrid planning permission 12/0546 (as amended) and its s106 Agreement (as amended). This is done by:
- (i) Physically providing the relevant on-site and off-site infrastructure to support residential occupation (in accordance with the phasing and timings in the planning permission and s106) in advance of occupation.
  - (ii) Marketing development parcels as soon as land becomes available in accordance with the phased decant and closure of the base, and seeking open market value for the MoD on a serviced parcel basis
- 1.4 In effect, the MoD is responsible for the cost and delivery of all works associated with implementing the planning permission excluding residential development, the public house, the care home, food store and village centre shops. The residential house builders are only responsible for the market risk within their own development and have no exposure to on-site and off-site infrastructure costs.
- 1.5 The on-site and off-site infrastructure costs are forward funded and reimbursed from land sales. It is imperative to have the affordable housing fixed at land sale to ensure the approved on-site and off-site infrastructure costs can be funded and the development as approved can therefore complete as approved in the planning permission, such as the Primary School & Nursery, Village Green, Spine Road, SANGS.

- 1.6 Skanska are responsible for providing the infrastructure works and managing the disposal of the land in various parcels.
- 1.7 To date, the MoD have provided approved infrastructure including the Primary School and Nursery, Northern Access Roundabout, Spine Road, Central SANGS, Village Green, cycle and pedestrian infrastructure, telecommunication, and power infrastructure, drainage infrastructure, and off-site highway works.
- 1.8 More infrastructure than this remains to be delivered, including Southern SANG, SANGS Link, Formal Park, Church Hall, Sports Hub, ANGST, further cycle and pedestrian infrastructure, telecommunication and power infrastructure, drainage infrastructure, and all remaining off-site highway works.
- 1.9 Development land comprising 363 dwellings across 3 phases, plus a Public House site, have been purchased by developers to date. Further residential development land cannot be marketed until the affordable housing provision for each phase and the overall site has been approved.

## **2 AFFORDABLE HOUSING PLANNING HISTORY**

- 2.1 Below is a brief history of affordable housing planning policy and approvals as it relates to Mindenhurst development.

[2012](#)

- 2.2 Policy CP4 of the Core Strategy Development Management Plan sets a target to seek 35% affordable housing for the site.

- 2.3 Policy CP4 – Deepcut

*Provision will be made for new housing development on land at Princess Royal Barracks, Deepcut (as shown on the Proposals Map). This site will provide some 1200 net new dwellings and is anticipated to deliver housing from 2016 onward.*

*New development on land at Princess Royal Barracks and on other sites within Deepcut should contribute toward the delivery of an expanded rural settlement at Deepcut which will create a new*



*community that is vibrant, sustainable, comprehensive, and well designed. In particular new development will be required to contribute toward delivery of the following:*

*(i) A safe and high-quality environment reflecting the rural nature of Deepcut setting.*

*(ii) A **target of 35% of housing provision to be affordable**. Housing mix shall reflect identified need in accordance with Policy CP6.*

*(iii) Opportunities for local employment which may include provision of small business units.*

*(iv) Improved provision of retail and associated Class A uses to create sustainable shopping patterns.*

*(v) An enhanced or new village centre.*

*(vi) Community infrastructure including a new primary school, new health facilities, enhanced library provision, enhanced community hall provision and possibly a place of worship.*

*(vii) Physical infrastructure that is climate change resilient in particular addressing the issue of ground and surface water flood risk.*

*(viii) Residential development shall achieve CO2 reduction and water efficiency in line with Code Level 6 of the Code for Sustainable Homes.*

*(ix) New commercial or industrial development should achieve zero carbon and efficient use and recycling of other resources in line with national requirements.*

*(x) Measures to reduce the impact of traffic upon and arising from Deepcut which will include reducing demand for travel, improved public transport provision, a safe integrated footpath/cycle route network linking to neighbouring settlements and key services and improvements to the surrounding highway network.*

*(xi) Measures to avoid new development having an impact upon the European Sites. (xii) Measures to avoid new development having an impact upon the features and sites of local importance for biodiversity.*

*(xii) Maintain the countryside gap between Deepcut and Heatherside and Deepcut and Frimley Green.*

*(xiii) Open space as part of a wider green infrastructure network to include formal public open space and informal open space, including Suitable Alternative Natural Green Space (SANGs).*

*(xiv) Enhancement of the setting of and improved linkages to the Basingstoke Canal.*

*(xv) Measures to avoid new development having an impact upon the features and sites of heritage importance, including the Basingstoke Canal and St Barbara's Church.*

2.4 The policy indicates that 35% Affordable Housing should be sought at Deepcut as a target. If it is demonstrated that 35% is not viable, then the viable percentage can be agreed by the Council instead.

2.5 *Policy CP5 – Affordable Housing Over the lifetime of the Core Strategy.*

***The Borough Council will seek a target of 35% of all net additional housing as affordable, split evenly between social rented and intermediate. The Borough Council will negotiate the overall quantity and type of on-site affordable housing on a site-by-site basis, based on the following thresholds and targets: - Developments of 5-9 units (net) – 20% on-site provision Developments of 10-14 units (net) – 30% on site provision Developments of 15 or more units (net) – 40% on site provision.***

*The Borough Council will also negotiate a 20% affordable housing equivalent financial contribution on sites of 3-4 units (net). In seeking affordable housing provision, the Borough Council will assess scheme viability, including assessing the overall mix of affordable unit size and tenure, other development scheme costs and any Housing Corporation grant subsidy secured. A financial contribution in lieu of provision for affordable housing on developments of 5 or more units (net) will only be acceptable where on-site provision is not achievable and where equivalent provision cannot readily be provided by the developer on an alternative site. The approach to seeking financial contributions in lieu of on-site provision will be set out in an Affordable Housing SPD.*

*The requirement to provide affordable housing will apply to all residential development including private retirement homes, sheltered accommodation and Extra Care schemes where these fall within Use Class C3. Schemes will be refused, where as a means of avoiding affordable housing provision, a development site is sub-divided or is not developed to its full potential.*

2.6 While the policy indicates a target of 35% Affordable Housing it is then qualified by negotiation on a site-by-site basis and a range of sub-targets related to the quantum of the development.

[2013 / 2014](#)

2.7 Hybrid Planning Application 12/0546 was submitted on the basis of complying with the target affordable housing policy. At Planning Committee, members asked for the percentage to be reserved

for agreement later. The formal planning permission and s106 respected this resolution, with no reference to a target percentage in either the planning permission or the s106 documents.

2.8 Condition 9 is drafted as follows:

*“The first reserved matters application for each phase shall include an Affordable Housing strategy for that phase which shall include:*

- a) The **number and percentage of affordable housing units** to be provided in that phase*
- b) Details of the type and tenure of the affordable housing units*
- c) a plan identifying the location of the affordable units within the development and their tenure*

*Each phase of development shall thereafter be **implemented in accordance with the approved strategy** unless otherwise agreed in writing with the Local Planning Authority.*

*Reason: To ensure that the level of affordable housing is appropriate and to meet the objectives of Policy CP4 of the Surrey Heath Core Strategy and Development Management Policies 2012 and the objectives of the Deepcut SPD”*

2.9 As per the above drafting, no affordable housing percentage was set for the site, just the policy aspiration to target 35% unless this is not viable. The affordable housing percentage for a phase (and the entire developer once each phase is approved), is to be set via Condition 9 approval(s) post hybrid permission. To comply with Policy CP4, a Condition 9 application should target 35% if possible. If not possible to achieve 35% affordable housing, then it is valid to propose and approve the percentage of affordable housing that the site can viably achieve instead.

[2017](#)

2.10 On 10 February 2017 Condition 9 is discharged for the Phase 2a and Phase 2b, prior to their marketing and sale to Bovis/Vistry and CALA Homes in due course. It was known at this time that the development as a whole as approved would not be able to viably provide 35% affordable housing. But to complete land sales in order to comply with the timings in the s106 Agreement in respect of on-site and off-site works, and to secure the first residential developers for the site, it was agreed to submit at 35% affordable and balance across the remainder of the residential phases of the site in due course. It is that balancing which is being sought now.

2.11 The decision notice for Condition 9 approval of Phase 2 states:

*“The Council notes that the submission has come forward outside of a reserved matters application and because of these full details of the type of intermediate housing to be delivered along with a plan identifying those units has not been provided. It is however noted that the purpose of the submission is to seek clarification on the level of affordable housing provision the Council is likely consider acceptable in the first phase of residential development on the site (also known as phase 2 of the sitewide).*

*It is noted that the submission seeks agreement on a 35% policy compliant provision in both the Southern and Northern parcels with the mix to be delivered complying with that specified in the s106 agreement. It is noted that the submission made seeks to discharge elements of part a) and b) of the above condition in so far as it relates to the first residential phase of the PBR redevelopment.*

***It is also noted that this submission is made on the basis it will not prejudice on-going discussions as to the viability of the site and the level or percentage of affordable housing the site can deliver as a whole and, on this basis subsequent residential phases will be subject to their detailed own affordable housing strategy.***

*The Council note the above and agrees that the reserved matters application(s) for the first phase of residential development comprising the Northern and Southern parcels should be progressed in accordance with the submitted details. The reserved matters applications(s) to be submitted for the respective parcels comprising phase 2 must detail the number of units to be provided within the phase (35% of the total number within the phase/parcel) together with details of the tenure of the affordable units and a plan showing the same as required by condition 9.*

***It is also agreed that the overall site wide provision will be subject to future discussion, the submission of an affordable housing strategy and subject to approval by the Planning Applications Committee”***

- 2.12 The 35% provision on Phase 2 was thus an interim arrangement pending the agreement of site wide viability and the consequent quantum of affordable housing it is possible to deliver across the site. This solution allowed the development to progress in a timely manner.

[2019](#)

- 2.13 Prior to marketing of Phase 4a and subsequent sale to Trivselhus, Condition 9 is approved for Phase 4e at a level of 0% affordable housing.

2.14 The Council noted the following on the decision notice:

***Given the recognition that 35% site wide provision may not be possible on viability grounds it is not considered this is unacceptable”***

[2021](#)

2.15 In January 2021, approval for Condition 9 was sought for all remaining phases prior to their marketing and sale, as per the process established above for Phase 2 and Phase 4a.

2.16 As in 2014 when the hybrid permission was approved, the MoD aspiration was to seek to comply with Policy CP5 target 35% affordable housing. In 2014 only an outline proposal was known, with associated indicative costs. During the process of seeking Reserved Matters Approvals the scope of works has increased significantly in many areas compared to the indicative outline scheme granted in 2014, including enhanced grades of road infrastructure and electric vehicle charging requirements that were not factored into the original proposal. The MoD has sought to provide these and absorb the cost of the increased scope of works sought where possible.

2.17 In addition, the original Land Quality Assessment included some limited sampling of the site for the existence of contamination, the selection of sample location was based on the historical use of the land, the investigations concluded that a low contamination risk existed in 2014. On site work has uncovered that more work was necessary to enhance land quality either to sell to developers or to be adoptable by the Borough Council or County Council. This is necessary work to undertake or the develop will fail to be delivered as approved.

2.18 Additionally, there has been significant cost inflation as a result of the pandemic which means that any uplift in land/house prices in recent times does not prove of net benefit to the overarching development viability.

2.19 The Council commissioned an independent review of the development's viability, conducted by BPS Chartered Surveyors and Geoffrey Barnett Associates. The independent review concludes that 15% affordable is viable for the remaining phases based on affordable rent and intermediate housing.

2.20 The MoD has followed this independent review and has applied for Condition 9 in accordance with the outcome. The MoD also acknowledges that site wide viability could improve between now and the completion of the last land sale, so is offering an upward only review mechanism to that the Council can capture any viability improvement.

- 2.21 When combined with the 35% affordable provided on the Phase 2, and the 0% provided on Phase 4a, the overall site wide affordable housing provision is 20%.

### **3 RESIDENTIAL PARCELS**

- 3.1 The remaining land parcels will be marketed in batches as soon as Condition 9 is approved in October, with all marketed by Spring 2022. The planning permission expires in April 2024, so between Spring 2022 and April 2024 all land sales need to complete, developers design their schemes, progress pre-application consultation with the Council and Design Review Panel and formally submit their Reserved Matters Planning Applications.
- 3.2 The land sale programme is based on working back from the permission expiry date of April 2024 and allowing 10 months from commencement of marketing to formal completion of sale (following due diligence, exchange of contacts etc) and then a further 12 months for the residential developers to produce their design, pre-application engagement and submit their Reserved Matters Application.
- 3.3 The residential developer will be responsible for agreeing with the Council the mix and the location of the affordable units on site. They are contractually blocked from renegotiate affordable housing provision and seeking a lower quantum. This is as per all MoD land sales to developers to date.
- 3.4 This is a significant endeavour for up to 837 new dwellings from multiple developers, alongside applications for the Food Retail Store, Care Home and all the remaining MoD infrastructure works. It is still realistic if Affordable Housing can be approved in October. If Affordable Housing approval is delayed any further, then this will undermine the credibility of delivering the hybrid planning permission as approved before expiry.

## **4 SMALL SITES PROPOSED WITH NO AFFORDABLE HOUSING**

- 4.1 The development has two remaining small sites capable of accommodating less than 20 dwellings. Following liaison with the Council's recommended Registered Providers there is concern that affordable housing would not be possible to provide and administer on such sites. As a result, the MoD has followed this advice and proposed to increase affordable housing on larger parcels where provision and administration is not in question. This will ensure provision of the full overall quantum of affordable housing dwellings on site.

## **5 AFFORDABLE TENURE**

- 5.1 The MoD has followed the Council's commissioned independent review of our submitted BNP Viability Assessment of the site, which proposed Affordable Rent tenure rather than Social Rent, as per the Phase 2b Condition 9 approval. This allows for the overall affordable housing percentage per phase and for the site to be maximised, rather the reducing the percentage to accommodate Social Rent, and is accordingly considered optimum for the site on balance.

## **6 REVIEW MECHANISM**

- 6.1 The MoD acknowledges that site wide viability could improve between now and the completion of the last land sale, so is offering an upward only review mechanism so that the Council can capture any change in the project viability. It is imperative that the review mechanism can be undertaken in a timely manner that does not delay land sales and undermine deliver of the permission before expiry.
- 6.2 Mechanisms that would work time wise have been discussed with officers and the MoD is willing to follow the preferred mechanism, be it affordable housing review before last land parcel is marketed or a financial overage payment after final land sale completion that could be used to support affordable housing provision in the Borough.

## **7 SUMMARY**

- 7.1 The MoD has followed the Council's independent viability advice in order to seek to maximise viable affordable housing provision in this Condition 9 submission. A review mechanism is proposed that will allow the Council to capture any increase in viability between now and last land parcel sale. Feedback from the Council's Registered Providers has also been followed and shared with officers.

- 7.2 Approval is essential in October 2021 due to the expiry of the planning permission in April 2024 and the need to market, complete, design, pre-app engage and apply for all remaining development before then (circa two thirds of the remaining site in terms of housing and infrastructure).
- 7.3 Rather than a percentage of affordable housing per phase, the MoD is proposing a fixed number of affordable housing dwellings per phase based on 15% of the maximum consentable dwelling that can be accommodated on a phase (complying with the 1200 home planning permission limit on the site). Therefore, if less than the maximum possible dwelling are approved by the developer on each phase as Reserved Matters stage, then as the affordable housing dwelling quantum is fixed, resulting in an excess of 15% will have been provided. As context, only Phase 2b (CALA homes) has secured permission for the maximum quantum of dwelling per phase, and that was a special planning case due to being the first residential phase consented.
- 7.4 In conclusion, as independently assessed, the proposal has sought to provide the maximum quantum of affordable housing once 35% was unfortunately impossible to achieve. The Council and community is protected against this being an under provision by virtue of a proposed review mechanism.
- 7.5 The Condition 9 proposal is in accordance with Planning Policy, the hybrid planning permission and s106, and the planning approval history for Condition 9.
- 7.6 Approval in October would enable the provision of the overall Mindenhurst Village development before the expiry of the planning permission, for the overarching benefit of the Council and local community. Accordingly, we hope the application is one that Council Officers and Members can support, despite the shared disappointment of it not being viable to provide 35% affordable housing site wide.



# Princess Royal Barracks, Deepcut, Surrey, GU16 6RN

6th October 2021



## Addendum Report

### Introduction

- 1.1 BPS Chartered Surveyors were instructed in 2020 by Surrey Heath Borough Council to undertake a review of a Financial Viability Assessment prepared by BNPRE Paribas on behalf of the Defence Infrastructure Organisation (DIO) and Skanska ('the Applicant') in connection with a planning application for the redevelopment of the Princess Royal Barracks.
- 1.2 We understood that the intention of the Applicant's submission was to provide financial viability evidence to support proposed amendments to the requirements of the S106 Agreement signed in relation to the extant hybrid planning consent 12/0546. More specifically to reduce the affordable housing obligations on the remaining phases of the development to 0% from the current 35% obligation.
- 1.3 This addendum has been issued to summarise our conclusions to date and to confirm our current position. This addendum report follows and should be read in conjunction with our report of 17 February 2021 and our addendum report dated 20 June 2021. These reports are attached in Appendix 1 and 2 respectively and summarise the conclusions reached in the pre-application discussions undertaken prior to submission of the application.
- 1.4 The FVA submitted by BNPPRE as part of this application is the same document as that submitted at the pre-planning stage by BNPRE Paribas, dated October 2020. In consequence the findings of our February and June 2021 reports remain valid.
- 1.5 Our initial review dated February 2021 concluded that amendments should be made to the Residual Land Values calculated for the remaining plots. This resulted in a marginal increase to the plot values on a per hectare basis when compared to BNP's assessment. In addition, we identified some issues with BNP's Land Trading Model which distorted the scheme's overall return on IRR. We therefore made amendments to the distribution of DIO land receipts within the model.
- 1.6 Following the findings of our initial review it was agreed with Skanska that our Cost Consultants, Geoffrey Barnett Associates (GBA), would undertake a further, more detailed assessment of the scheme costs to date. The findings of this review dated May 2021 were issued in an addendum report dated 20 June 2021.

- 1.7 GBA's initial findings included in our February 2021 report sought firstly to verify the expenditure but also to apportion some of the cost increases into the following categories:
- a) Developer's Risk
  - b) Developer's Cost - items outside the control of the Developer
  - c) Escalation - item outside the control of the Developer
  - d) Reduction in Land Value
  - e) The use and/or misuse of the land by the former user.
- 1.8 Essentially some of the cost escalation is seen as more appropriately falling into areas which would normally be ascribed to developer's risk category a) or reflected in a reduction in land value d) as being outside of normal expectations or resulting directly from the former occupiers use of the property e). The total cost of items d) and e) were calculated to be £9,471,485.
- 1.9 As outlined in our addendum dated June 2021, the above exercise was updated in respect of the recent more detailed exercise and have noted a marginal increase in items d) and e) to a figure of £10,359,642. Based on this assessment GBA concluded in May 2021 that allowable costs which should be included within the financial model should not exceed £120,871,240.
- 1.10 Reflecting the recommendations outlined above and rescheduling the DIO land receipts as described above in 1.5, we concluded in June 2021 that the remaining phases could viably deliver a reduced 15% affordable housing contribution on the remaining plots. We consider our conclusions set out in the June 2021 addendum report remain valid.
- 1.11 We are now of the understanding that that the Applicant has agreed in principle to the inclusion in the amended S106 provision for a further viability review. We are advised that the Council's intention is to ensure that this review provides scope for an enhanced onsite affordable housing provision should there be an improvement in scheme viability.

## Conclusions and Recommendations

- 1.12 We conclude that the proposed amendment to reduce the affordable housing provision to 15% over the remaining sites as yet undeveloped, to be consistent with our assessment of scheme viability. The inclusion of a further late-stage review to enable further potential on site affordable delivery ensures that the scheme would in light of these proposed changes deliver the maximum reasonable level of affordable housing consistent with the viability of the scheme as assessed in our attached reports.

# Appendix 1 - BPS Viability Review February 2021

# Princess Royal Barracks, Deepcut, Surrey, GU16 6RN

## Independent Viability Review

Prepared on behalf of Surrey Heath Borough Council

17 February 2021



215a High Street, Dorking RH4 1RU  
[www.bps-surveyors.co.uk](http://www.bps-surveyors.co.uk)

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Appendix 1 - Build Cost Report

Appendix 3 - BNPRE response to BPS information request, 4<sup>th</sup> February 2021.

Appendix 4 - BPS Appraisals

## 1.0 INTRODUCTION

- 1.1 BPS Chartered Surveyors have been instructed by the Surrey Heath Borough Council ('the Council') to undertake a review of a Financial Viability Assessment (FVA) prepared by BNPRE Paribas on behalf of the Defence Infrastructure Organisation (DIO) and Skanska ('the Applicant') in connection with a planning application for the redevelopment of the Princess Royal Barracks.
- 1.2 We understand the intention of the applicant's submission is to provide financial viability evidence to support proposed amendments to the requirements of the S106 Agreement signed in relation to the extant hybrid planning consent 12/0546. More specifically to reduce the affordable housing obligations on the remaining phases of the development to 0% from the current 35% obligation.

### The Site & Extant Consent:

- 1.3 The Princess Royal Barracks are located in Deepcut in Surrey, close to Frimley and Farnborough and approximately 40 miles south west of central London. The immediate area around the Barracks is mainly Greenfield and forest/heathland with some residential properties and local retailers. Guildford and Woking lie further to the south east and east. The nearest train station is Farnborough, approximately 3 miles to the west of the site, providing regular services to London Waterloo. Junction 4 of the M3 is approximately 4 miles from the site.
- 1.4 The Surrey Heath Local Plan Policy CP4 identifies the subject site as a site which will provide c. 1,200 net new dwellings from 2016 onwards. Part ii of the Policy sets a target of 35% affordable housing, alongside requirements for community infrastructure including a new primary school, health facilities, enhanced library provision, enhanced community hall provision and a place of worship.
- 1.5 The Thames Basin Heaths Special Protection Area lies immediately adjacent to the north east boundary of the subject site. The Basingstoke Canal Site of Special Scientific Interest and Conservation Area lies adjacent to the southern boundary of the site. In addition, the Deepcut Barracks North Site of Nature Conservation Importance partially overlaps with the site. Moreover, the Garrison Church of St Barbara's is located at the western boundary of the main barracks site and is Grade II listed.
- 1.6 We have been advised that the MoD planned to have vacated the site at the end of 2018. We therefore assume that the site is now fully vacated.
- 1.7 The Council granted a hybrid planning permission in April 2014 (12/0546) for the following:
- Up to 1,200 new dwellings of which 35% would be affordable (C3)
  - A 2-form entry Primary School, together with a nursery facility (D1)
  - A foodstore (A1)
  - Local shops (A1/2/3/5)
  - Space for medical facilities to accommodate GPs/Dentists (D1)
  - A library building with co-located police desk and village visitor centre (D1)
  - A public house (A4)
  - Retention of the Church of St Barbara with replacement Church Hall (D1)
  - Provision of 69.12ha of public open space comprising:
    - 35ha of SANGS and a 1.07ha SANGS link
    - 19.85ha semi natural open space (ANGST)

- 2ha Village Green
  - 1.16ha of Allotments
  - 2.54ha of formal parkland
  - Areas of amenity green space with the residential area
  - Dedicated play spaces within the residential area
  - A Care Home (C2)
  - Improved footpaths, cycleways, public transport linkages and highway improvements
  - Sustainable Urban Drainage system
- 1.8 Recognising that the site will require considerable demolition remediation and creation of cross site infrastructure the Defence Infrastructure organisation (DIO) the operating arm of the Ministry of Defence in the United Kingdom, which is responsible for the built and rural estate, decided to appoint Skanska to bring for the site as serviced plots for sale for residential development.
- 1.9 The financial aims of the DIO are in three parts:
- a) To generate a land sale receipt
  - b) To utilise Skanska to fund the site's preparation and its development expertise to carry out the site enabling works
  - c) To generate a net return on Skanska's investment in the site
- 1.10 We are advised that the initial phases of the permitted scheme have now been completed, delivering a policy compliant 35% affordable housing provision comprising 119 affordable units in parcels A and M, representing approximately 10% provision across the site as a whole.
- 1.11 The financial information provided by the applicant seeks to demonstrate that because of significantly increased costs associated with bringing forward the site, the development even delivering no more affordable housing going forward will generate substantially be low target returns to both Skanska and the DIO. For practical purposes both these parties should be viewed as a single entity the applicant. For the purposes of demonstrating scheme viability, we have chosen to represent these parties individually. The purpose being to reflect on the return on costs incurred by Skanska as site enabler and the DIO as land owner
- 1.12 The target returns in the context are referenced a combination of net land value generated and a time weighted return on capital employed known as an internal rate of return. The suggested target returns are shown below against the assessed returns forecast by the BNPRERE model. It should be noted that the return on capital and net land value generated are interrelated. The higher the IRR the lower the net land value with the converse being true also. BNPRERE has therefore chosen to prioritise the IRR return with balance being represented as a net land value to the DIO:

Party	Target Return	Modelled Return
Skanska	8% IRR	8%
DIO	£8,573,370 £100,000 per acre x 85.73 acres	£212,267 £2,476 per acre

- 1.13 The model as submitted shows a relatively nominal return in terms of land value and on this basis, the Applicant is now seeking to discharge Condition 9 of the S106, to amend the affordable housing provision as they consider the scheme, in its current

form, to be unviable. Therefore, the scheme would need to provide on a 100% private basis in order to generate a positive land value.

- 1.14 We note that if all future phases of the scheme were to be delivered on a 100% private basis, the 119 affordable units already delivered in the initial phases would mean that the overall development would provide a 9.9% affordable housing provision, by contrast to the 35% provision consented in 2014.

History of BPS Involvement:

- 1.15 BPS were previously involved with assessing the viability of this scheme in 2018. BPS prepared a viability report, dated 20<sup>th</sup> July 2018, which concluded that the scheme could support a 35% affordable housing provision at a policy complaint split, as per the planning consent based on a review of a FVA prepared by GVA dated June 2017. BPS was then asked to consider further viability information submitted by the applicant during 2019, but no report was prepared or issued and no formal proposal was put to the Council at that time. BPS were later involved in a Member briefing in August 2020 to provide an update on the information provided. No decision was sought or reached through this meeting.

BPS Latest Instruction:

- 1.16 The basis of this review is a Financial Viability Assessment prepared by BNPREFRE, dated October 2020, which concludes that the scheme currently shows a considerably below target land return for the developer which becomes negative with inclusion of a minimum level of affordable housing delivery is included. On this basis, they consider the only viable option is to continue with the scheme on an 100% private basis.
- 1.17 Our instructions from the Council are twofold:
- a) To assess the accuracy of the appraisal inputs utilised by BNPREFRE in reaching the above conclusions:
  - b) Noting that the proposal to reduce future affordable housing delivery represents a departure from full policy compliance to 0% we have been asked to ascertain the extent to which the substantial increase in costs that have arisen could be considered:
    - i) Normal developer risk for which the developer return provided to reflect this risk or which would be otherwise expected to be addressed by normal insurance cover.
    - ii) Unforeseen costs which have arisen from the legacy condition of the site arising from its former use as a military base
    - iii) Unforeseen costs which have arisen which could not have been anticipated and which are outsider of the applicant's ability to control
- 1.18 In large part the latter part of this instruction has been informed by our Cost Consultants Geoffrey Barnett Associates whose report is set out in full in appendix 1.
- 1.19 We have also downloaded documents available on Council's planning website and have referred to viability documents received in 2017/18/19 from our previous instructions to assist with our review. We have also received live versions of the Argus



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appraisals included in BNPRE's latest report and a live copy of BNPRE's Land Trading Model.

- 1.20 The advice set out in this report is provided in the wider context of negotiating planning obligations and therefore in accordance with PS1 of the RICS Valuation - Global Standards 2020, the provisions of VPS1-5 are not of mandatory application. Accordingly, this report should not be relied upon as a Red Book Valuation. The Valuation Date for this Viability Review is the date of this report, as stated on the title page. This Viability Review has been undertaken in accordance with the Terms & Conditions provided to the Council and with any associated Letters of Engagement and should only be viewed by those parties that have been authorised to do so by the Council.
- 1.21 This Viability Review adheres to the RICS Professional Statement on Financial Viability in Planning (published May 2019). In accordance with this Statement, we refer you to our standard terms and conditions which incorporate details of our Quality Standards Control & Statement on Limitation of Liability/ Publication.

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## 2.0 CONCLUSIONS AND RECOMMENDATIONS

2.1 Our review has in accordance with our brief sought to test the assumptions underpinning the current assessment of viability. We have then looked at how the viability of the scheme has evolved over time as such our conclusions are presented in two stages:

### Assessment of current viability

2.2 The core elements of this assessment relate to the following elements:

- a) Appraisal inputs referencing a notional 1 hectare development used to inform expectations of site value
- b) Total expenditure by Skanska
- c) The Appraisal model
- d) Target land value
- e) Target profit

2.3 We have set out our conclusions in summary form below:

### **Appraisal inputs referencing a notional 1 hectare development used to inform expectations of site value**

We are broadly in agreement with the appraisals as presented although we note that one of the achieved land sales which was undertaken on the basis of an obligation to deliver a policy compliant level of affordable housing significantly exceeds BPRES's assessment of site value on an all private basis.

This sale highlights the potential volatility of the land sale market and underpins our recommendation that subsequent land sales should be the trigger points for future assessments of viability. This conflicts with the applicant's suggestion of a single further review at 75% of scheme delivery.

### **Total expenditure by Skanska**

As will be seen from the report of our cost Consultants, (see appendix 1), the costs as incurred and proposed are broadly accepted as a genuine representation of cost currently expended and estimated

### **The appraisal model**

BNPRE has produced a land trading appraisal model which accords with the basis on which the site is being brought forward and reflects Skanska's role as site enabler and DIO as land owner. This differs significantly from the 2017 FVA produced by GVA which assumes a simplistic developer model.

This latest approach we consider to be a more accurate reflection of the basis of delivery as it recognises the separation of the activity of site preparation from housing development. This distinction is not currently drawn in the S106 Agreement.

### Target Land Value - IRR

Under this approach BNPRE target a land value of £100,000 per developable acre and an internal rate of return of 8%. In practice the returns on development accrue to the applicant as such it may not be relevant to subdivide the returns on this basis but is a convenient approach to differentiate between Skanska as master developer expending capital to bring forward serviced development plots and the DIO as land owner providing land.

The BNPRE model shows that at an IRR of 8% a nominal land value of £212,000 is generated which is well below the £8.5m target land value and on this basis BNPRE conclude the remainder of the sites should come forward with a nil affordable housing obligation in order to maintain momentum noting this is well below the target returns considered necessary for a viable development.

We note that the target IRR exceeds our suggested level of 5-6% but that equally this adjustment makes a relatively limited impact on overall viability.

We note that BNPRE has inputted a target land return on day 1 on the project cashflow which has a significant and distorting effect on the scheme cashflow. When the target land value is apportioned across the plot sales the overall project return is enhanced by in excess of £3m.

Similarly, we note the scheme costs include some £1.8m of fees and other costs incurred prior to the grant of planning consent in 2014. We consider these costs to be considerably in excess of normal costs associated with preparation of a hybrid planning application. Cost elements outside of the planning and associated legal costs should in our view exclude all other costs such as those we suspect are included such as the tender costs associated with securing Skanska etc. as these are DIO direct costs and are not in our view relevant.

- 2.4 Overall, we consider the extent of the shortfall on the stated targets to be overstated and that the scheme whilst not especially viable contains promise of sufficient returns to more than justify its continued progress.
- 2.5 The results of this exercise are however intertwined with the results of the assessment of how the scheme's viability has evolved over time.

#### Assessment of changes to scheme viability

- 2.6 This assessment has largely been driven by the analysis of our Cost Consultants, Geoffrey Barnett Associates. GBA have been asked to allocate cost increases into a variety of headings to provide the Council with guidance on how to view the very significant cost increases to this project since inception. In this regard it should be noted that BPS did not have an involvement with the project at application stage and have been involved only since 2017 as such the focus of GBA's report is from 2017 to present day and from the production of more detailed cost information in 2019 to present day. GBA's report is appended in full in appendix 1.
- 2.7 We have provided a summary extract of GBA's report below:
- 2.8 GBA have extended their analysis from the point when they reviewed scheme costs in 2017 and summarise the cost movements over this period

FVA June 2017	£ 90,001,842
FVA May 2019	£115,328,366

FVA October 2020    £133,891,265

- 2.9 Between 2017 and 2020 the net increase in costs amounts to £43,889,423. We have GBA to allocate these increases under a number of headings which is shown in the following summary table below:

Developer Risk	Developer Costs	Escalator	Site legacy costs	Change in land value
+£33,406,282	+£13,425,128	+7,163,807	-£8,549,794	-£1,645,999

- 2.10 The headings are explained further below:

#### **Developer risk**

These relate to cost items which would normally be within the developer's risk and control to manage.

#### **Developer Costs**

These are costs which are outside of the developer's ability to control.

#### **Escalator**

Again, these are cost risks which are outside of the developer's ability to control.

#### **Site Legacy Costs**

These are direct costs arising from the site's former use as a military base.

#### **Land Value**

This is the change in overall land value.

- 2.11 It can be seen that some of these costs should not in our view fall into categories for which an adjustment in the level of affordable housing should be required to improve viability. Of the £43,889,423 total cost increases, our Cost Consultant considers £33,406,282 of the costs falls into this category. Equally some £20,588,935 of the increases are considered unforeseen and legitimate cost increases. Savings in site legacy costs and land value serve to offset the overall net uplift between 2017 and 2020.

#### Recommendations

- 2.12 It can be seen that whilst the current day assessment of scheme viability indicates a relatively marginal viability based on an all private housing scheme, it is apparent that the route to this point is not simply the result of market circumstances outside of the control of the applicant. Consequently, in determining the path forward we consider a full recognition of the circumstances and the relevant apportionment of these costs should be the basis when contemplating any adjustments to the current S106 and the attendant affordable housing obligations.
- 2.13 It is clear that a substantial element of the increases in overall scheme costs relate to factors which would normally be weighed against developer risk for which developer profit is the appropriate buffer.

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- 2.14 It is also recognised that there should be a financial incentive available to the applicant to proceed with the remaining phases but this cannot in our view be entirely at the expense of the current affordable housing obligations.
- 2.15 It is also apparent that considerable volatility both in terms of the direction of future project costs as well as land sales means that in our view it would be inappropriate for scheme viability to be considered as a point in time exercise and similarly the proposed single review of viability at 75% scheme delivery appears inadequate, especially given that the land sale receipts could vary considerably. In this context it is not clear to what extent the quoted figures represent the agreed land sales figures or whether further overage payments are available to supplement these totals.

**3.0 THE APPLICANT'S CURRENT VIABILITY POSITION**

- 3.1 The Applicant is seeking to reduce the affordable housing contribution to nil for the future phases of the scheme due the negative impact affordable housing delivery has on the schemes overall viability.
- 3.2 Given that the early phases of the scheme have delivered a 35% contribution, 119 affordable units have been delivered thus far on site. If the scheme were to continue on an 100% private basis, these units would equate to an overall scheme provision of 9.9%. This falls short of the consented 35%.
- 3.3 The Applicant's current position is that the scheme is currently in a deficit and that the deficit needs to be mitigated in full before any additional affordable housing can be provided in the future phases. They note that given that a 35% affordable housing contribution was provided in the early phases, this can be considered an 'over-provision' in terms of the maximum viable contribution that the scheme could support. It does however accord with the original application put forward in 2014 and the subsequent S106 Agreement.

Anticipated Development Return:

- 3.4 We have been advised by BNPRE that the Applicant's current position can be summarised as follows:

<b>2020 anticipated return:</b>	
Land receipts (assuming 10% AH):	£143,775,221
Costs	£138,711,987
Land cost	£8,573,370
Return	-£3,510,136
Simple return on cost	-2.38%
Simple return on value	-2.44%

- 3.5 Note that the cost figure of £138.7m is said to exclude the costs that BNPRE and BPS agreed should be omitted during the course of discussions which took place in 2019 which relate to direct costs attributable to the DIO associated with their ongoing occupation of the site during early phases of work and the attendant expenditure associated with this which would not have been incurred had the site been vacant at the outset.
- 3.6 The comparison has built in a minimum site value. If the land value is excluded and the development is looked at as simply a return on expenditure, then this equates to just over £5m or 3.65%.
- 3.7 It should be noted that the cost total excludes development finance on expenditure.
- 3.8 The project as modelled straddles 11 years from the period prior to grant of the original 2014 consent through to the financial year 2024/25

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- 3.9 This period is considerably longer than would be envisaged for say a development of each of the serviced plots generated by the applicant, as such the timescale is relevant when considering the overall return to the applicant.
- 3.10 A recognised method for reflecting the impact of time is through the use of an internal rate of return. In essence this measure applies a discount rate to the development cashflow whereby the further a cash instalment is from the base year of valuation, the greater the discount applied to that sum. IRR is simply the rate at which the aggregated value of the positive and negative cashflows equate to zero.
- 3.11 It is convention when computing an IRR that finance costs are excluded as they are assumed to form part of the overall return to the developer. Typically, the longer the cashflow the lower the IRR will be for a given cashflow IRR's are also susceptible to the timing of payments. For example if costs are front loaded in a cash flow and values backloaded there will be a lower IRR than if the positive and negative income streams are more equally spread.
- 3.12 BNPRERE has identified a target IRR of 8% which when applied to the cashflow leaves a residual land value of £212,000.
- 3.13 BNPRE have used a growth implicit model which assumes both costs and values are subject to inflationary growth at the rate of 2.5% per annum.

Proposed Review of Viability:

- 3.14 The Applicant is proposing a single future review of viability only. We are advised that the proposal is yet to be finalised but is expected to be an updated Financial Viability Submission being submitted before the first marketing of the Phase containing more than the 899<sup>th</sup> dwelling (75% of total residential units). We are advised that the Applicant will use any surplus at review stage to provide on-site affordable housing. They note that this is advantageous to the Council as 100% of any surplus will be used for affordable housing.

#### 4.0 CHANGES TO THE ORIGINAL VIABILITY POSITION

- 4.1 The scheme was originally consented in 2014 with a 35% affordable housing contribution. As identified in the previous section, the Applicant's current position is that the scheme currently generates a negative return and therefore cannot provide any on-site affordable housing in the future phases of development.
- 4.2 We now outline the key points of change between the scheme's viability at the time of consent in 2014 and the latest assessment in 2020.
- 4.3 The basis of our information is BNPPRE's Viability Report dated October 2020. Following a meeting with Skanska and BNPPRE, BPS requested further information via email on 26<sup>th</sup> January 2021. BNPPRE responded to our request on the 4<sup>th</sup> of February 2021. Correspondence can be found in Appendix 2.

##### Changes to the Applicant's anticipated return:

- 4.4 Upon request we have been provided with the following breakdown of the Applicant's anticipated return in 2014, compared to their current position:

	2014	2020	Difference (%)
Land Receipt	£135,370,000 (assuming 35% affordable housing)	£143,776,221 (assuming 10% affordable housing)	+6.2%
Costs	£55,640,000	£138,711,987	+149%
Land Cost	£8,573,370	£8,573,370	+/- 0%
Return	£71,156,630	-£3,510,136	-105%
Simple return on cost	110.81%	-2.38%	-102%
Simple return on value	52.56%	-2.44%	-105%

- 4.5 The table shows that there has been minimal movement in the target land receipt since 2014, but the costs have increased by 149% during this period. The increase in costs is therefore likely to be the main factor currently impacting the schemes affordable housing delivery.
- 4.6 Currently, the anticipated return is negative. We are advised that the DIO and Skanska hope to improve on this position through improvements in land sales receipts, but they consider this cannot be guaranteed in the current climate.

##### Anticipated Land Sales Revenue:

- 4.7 BNPPRE have run a series of conventional residual valuations of a notional hectare of land to determine the probable site value at different levels of affordable housing. The resultant values are summarised below:



Level of Affordable Housing	Value per Hectare
0%	£4,663,268
5%	£4,343,570
10%	£4,205,872
15%	£4,070,067
20%	£3,841,369
25%	£3,748,475
30%	£3,383,972
35%	£3,291,078

4.8 These values have been used to inform the appraisal cashflow and as mentioned above have been subject to assumptions of inflationary growth. We examine the individual appraisal inputs used in this assessment in a later section of this report.

4.9 These estimates compare and contrast with the actual land sales completed to date,

Sale Date	Value per Hectare
July 2017	£3,005,008
Aug 2018	£3,288,690
April 2019	£4,970,220
<b>Average</b>	<b>£3,754,639</b>

4.10 It can be seen that the BNPRED predicted values are below the overall achieved value for all three site but broadly on par for the site sale in 2018. The land sale in 2019 appears to much higher than the other two being some 50% above the 2018 transaction. The 2019 sale is also above the estimated receipt for all private land sales as estimated.

4.11 This analysis demonstrates that land sale values can fluctuate considerably and are extremely sensitive to relatively small changes in appraisal assumptions. It is clear if land values are some 50% above the level predicted then there would be considerable scope for affordable housing delivery.

4.12 For this reason, we consider that as a minimum the review process should consider the level of land sale receipt actually achieved rather the suggested single point in time assessment.

4.13 As can be seen from Section 6 we have reviewed the BNPRED site appraisals of the notional 1 hectare and whilst we consider there are difference in some assumptions this results in a relatively small difference of around 7.5% as summarised in the table below:

Scheme	BNPRE Residual Land Value (£ per hectare)	BPS Residual Land Value (£ per hectare)
35% Affordable Housing	£3,074,028	£3,291,078
30% Affordable Housing	£3,158,441	£3,383,972
25% Affordable Housing	£3,495,292	£3,748,475
20% Affordable Housing	£3,579,704	£3,841,369
15% Affordable Housing	£3,790,336	£4,070,067
10% Affordable Housing	£3,916,555	£4,205,872
5% Affordable Housing	£4,127,187	£4,343,570
100% Private	£4,337,819	£4,663,268

#### Scheme Costs:

- 4.14 The costs in this context relate purely to the costs incurred or anticipated to be incurred by the applicant in bringing serviced development plots forward to the market. Costs in relation to the development appraisals of the notional hectare of development are informed directly by BCIS standard rates.
- 4.15 Our Cost Consultant, Geoffrey Barnett Associates (GBA) has assessed the most recent infrastructure cost information provided. Note that GBA were previously involved with assessing the costs on behalf of BPS in June 2017. They have summarised the evolution of the infrastructure costs during this period:

Accepted Costs June 2017	£78,592,789
Accepted Costs May 2019	£115,328,366
Proposed Costs October 2020	£133,891,265

- 4.16 As the table above shows, the actual and estimated costs have increased by c.70% between 2017 and 2020. Between May 2019 and October 2020, the proposed costs have increased by c.16%.
- 4.17 GBA have identified the difference in the infrastructure costs agreed in 2019 and those now proposed in 2020. We have briefly summarised the differences in cost below:

	Difference (£)	Difference (%)
Professional Fees	+£1,623,415	+13.87%
Sales Fees	+£206,459	+23.61%
Building Costs	+£9,587,364	+13.76%
S106 Costs	+£1,680,885	+10.22%
Preliminary Costs	-£1,424,554	-21.70%
Other Staff Costs	+£4,041,578	+45.82%

4.18 GBA also note that inflation has also been added to the construction costs. If it is accepted that inflation is included on the scheme costs, then they question why inflation would also not been included on the housing values to reflect any increases in the Gross Development Value of the scheme.

4.19 GBA have extended their analysis from the point when they reviewed scheme costs in 2017 and summarise the cost movements over this period.

FVA June 2017           £ 90,001,842

FVA May 2019           £115,328,366

FVA October 2020   £133,891,265

4.20 Between 2017 and 2020 the net increase in costs amounts to £43,889,423. We have GBA to allocate these increases under a number of headings which is shown in the following summary table below:

Developer Risk	Developer Costs	Escalator	Site legacy costs	Change in land value
+£33,406,282	+£13,425,128	+7,163,807	-£8,549,794	-£1,645,999

4.21 The headings are explained further below:

#### **Developer risk**

These relate to cost items which would normally be within the developer's risk and control to manage

#### **Developer Costs**

These are costs which are outside of the developer's ability to control

#### **Escalator**

Again these are cost risks which are outside of the developer's ability to control

#### **Site Legacy Costs**

These are direct costs arising from the site's former use as a military base

#### **Land Value**

This is the change in overall land value

4.22 It can be seen that some of these costs should not in our view fall into categories for which an adjustment in the level of affordable housing should be required to improve viability. Of the £43,889,423 total cost increases, our Cost Consultant considers £33,406,282 of the costs falls into this category. Equally some £20,588,935 of the increases are considered unforeseen and legitimate cost increases. Savings in site legacy costs and land value serve to offset the overall net uplift between 2017 and 2020.

4.23 GBA's full cost report can be found in Appendix 1.

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Developer profit:

- 4.24 We have not received confirmation as to the level of developer profit assumed within the original consented scheme application. We are aware however, that GVA's 2017 assessment adopted a 20% on GDV profit target for the private residential and commercial element, and a target of 6% for the affordable housing. Our viability review dated July 2018 considered the profit targets adopted by GVA to be reasonable, with the exception of the commercial profit which we would expect to be at 15%.
- 4.25 Importantly GVA did not separate the role of the applicant as site promoter and enabler from the actual developers of individual development plots when sold. Consequently, this comparison does not draw any meaningful conclusions when looking at the approach taken by BNPRE which we consider to be a much more accurate reflection of the basis on which this scheme is being delivered.
- 4.26 BNPRE's 2019 and 2020 assessment of the notional hectare to inform site value assessments adopts the same target of 20% for the private residential and 6% for the affordable. Therefore, the profit target used for the purposes of assessing viability has not been changed since GVA's 2017 assessment.
- 4.27 BNPRE has now identified an IRR target return of 8% though their report suggests a return of 15-20% as an IRR return is in their view more appropriate.
- 4.28 During the course of our discussions in 2019 we stated our view that an IRR of for the enabling element of the scheme should be much lower than that associated with the actual house builder return. A considerable element of profit allowance relates to sales risk. House builders have numerous individual transactions to complete whereas the site enabler model contemplates no more than seven land sales to commercial developers which in our view offers a very different risk profile.
- 4.29 We consider an 8% IRR to be very high in this context and would expect a return of 5-6% to be more realistic. Adopting an adjusted target of say 6% however makes a comparatively limited impact on the overall viability position as it simply serves to increase the available land value making an approximate change to the cashflow of £750,000.

Target Land Value

- 4.30 Integral to the assessment is an assumption of a positive net land value deliverable in addition to the target IRR. BNPRE consider that the site which contains a number of former military buildings, would be able to command a significant value on the basis of simply re-using these buildings for other purposes. In this context they argue that a default value per developable acre should not fall below £100,000 per acre (£247,000 per hectare), this being a typical default value for agricultural land value being redesignated for housing development.
- 4.31 In the current context we accept the basic reasoning for a default or minimum land value at around this level. There is however an important distinction which needs to be drawn out which is that the former site use as a military base is considerably different from Greenfield sites.
- 4.32 There is a considerable legacy of activities on the site which gives rise to the need for remediation and decontamination which would not apply to Greenfield land. In this context the NPPG highlights that site value should:

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*reflect the implications of abnormal costs; site-specific infrastructure costs; and professional site fees*

- 4.33 The implication being that unusual costs should be netted from anticipated land value. In the current context our Cost Consultant has identified a remediation cost of £8,107,976 which contrasts with the target land value of £8,573,370 and shows that were the land value to be offset by the full costs of remediation land value would be effectively nominal.
- 4.34 Against this backdrop the existing value of buildings on site should be seen as a potential minimum land release value. Equally it could be argued that the former use and legacy condition of the site has reduced its value below that which would be expected from a pristine Greenfield site and this should temper the DIO's land value aspirations.
- 4.35 Against this background we are aware that the sale of this site was intended to contribute to other MoD expenditure, notably Worthy Down expansion as such a nil land value contribution would remove any incentive on the DIO to progress the development.

Planning obligations:

- 4.36 Geoffrey Barnett Associates' report identifies that S106 costs have risen by £1,680,885 (10.22%) between May 2019 and October 2020.
- 4.37 We request that the Council confirm the correct level of statutory payments that should be included in the viability appraisal.

Conclusion:

- 4.38 It is evident from our assessment that there is scope for considerable volatility in the level of actual land transactions. However as also indicated we also consider the anticipated land values generated future plot sales to be understated by around 7.5% which is a relatively small order of difference overall.
- 4.39 Therefore, it is the considerable changes in actual and forecast costs associated with bringing the site as serviced development plots which is the key factor in the reduced viability of the scheme. Our further conclusions concerning these cost increases are set out in Section 2 of this report.

## 5.0 REASONS FOR THE CHANGES IN VIABILITY

- 5.1 As identified in the previous section, there has been a significant increase in the schemes' infrastructure costs. We have sought to identify the main reasons behind this. Our Cost Consultant, Geoffrey Barnett Associates have assessed the scheme's infrastructure costs, the full report can be found in Appendix 1.

### Changes to Infrastructure Costs (2017-2020):

- 5.2 One of the major changes impacting viability is the increased build cost figure. As outlined in paragraph 4.8-4.9, the infrastructure costs have increased by c.70% between June 2017 and October 2020.

### Cost Increase 2019 - 2020 Assessment:

- 5.3 Between May 2019 and October 2020, the proposed costs have increased by c.16%. Our cost consultant, Geoffrey Barnett Associates have identified the reasons behind this considerable increase in infrastructure costs. The costs have been categorised into the following headings:

#### **Policy Changes:**

- 5.4 GBA have assumed that the requirement to provide electric charging points is due to unforeseen changes in policy. This cost amounts to £3,641,783.

#### **Increased costs due to MoD legacy:**

- 5.5 This category is subdivided into three, including ground remediation, additional fees, and scope creep/design changes.
- 5.6 Firstly, with regards to ground remediation, this includes Japanese Knotweed eradication and tree removal. This cost amounts to £8,107,976, which is considerably higher than the £5.1m originally estimated.
- 5.7 Secondly, the cost of Estate Agency and Legal Fees together with the costs of marketing to find a developer incurred by the DIO has risen by £201,708 (excluding inflation).
- 5.8 Finally, GBA have estimated the overall increase in cost due to design changes to be £1,161,801. They note that demolition has increased by 500% and upgrading the DIO road to adoptable standards has arisen by 13.36%.

#### **Management Issues:**

- 5.9 With the information provided, GBA note that it is difficult to establish how efficient the developer management of the scheme has been and whether additional costs have been incurred. They conclude that there must be an issue with management considering that preliminaries have risen by 17.01% between 2019 and 2020.

#### **Covid-19 Delays:**

- 5.10 GBA estimate the cost of the delays caused by Covid-19 equate to £1,539,069. They estimate the extra costs incurred to comply with Covid-19 protocols to be £796,540.

Responsibility for cost increase:

- 5.11 As shown above, GBA have identified the key reasons as to why there has been a considerable increase in the infrastructure costs agreed in May 2019 and those proposed in October 2020.
- 5.12 GBA have categorised the costs as follows:

Developer Risk - items within the control of the Developer	£2,994,515
Developer's Cost - items outside the control of the Developer	£6,096,899
Reduction in Land Value	£8,107,976
The use and/or misuse of the land by the former user	£1,363,509

- 5.13 We have tested the viability of the scheme, excluding the costs above that come under developer risk, reduction in land value and to misuse of the land by the former user in order to demonstrate their impact on the scheme's viability. See Section 7 of this report for further detail.

**6.0 ASSESSMENT OF CURRENT DAY VIABILITY INPUTS**

- 6.1 To inform assumptions as to future land sale receipts BNPRE have assessed the viability of a notional 1 hectare scheme and used the conclusions to be extrapolated across anticipated plot sales, this exercise effectively discounts other forms of development which will come forward as part of the overall consent but we accept it is a reasonable proxy basis for establishing land sale value under the land trading model.
- 6.2 The appraisal assumes that housing at the rate of 35 dwellings per hectare.
- 6.3 For the purposes of our review, we have assessed the notional scheme assumed by BNPRE.

**Gross Development Value:**

- 6.4 The calculation of the Gross Development Value (GDV) of the scheme has changed since 2017 and 2020. This considers the aggregated value of all the housing delivered by the scheme across all plots. We are not aware what the GDV of the scheme was at the time of consent. We note that the 2017 Viability Assessment prepared by GVA calculated the GDV of the site based on the consented scheme, therefore including a variety of commercial and community uses, flats and houses. By contrast, BNPRE's approach is to establish a value per hectare based on a notional development of 35 dwellings per hectare.
- 6.5 We have summarised the differences in the scheme GDV from 2017 to 2020, note that we have applied BNPRE's value £per hectare across the entire 34.69-hectare development site:

<b>GVA 2017</b>	£395,273,069
<b>BPS 2018</b>	£410,035,000
<b>BNPRE 2019</b>	£394,910,960 (£11,384,000 per hectare across entire site)
<b>BNPRE 2020</b>	£403,906,077 (£11,643,300 per hectare across entire site) 35% Affordable
<b>BNPRE 2020</b>	£502,941,900 0% Affordable

- 6.6 When assessing the GDV of the entire development site, there has been a 2% increase between 2017 and 2020. There has been a minimal movement in GDV between BNPRE's 2019 and 2020 assessments. In their 2019 report, a value of £11,384,000 per hectare was adopted, now a value of £11,643,300 per hectare has been adopted. This represents an increase of 2.27% per hectare.



Current day values:

6.7 BNPRE have assumed the following average floor areas:

- Private houses: 1,200 sqft
- Affordable rented houses: 850 sqft
- Intermediate houses: 750 sqft

6.8 On the assumption that houses will be delivered at a density of 35 dwellings per hectare, BNPRE have calculated the following residential floor areas (GIA):

Scheme	Area Sqft (GIA)
100% Private	35,000
20% Affordable	33,850
35% Affordable	32,900

**Private Residential Values:**

6.9 In our previous viability report, dated July 2018, we concluded that the following private residential values would be achievable:

Unit Type	Size (sq ft / sq m)	Value	£psf / £psm
1 Bed Flat	542 / 50	£240,000	£442 / £4,758
2 Bed Flat	753 / 70	£310,000	£412 / £4,435
2 Bed House	850 / 79	£350,000	£412 / £4,435
3 Bed House	1,100 / 102	£450,000	£409 / £4,400
4 Bed House	1,350 / 125	£550,000	£407 / £4,380
5 Bed House	1,750 / 163	£665,000	£380 / £4,090

6.10 BNPRE have not provided a more recent assessment of residential values in the immediate area. Rather they have applied a 0.58% increase to the previously agreed £psf values. This 0.58% increase is according to the Land Registry House Price Index (HPI) data between July 2018 and April 2020.

6.11 On this basis, BNPRE have adopted the upper end of the £psf range adopted within our previous assessment, i.e., £412 psf and have applied a 0.58% increase to bring the £psf to £414.

6.12 Whilst we consider the HPI to be useful, it should be noted that it lags the market by c. 3 months and the average price data does not reflect local nuances. On this basis, we have sought to identify more recent comparable evidence to determine the appropriate £psf:

Address	Postcode	Type	Date	Sale Price	Area Sqm	Area Sqft	£psf
7 Deepdene Lane	GU16 6FQ	D	20/02/2020	£537,000	114	1227	£438
8 Deepdene Lane	GU16 6FQ	D	26/03/2020	£545,000	114	1227	£444
1 Bourne Grove	GU16 6FS	D	30/03/2020	£644,950	144	1550	£416
2 Bourne Grove	GU16 6FS	D	31/03/2020	£595,000	120	1292	£461
3 Bourne Grove	GU16 6FS	D	30/03/2020	£600,000	129	1389	£432
5 Bourne Grove	GU16 6FS	D	31/01/2020	£674,000	144	1550	£435
97 Deepcut Bridge Road	GU16 6SD	S	17/01/2020	£410,000	102	1098	£373
4 Heathercot	GU16 8AE	S	10/01/2020	£400,000	114	1227	£326
5 Heathercot	GU16 8AE	S	07/01/2020	£467,500	138	1485	£315

- 6.13 The table above details some recent transactions in the immediate area
- 6.14 Of the units above, that measure in the region of 1,200 sqft, the values range from £326 psf - £461 psf. The value £psf varies depending on whether the property is detached or semi-detached.
- 6.15 We have also identified four houses currently being marketed by CALA Homes from Phase 1 of the subject development. Several of the properties listed on their marketing website are currently reserved and the four listed above remain on the market as of January 2021:

Plot	Type	Type	bed	Area Sqft	Price	£psf
206	Kiswick	D	3	1,222	£565,000	£462
213	Kiswick	D	3	1,222	£565,000	£462
215	Himscot	S	3	1,054	£482,000	£457
208	Nenhurst	D	4	1,648	£732,000	£444

- 6.16 The two 'Kiswick' properties are similar in size to the notional scheme average of 1,200 sqft. These properties are currently on the market for £462 psf.
- 6.17 Based on the achieved transactions, we consider an average value of £414 psf to be reasonable for the proposed houses, assuming that a mix of housing types would be provided (detached, semi-detached, terraced). This is within the range of the achieved residential values and is discounted from the schemes current asking prices.

#### Affordable Residential Values:

- 6.18 BNPRE have valued the affordable rented units at £182 psf, this is an increase on the previous value of £142 psf calculated by BNPRE. This is said to be due to the changes in the Blackwater Valley LHA rates over the years. The latest LHA rates (2020/21) are as follows:

Unit Type	LHA 2020/21 (rent pw)
1bed	£161.10
2bed	£201.37
3bed	£253.15
4bed	£333.70

6.19 Using the above LHA rents, we have updated our affordable rented valuation. We conclude that that the value of £182 psf adopted by BNPRE is broadly reasonable.

6.20 BNPRE have valued the shared ownership units at £254 psf, which remains unchanged from BNPRE's February 2019 report. The valuation assumes 25% initial equity share and 2.75% rent charge on the remaining equity. We consider the value of £254 psf adopted by BNPRE is broadly reasonable.

**Ground Rents:**

6.21 Capitalised ground rents have not been included on the assumption that the development will be comprised solely of houses which will be sold on a freehold basis.

**Current day costs:**

6.22 The construction costs have been included at a rate of £140.38 psf, which is based on the BCIS mean rate for estate housing generally rebased to Surrey Heath, dated 15<sup>th</sup> August 2020. A 5% contingency is included, as well as external works at 5.4%.

6.23 Our Cost Consultant, Geoffrey Barnett Associates has assessed the proposed costs and concludes that the build cost rate £psf is within reasonable estimating margins of their own assessment. In addition, they accept that a 5% contingency is common practice and the external works at 5.4% is reasonable.

6.24 GBA's full cost report can be found in Appendix 1.

6.25 BNPRE's appraisal includes the following additional fee inputs:

- Professional fee of 12%
- Marketing fee of 2.5%
- Sales agent fee of 1%
- Legal fee of 0.5%

6.26 We consider these inputs to be broadly reasonable and in line with market norm.

6.27 Finance has been included at 6.75% assuming that the scheme is 100% debt financed. Currently, we would typically expect to see a lower finance rate of 6.5% for the purposes of assessing viability. We have included this figure within our appraisal.

6.28 BNPRE state that developer profit has been included at 20% for the private residential revenue and 6% for the affordable revenue. We note that BNPRE's appraisals include a 17% profit on the private residential revenue and 6% on the affordable. We have maintained these profit targets within our assessment.

6.29 BNPRE have assumed a pre-construction period of 6-months and a construction period of 28-months. They have assumed that the first houses will be completed 9-months after construction commences and that the final sale will complete 3-months after all units have been completed.

6.30 We are advised by our Cost Consultant that a 28-month construction period is excessive. The BCIS duration average is 16-months, and GBA note that they would expect all issues surrounding remediation and infrastructure to be resolved prior to the parcels coming forward for construction. Overall, GBA consider a 20-month construction period to be the maximum acceptable in this instance. We have amended the appraisals to reflect this.

- 
- 6.31 BNPRE have assumed that the receipt from the RP for the affordable housing will be received in equal instalments across the construction period. We have assumed a 'Golden Brick' approach whereby 33% of the revenue will be received upon start of construction and the remaining 67% at practical completion. We note this is a typical arrangement between developers and RPs and consider this approach reasonable for the purposes of assessing viability.

**7.0 BPS CURRENT DAY VIABILITY CONCLUSIONS****BPS Appraisal Results:**

- 7.1 We consider the majority of BNPRES's viability appraisal inputs to be broadly acceptable. However, we would expect to see a lower finance rate, typically at 6.5%. We have also amended the proposed construction period in line with advice from our Cost Consultant.
- 7.2 We have received live and unlocked copies of the Argus appraisals included within BNPRES's report, to which we have made the following amendments:
- Reduced the finance rate to 6.5%.
  - Reduced the construction period to 20-months.
- 7.3 This has a slight impact on the Residual Land Value outturn of the appraisals. The outputs can be summarised as follows:

Scheme	BNPRE Residual Land Value (£ per hectare)	BPS Residual Land Value (£ per hectare)
35% Affordable Housing	£3,074,028	£3,291,078
30% Affordable Housing	£3,158,441	£3,383,972
25% Affordable Housing	£3,495,292	£3,748,475
20% Affordable Housing	£3,579,704	£3,841,369
15% Affordable Housing	£3,790,336	£4,070,067
10% Affordable Housing	£3,916,555	£4,205,872
5% Affordable Housing	£4,127,187	£4,343,570
100% Private	£4,337,819	£4,663,268

- 7.4 As the table above shows, the amendments we have increased the Residual Land Value outturns slightly. We have inputted these figures into the Land Trading Model.

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**8.0 AUTHOR SIGN OFF**


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

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

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## Appendix 1: Build Cost Report

**REVIEW OF UPDATED COST SCHEDULES  
PREPARED BY  
SKANSKA AND GARDINER & THEOBALD**

**FOR**

**PRINCESS ROYAL BARRACKS, DEEPCUT**

**16<sup>th</sup> FEBRUARY 2021**

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**APPENDICES:**

- A: COMPARISON OF FINANCIAL VIABILITY ASSESSMENTS**
- B: DIFFERENCES BETWEEN THE 2020 & 2017 FVA**
- C: DIFFERENCES BETWEEN THE 2020 & 2019 FVA**
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- F: ALLOCATION OF RESPONSIBILITY**
- G: CALCULATION OF NHRV**

## **1.0 INTRODUCTION**

- 1.1 Geoffrey Barnett Associates are Chartered Quantity Surveyors, established in 1974, and have over 40 years' experience of providing quantity surveying, project co-ordination and construction cost management services to clients throughout the UK. The firm's experience covers a wide range of project types and sizes including new build residential and commercial developments, infrastructure projects and refurbishment projects.
- 1.2 This review relates to the updated Financial Viability Assessment (hereinafter referred to as "FVA") produced by BNP Paribas dated October 2020 which includes enabling and infrastructure cost and core build and abnormal cost schedules produced by Gardiner & Theobald.

## **2.0 BASIS OF REVIEW**

- 2.1 We have limited this review to the calculation of the Notional Hectare Residual Value and Infrastructure Costs only.
- 2.2 The Notional Hectare Residual Value appraisal provided by the applicant is reviewed by comparison against the Building Cost Information Service (BCIS) construction cost data published by the RICS. The reason for using the BCIS service is that it provides a UK wide and fully independent database compiled and continually updated by input from varied project types and locations.
- 2.3 BCIS costs are updated on a quarterly basis. The most recent quarters use forecast figures, the older quarters are firm costs based on historic project data. The BCIS also provides a location adjustment facility against a UK mean index of 100, which allows adjustment of costs for any location in the UK.
- 2.4 The BCIS also publish several different Indices including an All-in Tender Price Index, General Building (excluding M&E) Cost Index, General Building Cost Index, General Civil Engineering Cost Index, Labour Cost index, Materials Cost index, Plant Cost Index, and the Private Housing Construction Price Index and these are based on historic tender prices. This allows adjustment of costs on a time basis where necessary.

## **3.0 REVIEW & COMMENTARY: NOTIONAL HECTARE RESIDUAL VALUE**

- 3.1 Notional hectare residual value calculations are shown on Appendices 2 to 9 attached to the FVA. All Appendices use the same rates, the only difference between them is in the areas of the different types of housing.
- 3.2 We have shown our calculation in Appendix G.

- 3.3 A cost of £140.38 per ft<sup>2</sup> (£1,511/m<sup>2</sup>) has been used for the buildings. This is based on BCIS mean rate for estate housing generally rebased to Surrey Heath dated 15 August 2020. The BCIS rate has changed slightly since then and the current rate on the same basis is now £1,490/m<sup>2</sup>, so a reduction of 1.4%. We consider this to be within reasonable estimating margins.
- 3.4 Contingency of 5% has been added. This is in line with common practice and general guidance.
- 3.5 External works have been added at 5.4% of building cost, which concurs with our cost review in 2018. We consider this to be reasonable.

#### 4.0 REVIEW & COMMENTARY: INFRASTRUCTURE

##### 4.1 Introduction

4.1.1 Infrastructure costs have evolved as follows:

4.1.1.1	FVA June 2017	£ 90,001,842
4.1.1.2	FVA May 2019	£115,328,366
4.1.1.3	FVA October 2020	£133,891,265

4.1.2 We had previously commented on and accepted the June 2017 costs. We understand that the May 2019 costs (which include a reduction for agreed excluded costs) had also been accepted. This review is, therefore, focused on the difference between the June 2017 FVA and the October 2020 FVA, and between the May 2019 and the October 2020 FVA.

4.1.3 We have been provided with further documentation in substantiation of the claimed infrastructure costs in the October 2020 FVA:

4.1.3.1 Table headed '*APPENDIX 1 – TOTAL COST INCLUDED IN 2020 FINANCIAL VIABILITY ASSESSMENT*'. This shows a breakdown of the £133,891,265 costs referred to in the FVA.

4.1.3.2 Table headed '*Appendix 2 – Increase in total cost included within the Financial Viability Assessment produced in 2019 and the one produced in 2020*'. This shows a breakdown of the difference between the 2019 and 2020 costs. The total difference concurs with table 4.2.1.1 in the FVA, but the breakdown is totally different, showing reasons for the differences rather than comparing elements.

4.1.4 To explain how we arrived at the conclusions drawn we have provided various Appendices as follows:

- 4.1.5 Appendix A – Breakdown of the 2017, 2019 & 2020 FVAs.
  - 4.1.5.1 The costs for the 2020 FVA come direct from the *APPENDIX 1 - TOTAL COST INCLUDED IN 2020 FINANCIAL VIABILITY ASSESSMENT* [See Clause 4.1.3.1 above].
  - 4.1.5.2 The costs for the 2019 FVA have been taken from the Skanska Full Project Costs Cashflow (May 2019) [See *Appendix B*] which totalled £115,328,366.
  - 4.1.5.3 The costs for the 2017 FVA have been extrapolated from the GVA Viability Assessment dated June 2017.
- 4.1.6 Appendix B – Differences between the October 2020 and June 2017 FVAs.
  - 4.1.6.1 This is the analysis of the differences between the June 2017 and October 2020 FVAs.
  - 4.1.6.2 These differences have been allocated to the areas of responsibility as discussed in more detail in Appendix F & Section 5 of this Report.
- 4.1.7 Appendix C – Differences between the October 2020 and May 2019 FVAs.
  - 4.1.7.1 This is the analysis of the differences between the May 2019 and October 2020 FVAs.
  - 4.1.7.2 These differences have been allocated to the areas of responsibility as discussed in more detail in Appendix F & Section 5 of this Report.
- 4.1.8 Appendix D - Analysis of the May 2019 FVA Costs to accord with Table 4.2.1.1 of the October 2020 FVA.
  - 4.1.8.1 In the absence of a detailed apportionment of the Skanska Full Project Costs Cashflow (May 2019) into the categories contained in the BNP Paribas Report (October 2020) Table 4.2.1.1 we have analysed the Skanska cashflow spreadsheet.
  - 4.1.8.2 We have allocated each cost to one of the 14 categories listed in Table 4.2.1.1 of the October 2020 FVA.
  - 4.1.8.3 We have made certain assumptions to arrive at the appropriate figures.
  - 4.1.8.4 We have ignored the rounding errors which amount to £4.
- 4.1.9 Appendix E – Indices
  - 4.1.9.1 This is a Summary of the various Indices used to calculate the rate of inflation between the FVAs.

- 4.1.9.2 Indices used to calculate this rate are the All-in Tender Price Index (TPI), General Building (excluding M&E) Cost Index, General Building Cost Index, General Civil Engineering Cost Index, Labour Cost index, Materials Cost index, Plant Cost Index, and the Private Housing Construction Price Index which have been used to establish an average inflation rate within the construction industry.
  - 4.1.9.3 Because this scheme mainly consists of project and site-specific elements and external works costs only it was considered inappropriate in this instance to use just the TPI as that index is calculated using cost data from tenders obtained for traditional buildings.
  - 4.1.9.4 Between the FVA dated May 2019 and the FVA dated October 2020 these indices moved between -5.04% and +3.62% at an average of these indices of 0.54%.
  - 4.1.9.5 During this period, the Consumer Price Index rose 1.20%.
  - 4.1.9.6 Between the FVA dated June 2017 and the FVA dated October 2020 these indices moved between +5.14% and +12.25% at an average of these indices of 7.96%.
  - 4.1.9.7 During this period, the Consumer Price Index rose 5.51%.
  - 4.1.9.8 It should be noted that new build/construction does not form part of the Consumer Price Index calculation.
- 4.1.8 Appendix F – Allocation of Responsibility
- 4.1.8.1 Under Appendices B & C we allocated each change in cost to a specific reason. These are:
    - i Genuinely unforeseen “natural” events/factors which have increased costs.
      - a Inflation.
      - b Changes in Market Conditions.
      - c Changes in Policy.
    - ii Increased costs arising from MoD legacy.
      - a Ground Remediation.
      - b Additional Fees.
      - c Scope Creep / Design Changes.
    - iii Development management issues
      - a Programme Delays.
      - b Contract Management Issues.
      - c Scope Creep / Design Changes.

- iv Covid -19
  - a Delays due to the loss of productivity.
  - b Costs due to the Implementation of protocols.

4.1.8.2 We have further analysed these costs as to where we feel responsibility for them lies.

- i fall to developer risk.
- ii fall to reductions in land value.
- iii fall to the former land user and their use/misuse of the land.

4.1.9 We note that there is an arithmetical error of £59,180 in paragraph 10.26 of the June 2017 FVA.

#### 4.2 **Commentary on Appendix B October 2020 – v – June 2017**

4.2.1 Overall, the costs have risen by £43,889,423 from £90,001,842 to £133,891,265 - an increase of 48.77%.

4.2.2 See Section 5 for full commentary.

#### 4.3 **Commentary on Appendix C October 2020 – v – May 2019** **(Refer also to Appendix D)**

4.3.1 Professional fees

4.3.1.1 These have risen from £11,706,019 in the May 2019 FVA to £13,329,434 in the October 2020 FVA. This is an increase of £1,623,415 or 13.87%.

4.3.1.2 Overall, the level of fees has fallen from 11.30% to 11.06% of all other costs.

4.3.2 Sales have risen £206,459 (23.61%).

4.3.3 Building Works Costs have risen by £9,587,364 (13.76%).

4.3.4 Section 106 Costs have risen by £1,680,885 (10.22%).

4.3.5 Preliminaries and other staff costs.

4.3.5.1 Whilst Preliminary costs have fallen by £1,424,554 (-21.70%).

4.3.5.2 Other Staff Costs have risen by 45.82% (£4,041,578).

- 4.3.6 Other Costs (Insurances etc) appear to have risen by almost 105% (from £571,106 to £1,116,041)

## 5.0 **APPORTIONMENT**

### 5.1 **Inflation / Market Conditions**

- 5.1.1 For the 2017 – 2020 comparison we calculate that, based on an average inflation rate of 7.96% (See Clause 4.1.9.6), a reasonable amount for inflation across the board would be £7,163,807 (£90,001,842 x 7.96%).
- 5.1.2 There is a further £3,387,694 attributable to the indexation of the Section 106 Costs. This equates to 23% of the current Section 106 Costs forecast. We can find no justification for such a large increase.
- 5.1.3 For the 2019 – 2020 comparison we calculate that, based on an inflation rate of 0.54% (See Clause 4.1.9.4), a reasonable amount for inflation across the board would be £626,658 (£115,328,366 x 0.54%). However, of the £18,562,900 increase between the 2020 and 2019 FVAs and ignoring the s.106 indexation and new items which we assume are priced at current levels, we calculate that a reasonable allowance for inflation is £479,789.
- 5.1.4 At item 5 of the Reasons for increase (See Appendix 2 – Clause 4.3.1.2) Skanska state that an inflation allowance for the S.106 Works was not previously included and that £1,681,000 has been added to the 2020 FVA. However, from the breakdown it appears that £1,586,198 has been added to the 2019 FVA. This brings the total for indexation to £3,387,694. This represents an indexation rate of 22.99% (£3,387,694 / (£18,123,317-£3,387,694)). In the 2019 FVA this rate was 12.3%. This appears to be high and possibly double counted.
- 5.1.5 We have assumed that the increased cost of the Insurance is attributable to Market Conditions and for the sake of comparison we have included the same figures in both analyses.

### 5.2 **Movement in costs - Policy Changes**

- 5.2.1 We have assumed that the requirement to provide electric charging points and the infrastructure costs that go with it are unforeseen changes in policy.
- 5.2.2 The changes in policy between 2017 and 2020 appear to have reduced costs by £5,696,833 and this is mainly attributable to the omission of the Secondary School, the absorption of the cost of sustainability, and the addition of the cost of providing the EV Charging Points and associated infrastructure.

5.2.3 Between 2019 & 2020 we estimate the total of these costs to have risen £3,641,783.

5.3 **Increased costs due to MoD Legacy - Ground Remediation**

5.3.1 This includes ground remediation, Japanese knotweed eradication and tree removal.

5.3.2 Ground Remediation Costs have fallen by £1,645,999 from the allowances in the June 2017 FVA.

5.3.3 From the information provided the claimed additional costs between 2019 & 2020 appear to be £8,107,976. This is considerably more than the £5,131,000 quoted by Skanska.

5.4 **Increased costs due to MoD Legacy - Additional Fees**

5.4.1 Fees attributable to the MoD Legacy are now shown as £3,329,922 although these were not shown separately in the June 2017 FVA. The net increase is therefore £3,329,922.

5.4.2 The costs of Estate Agency & Legal Fees together with the costs of marketing to find a developer both incurred by the DIO have risen by £201,708 (excluding inflation) between 2019 & 2020.

5.5 **Increased costs due to MoD Legacy - Scope Creep / Design Changes**

5.5.1 It is difficult to assess what parts of the scheme have suffered from scope creep and/or design changes so we have made several assumptions in this regard.

5.5.2 Between 2017 and 2020 scope/design changes have fallen £11,789,716. Of this, £8,801,560 is attributable to the Agreed Deductions.

5.5.3 Between 2019 and 2020 we estimate the overall increase to be £1,161,801.

5.5.3.1 Demolition has increased by 500% from £136,793 to £825,852 (£688,316 excluding inflation).

5.5.3.2 Upgrading DIO Roads to adoptable standards has risen by £242,830 which is a 13.36% increase.



5.6 **Management Issues - Programme Delays**

5.6.1 The £497,304 of additional insurance identified by the Developer between 2019 & 2020 will in some part be caused by the delays to the project necessitating additional premiums to be paid that were not foreseen. How much this is attributable to management issues or market conditions (insurance premiums are rising due to the increase in claims received by the Insurance Companies) is not clear. So, we have apportioned this 50-50 between market conditions and management issues.

5.6.2 We have for the sake of direct comparison used the costs calculated in the 2019 - 2020 analysis in the 2017 - 2020 analysis.

5.7 **Management Issues - Contract Management Issues**

5.7.1 It is difficult to establish how efficient the Developer's management of the scheme has been and whether additional cost has been incurred.

5.7.2 There must be an issue with management if you consider that Preliminaries are now shown separately and have "increased" £18,228,026 between the June 2017 and October 2020 FVAs.

5.7.3 They have risen 17.01% (£4,401,578 - £1,424,555) between the May 2019 and October 2020 FVAs.

5.7.4 When inflation and the effects of Covid-19 are removed we estimate £358,845 is attributable to contract management issues.

5.8 **Management Issues - Scope Creep / Design Changes**

5.8.1 Without a detailed analysis and comparison of new and previous drawings, specifications etc., it is not possible to determine how much the design has changed and what effect, if any, these changes would have on costs.

5.9 **Covid-19 Delays / Loss of Productivity**

5.9.1 The effects of the Covid-19 pandemic are generally acknowledged to be *force majeure* under the terms of most construction contracts. In other words, neither side in such a contract are at fault and therefore each are expected to absorb any of their own costs that arise as a result of any delays, additional expenditure, additional labour requirements, and re-planning and/or re-programming of works to meet protocols.

- 5.9.2 According to MACE in an article titled *COVID-19: Managing the impact and risks on construction* written after sites started to reopen in May 2020 in the initial phase of the pandemic there was a shut-down of all construction activity and then a slow re-mobilisation of sites, which in turn led to material and labour shortages as workers were first furloughed and then only slowly brought back to work. Together with the impact of implementing new ways of working to accommodate social distancing guidelines, this phase is estimated to have caused two to three months immediate programme delays on any major project. Productivity during this time is estimated to have fallen by 90%.
- 5.9.3 Many sites began to re-open but with reduced numbers of operatives due to social distancing measures that were put in place. The level of output during this period is estimated to be 20% lower than pre-Covid levels. This has resulted in further delays, extended programmes, and increased costs. The full effect of this delay would not usually be apparent until nearer the end of the project.
- 5.9.4 Turner & Townsend (QS & Construction Consultants) in a report titled "*UK construction counts the productivity cost of COVID-19*" and published on 23<sup>rd</sup> June 2020 collected data from 70 medium sized UK construction projects and using a £20m commercial real estate project as a model found that pre Covid-19 productivity losses would be around 20% on each project. However, these productivity losses rise to 35% when the effect of Covid-19 is added to the model.
- 5.9.5 Further analysis of 45 projects delivered during the pandemic revealed that labour shortages together with the impact of social distancing accounted for around seven percent of productivity losses. A further one percent was lost through the poor transfer of design information whilst remote working. In addition, late material deliveries or unavailability led to another seven percent loss.
- 5.9.6 The above reports generally deal with building projects where, for instance, the need to maintain 2m spacing, limit the numbers of operatives in rooms etc is greater than on an infrastructure project. We have assumed that the loss of productivity on an infrastructure project will be approximately half of the 7% reported by Turner & Townsend but that the loss of productivity due to poor design information transfer and due to late material deliveries will remain fairly consistent. This equates to a total of 11%.
- 5.9.7 We estimate the cost of the delay caused by Covid-19 to be £1,539,069. This could be considered part of the Developer's Risk.
- 5.9.8 We have for the sake of direct comparison used the costs calculated in the 2019 - 2020 analysis in the 2017 - 2020 analysis.

5.10 **Covid-19 Costs / Implementation of protocols**

- 5.10.1 There are unforeseen extra costs that arise as a result of complying with the Covid-19 protocols. These include such things as additional welfare facilities to maintain the 2m spacing, provision of masks, gloves and anti-bacterial hand gel, additional training and toolbox talks, additional management time etc. We estimate that an additional 5% of the total additional Preliminaries Costs can be attributed to this. We estimate the cost of this to be £796,540. This, we believe, to be a legitimate and unforeseen extra cost.
- 5.10.2 We have for the sake of direct comparison used the costs calculated in the 2019 - 2020 analysis in the 2017 - 2020 analysis.

6.0 **SUMMARY AND CONCLUSION**

6.1 **Allocation of Responsibility: June 2017 -v- October 2020** [See Appendix F]

- 6.1.1 We have allocated each of the increases in cost shown on Appendix B to show where, in our opinion the specific area of responsibility should lie. We have defined these as:
- 6.1.1.1 Developer's Risk.  
i items within the control of the Developer.  
ii We calculate this to be £33,406,282.
- 6.1.1.2 Developer's Cost  
i items outside the control of the Developer.  
ii We calculate this to be £13,425,128.
- 6.1.1.3 Escalation  
i item outside the control of the Developer.  
ii We calculate this to be £7,163,807.
- 6.1.1.4 Reduction in Land Value.  
i We calculate this to be £1,645,999, i.e. Land Value has increased.
- 6.1.1.5 The use and/or misuse of the land by the former user.  
i We calculate this to have fallen by **-(£8,459,794)**.

6.2 **Allocation of Responsibility: May 2019 -v- October 2020** [See Appendix F]

6.2.1 We have allocated each of the increases in cost shown on Appendix C to show where, in our opinion the specific area of responsibility should lie. We have defined these as:

6.2.1.1 Developer's Risk.

- i items within the control of the Developer.
- ii We calculate this to be £2,408,067.

6.2.1.2 Developer's Cost

- i items outside the control of the Developer.
- ii We calculate this to be £4,617,360.

6.2.1.3 Escalation

- i item outside the control of the Developer.
- ii We calculate this to be £479,789.

6.2.1.4 Reduction in Land Value.

- i We calculate this to be £8,107,976.

6.2.1.5 The use and/or misuse of the land by the former user.

- i We calculate this to be £1,363,509.

6.3 **Reasonable Costs**

6.3.1 In our opinion the following approximate increases in costs between 2017 and 2020 would be reasonable:

6.3.1.1	Inflation	£7,200,000
6.3.1.2	EV Charging	£2,045,000
6.3.1.3	Design Creep @5%	£4,500,000
6.3.1.4	Scope Creep @5%	£4,500,000
6.3.1.5	Covid -19 Delays and Costs	£2,550,000
6.3.1.6	<b>TOTAL</b>	<b>£20,795,000</b>

GBA - APPENDIX A  
BREAKDOWN OF FINANCIAL VIABILITY ASSESSMENTS

Cost category	Party incurring cost	Description	GBA Report (July 2018)	Anticipated Final Cost (GVA - 2017)	Anticipated Final Cost (2019)	Anticipated Final Cost (2020)
<b>Not Permissible</b>						
	DIO	Procurement (Appointment of a developer)			484,000	484,000
	DIO	Legal costs (Appointment of a developer)			30,000	30,000
	DIO	Design (Initial design for planning)			300,000	300,000
	DIO	Staff Costs (Pre-contract)			500,000	500,000
		Sub-Total		-		1,314,000.00
<b>Planning and Requisite Consents</b>						
	DIO	Planning and requisite consents for Deepcut			375,000	375,000
		Sub-Total		-		375,000
<b>Cost of Sales</b>						
	DIO / Ska	Estate Agency Fees & Legal Costs				792,295
	DIO	Marketing to find a developer				288,448
		Sub-Total		-		874,284
<b>Professional and Other Fees</b>						
	DIO	Legal support (Drafting of appointment)			1,075,000	1,075,000
		Sub-Total		-		1,075,000
<b>Building Works</b>						
	DIO	DIO Infrastructure support			337,500	337,500
		Sub-Total		-		337,500
<b>Site Assembly Preparation and Ancillary Expenditure</b>						
	DIO	Decant costs for RDEL & LWC			5,796,739	5,796,739
		Sub-Total		-		5,796,739
<b>To be Discussed</b>						
	DIO	DIO & Military staff			2,152,500	2,152,500
		Sub-Total		-		2,152,500
<b>Professional Fees</b>						
	Skanska	Master Planning & Planning Costs				2,864,350
	Skanska	Legal Fees for land disposal				616,264
	Skanska	Site surveys & Site Investigations				624,360
	Skanska	Ecological Surveys & Consultancy				662,543
	Skanska	Design Fees (Architectural, MEP, Civils, Structural & Land Scaping)				5,404,568
	Skanska	External auditor & cost plan advisor				351,835
	Skanska	Miscellaneous Consultants				155,617

GBA - APPENDIX A  
BREAKDOWN OF FINANCIAL VIABILITY ASSESSMENTS

Cost category	Party incurring cost	Description	GBA Report (July 2018)	Anticipated Final Cost (GVA - 2017)	Anticipated Final Cost (2019)	Anticipated Final Cost (2020)
	Skanska	Contingency				50,000
	Skanska	Ground Remediation Consultant				1,769,068
	Skanska	Unexploded Ordinance				200,000
	Skanska	Relationship manager with council & grant funding application				190,512
	Skanska	Archaeology				71,817
	Skanska	Public Art				218,500
	Skanska	Opportunities to pursue further development planning				150,000
		Sub-Total		-	11,706,019	13,329,434
<b>Building Works and Ancillary Expenditure</b>						
	Skanska	Electrical Supplies			1,799,860	2,612,894
		Whole Utilities	3,511,021	3,589,542	19,702	
		Independent Connection Provider			682,920	
	Skanska	Gas Supplies			635,605	663,685
	Skanska	Water Supplies			1,786,445	1,842,548
	Skanska	Data & Telecommunications			1,109,465	1,234,843
	Skanska	Foul & Surface Water Disposal			1,768,825	1,887,314
		On plot Attenuation	Incl	2,017,680		
	Skanska	HV EV Charging Off site Reinforcement		-		2,045,000
	Skanska	Demolition	Incl below	Incl below in GR	136,793	825,852
	Skanska	Utilities Trenching			1,450,429	1,899,428
	Skanska	DIO Roads upgrade to adoptable standards	2,169,347		1,894,458	2,147,582
	Skanska	Site Prelims			1,177,149	1,070,088
		Sustainability provision/enhancement	3,555,484	3,635,000		
		Slit Trenches	54,042		58,124	
		Archaeological trenching	71,226			
		Off Site Foul Upgrades	244,531		50,000	
		Measures to existing Drainage Channel	236,988			
		Upgrade Sergeants' and Officers' Mess	660,293			
		Building 22			207,120	
		Removal of Services/Remediation:P5	2,164,079	2,212,477		
	Skanska	General enabling works to parcels	4,001,272	2,514,006	500,037	2,244,689
		Works inside the wire		1,576,751	1,247,382	
		Parcel Infrastructure Roads and Drainage		7,242,000		
		Deep strip foundations & Obstructions	5,051,037	5,164,300		
	Skanska	Ground Remediation	5,641,931	11,345,049	2,376,020	10,806,030
		Tree Removal	193,608		268,514	
	Skanska	Japanese Knotweed	525,821	537,581	830,564	795,927
	Skanska	Upgrade of Blackdown Road		-		1,295,597
	Skanska	Temporary Security Fence & Car Parking	704,886		752,908	802,321

deducted below

GBA - APPENDIX A  
BREAKDOWN OF FINANCIAL VIABILITY ASSESSMENTS

Cost category	Party incurring cost	Description	GBA Report (July 2018)	Anticipated Final Cost (GVA - 2017)	Anticipated Final Cost (2019)	Anticipated Final Cost (2020)
	Skanska	Northern Access Roundabout	1,670,030	1,707,379 a	1,998,866	1,900,063
	Skanska	Spine (Mindenhurst) Road	6,073,836	6,209,673	6,755,839	7,000,591
	Skanska	Environmental Improvements Works to Deepcut Bridge Road	430,112	439,731	1,103,063	1,057,267
	Skanska	Red Rd/Maultway/Upper Chobham Rd - Improvements	1,731,508	1,770,232	1,578,000	1,801,838
	Skanska	Deepcut Br Rd Railway Bridge - Improvements	175,732	179,662	182,709	153,556
	Skanska	Red Rd/A322 Improvements (Roundabout)	172,045	175,893	253,788	265,684
	Skanska	M3 Junction 3 - Improvements	122,890	125,638	138,201	144,679
	Skanska	Frith Hill cycle path to Tomlinscote School	459,605	469,884	458,305	525,255
	Skanska	Cycle Path - Frimley lock to Deepcut Bridge Rd	421,510	430,937	395,708	376,148
	Skanska	Cycle Path Ramp - Deepcut Rd down to Canal Path	307,223	314,094	59,951	134,028
	Skanska	Loop Road	4,367,482	4,465,157	4,629,633	3,894,168
	Skanska	Frimley Green Rd/ Stuart Rd/Wharf Rd Improvements	1,106,003	1,130,738	1,119,813	1,003,519
	Skanska	Gole Rd/Dawney Hill Improvements	147,467	150,765	185,944	228,857
	Skanska	Cycle Path - Deepcut Br Rd to North via Menorca Rd	469,436	479,935	477,000	477,000
	Skanska	Canal Steps & Substation 2 & 3				222,609
	Skanska	Sports Hub	3,008,327	3,075,606	2,597,965	2,670,595
	Skanska	2EF Mindenhurst Primary School	6,229,678	6,369,000	9,719,428	9,823,754
	Skanska	St Barbara's Church Refurb & New Build Church Hall	1,496,531	1,530,000 b	1,611,000	1,682,821
	Skanska	SANGS - Central	1,309,999	1,339,296	896,747	1,265,140
	Skanska	SANGS - Southern	223,658	228,660	243,530	2,311,185
	Skanska	ANGST	104,456	106,792	284,533	750,000
	Skanska	Village Green	1,606,161	1,642,082	1,395,658	1,407,731
	Skanska	Formal Park	429,028	438,623	576,520	575,056
	Skanska	LAPS				25,000
	Skanska	Allotments			682,813	659,768
	Skanska	Green Swathe				493,353
	Skanska	Maintenance	1,120,023		240,000	490,000
	Skanska	S38 & S278 Fees and Commuted sums			2,787,425	2,896,313
	Skanska	Development risks (excluding asbestos which is above)				1,731,385
	Skanska	Inflation			3,254,692	1,027,784
	Skanska	Contingency			7,246,960	100,000
		Sundry costs and Infrastructure Maintenance			5,172	
		MoD Handover			50,000	
		Sub-Total	61,968,306	72,614,163	69,681,583	79,268,945
<b>Cost of Sales / Professional Fees</b>						
	Skanska	Site Security				342,800
	Skanska	Estate Agency Fees for Land Disposal				1,405,705
		Sub-Total	-	-	1,649,352	1,748,505

GBA - APPENDIX A  
BREAKDOWN OF FINANCIAL VIABIITY ASSESSMENTS

Cost category	Party incurring cost	Description	GBA Report (July 2018)	Anticipated Final Cost (GVA - 2017)	Anticipated Final Cost (2019)	Anticipated Final Cost (2020)	
<b>Section 106 Contribution Fees</b>							
	Skanska	Community Hall Contribution	19,999	20,446	20,000	20,000	
	Skanska	GP Surgery Contribution			331,866	331,866	
	Skanska	Library Contribution	129,992	132,899	130,000	130,000	
	Skanska	Secondary School contribution	3,458,102	3,535,440		-	
	Skanska	SANGS Maintenance South	3,051,177	3,119,414	3,051,373	3,051,373	
	Skanska	SANGS Maintenance Central	2,034,119	2,079,610	2,034,249	2,034,249	
	Skanska	SAMM Contribution	748,886	765,634		-	
	Skanska	ANGST Maintenance	349,207	357,017	349,230	349,230	
	Skanska	Village Green - Maintenance	174,604	178,509	174,615	174,615	
	Skanska	Formal Park - Maintenance	174,604	178,509	174,615	174,615	
	Skanska	Open Space - Maintenance	3,306	3,380	542	542	
	Skanska	LAPS - Maintenance	126,672	129,505	128,680	128,680	
	Skanska	Allotments - Maintenance	39,997	40,892	40,000	40,000	
	Skanska	Sports Hub - Maintenance	1,047,622	1,071,051	1,047,689	1,047,689	
	Skanska	Contribution to artificial Sports pitch to LA then Sports England	299,981	306,690	300,000	300,000	
	Skanska	LEAP - Maintenance	479,969	490,703	480,000	480,000	
	Skanska	Blackdown Road Play Areas Upgrade	39,997	40,892	40,000	40,000	
	Skanska	Basingstoke Canal Water Supply - Borehole	49,997	51,115	50,000	50,000	
	Skanska	Travel Plan Packs Monitoring Fee		0	3,795	Inc below line	
	Skanska	Travel Plan Packs development Monitoring Fee	18,399	18,810	19,909	18,474	
	Skanska	Cycle Parking at Brookwood	24,998	25,557	25,000	25,000	
	Skanska	Basingstoke Canal Path and upgrade of Canal Towpath	480,969	491,726	481,000	564,451	
	Skanska	Contribution to Highways Safety Improvements	99,994	102,230	100,000	116,466	
	Skanska	Improvements to Bus Routes in the Area	4,079,738	4,170,978	4,080,000	4,080,000	
	Skanska	Bellow Road Closure	49,997	51,115	78,373	78,373	
	Skanska	S106 Monitoring	24,998	25,557		Inc above line	
	Skanska	Indexation applicable to s.106			1,801,496	3,387,694	
	Skanska	SUDS adoption fee			1,500,000	1,500,000	
		Sub-Total		17,007,324	17,387,679	16,442,432	18,123,317
<b>Preliminaries (Staff) Costs</b>							
	Skanska	Development management fee				2,799,668	
	Skanska	Principle contractor (new) & principle designer team				10,003,237	
	Skanska	Other misc. prelim costs				58,840	
		Sub-Total			-	8,820,167	12,861,745



GBA - APPENDIX A  
BREAKDOWN OF FINANCIAL VIABILITY ASSESSMENTS

Cost category	Party incurring cost	Description	GBA Report (July 2018)	Anticipated Final Cost (GVA - 2017)	Anticipated Final Cost (2019)	Anticipated Final Cost (2020)
<b>Preliminaries (Other)</b>						
	Skanska	Principle contractor (old) & delivery team				4,700,000
	Skanska	Other misc. prelim costs				441,140
		Sub-Total		-		6,565,695
<b>Other</b>						
	Skanska	Project specific insurances during delivery				1,116,041
		Sub-Total		-		544,934
		<b>Total Development Cost</b>	<b>78,975,630</b>	<b>90,001,842</b>	<b>127,335,205</b>	<b>143,720,609</b>
<b>Less Agreed deductions</b>						
		DIO/RDEL/LWC Decant costs			(5,796,739)	(5,796,739)
		DIO & Military Staff			(2,152,500)	(2,152,500)
		Temporary car park and security fencing			(752,908)	(802,321)
		MOD Handover			(50,000)	(50,000)
		Inflation			(3,254,692)	(1,027,784)
		Sub-Total			(12,006,839)	(9,829,344)
		<b>Net cost included in model</b>	<b>78,975,630</b>	<b>90,001,842</b>	<b>115,328,366</b>	<b>133,891,265</b>

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			78,975,630	s/be= 90,001,842	115,328,366	133,891,265
		Add TPI difference 2.23642%	1,766,227	Diff 89,942,662	115,328,366	133,891,266
Parcel Infrastructure Roads and Drainage			7,242,000	59,180		
On plot attenuation			2,017,680			
		Adjusted Total	90,001,537	305		

As "Appendix 1"

Notes:

a	Excludes S.38 =	34,000				
b	Includes parsonage	450,000				
c	Rounding error? / real figure =	1,576,753				
d	Arithmetical error Correct - v - reported figures =	17,999,800	18,058,980	59,180		

Covid Delay 11%  
Covid Cost 5%

GBA - APPENDIX B  
BREAKDOWN OF DIFFERENCES BETWEEN JUNE 2017 & OCTOBER 2020 FVA

Cost category	Party incurring cost	Description	Anticipated Final Cost - 2017	Anticipated Final Cost - 2020	Difference Red = Down Blue = Up
Not Permissible					
	DIO	Procurement (Appointment of a developer)		484,000	484,000
	DIO	Legal costs (Appointment of a developer)		30,000	30,000
	DIO	Design (Initial design for planning)		300,000	300,000
	DIO	Staff Costs (Pre-contract)		500,000	500,000
		Sub-Total		-	1,314,000
Planning and Requisite Consents					
	DIO	Planning and requisite consents for Deepcut		375,000	375,000
		Sub-Total		-	375,000
Cost of Sales					
	DIO / Ska	Estate Agency Fees & Legal Costs		792,295	792,295
	DIO	Marketing to find a developer		288,448	288,448
		Sub-Total		-	1,080,743
Professional and Other Fees					
	DIO	Legal support (Drafting of appointment)		1,075,000	1,075,000
		Sub-Total		-	1,075,000
Building Works					
	DIO	DIO Infrastructure support		337,500	337,500
		Sub-Total		-	337,500
Site Assembly Preparation and Ancillary Expenditure					
	DIO	Decant costs for RDEL & LWC		5,796,739	5,796,739
		Sub-Total		-	5,796,739
To be discussed					
	DIO	DIO & Military staff		2,152,500	2,152,500
		Sub-Total		-	2,152,500
Professional Fees					
	Skanska	Master Planning & Planning Costs		2,864,350	2,864,350
	Skanska	Legal Fees for land disposal		616,264	616,264
	Skanska	Site surveys & Site Investigations		624,360	624,360
	Skanska	Ecological Surveys & Consultancy		662,543	662,543
	Skanska	Design Fees (Architectural, MEP, Civils, Structural & Land Scaping)		5,404,568	5,404,568
	Skanska	External auditor & cost plan advisor		351,835	351,835
	Skanska	Miscellaneous Consultants		155,617	155,617
	Skanska	Contingency		50,000	50,000
	Skanska	Ground Remediation Consultant		1,769,068	1,769,068
	Skanska	Unexploded Ordnance		200,000	200,000
	Skanska	Relationship manager with council & grant funding application		190,512	190,512
	Skanska	Archaeology		71,817	71,817
	Skanska	Public Art		218,500	218,500
	Skanska	Opportunities to pursue further development planning		150,000	150,000
		Sub-Total		-	13,329,434
Building Works and Ancillary Expenditure					
	Skanska	Electrical Supplies		2,612,894	2,612,894
		Whole Utilities	3,589,542	-	(3,589,542)
		Independent Connection Provider		-	-
	Skanska	Gas Supplies		663,685	663,685
	Skanska	Water Supplies		1,842,548	1,842,548
	Skanska	Data & Telecommunications		1,234,843	1,234,843
	Skanska	Foul & Surface Water Disposal		1,887,314	1,887,314
		On plot Attenuation	2,017,680	-	(2,017,680)
	Skanska	HV EV Charging Off site Reinforcement		2,045,000	2,045,000
	Skanska	Demolition	Incl below in GR	825,852	825,852
	Skanska	Utilities Trenching		1,899,428	1,899,428
	Skanska	DIO Roads upgrade to adoptable standards		2,147,582	2,147,582
	Skanska	Site Prelims		1,070,088	1,070,088
		Sustainability provision/enhancement	3,635,000	-	(3,635,000)
		SIT Trenches		-	-
		Archaeological trenching		-	-
		Off Site Foul Upgrades		-	-
		Measures to existing Drainage Channel		-	-
		Upgrade Sergeants' and Officers' Mess		-	-
		Building 22		-	-

Inflation  
Across the Board

Unforeseen costs  
Indexation  
Market Conditions

Movement in  
costs - Policy  
Changes

Increased costs due to MoD Legacy  
Ground Remediation  
Additional Fees  
Scope Creep /  
Design Changes

Management issues  
Programme  
Delays  
Contract  
Management  
Scope Creep /  
Design Changes

Covid-19  
Delays /  
Productivity  
Costs /  
Implementation  
of protocols

285,714

160,600

289,332

1,769,068  
200,000

218,500

2,864,350  
616,264  
624,360  
662,543  
5,404,568  
351,835  
155,617  
50,000  
1,769,068  
200,000  
190,512  
71,817  
218,500  
150,000  
150,000

2,612,894  
(3,875,256)

663,685

1,842,548

1,234,843

1,887,314

(2,178,280)

825,852

1,899,428

2,147,582

1,070,088

(3,635,000)

(3,924,332)

GBA - APPENDIX B  
BREAKDOWN OF DIFFERENCES BETWEEN JUNE 2017 & OCTOBER 2020 FVA

Cost category	Party incurring cost	Description	Anticipated Final Cost - 2017	Anticipated Final Cost - 2020	Difference Red = Down Blue = Up	Inflation Across the Board	Unforeseen costs	Increased costs due to MoD Legacy	Management issues	Covid-19	
							Indeviation	Movement in costs - Policy Changes	Ground Remediation Additional Fees Scope Creep / Design Changes	Programme Delays Contract Management Scope Creep / Design Changes	Delays / Productivity Costs / Implementation of protocols
		Removal of Services/Remediation:P5	2,212,477	-	(2,212,477)	176,105					
	Skanska	General enabling works to parcels	2,514,006	2,244,689	(269,317)	200,105					
		Works inside the wire	1,576,751	-	(1,576,751)	125,503					
		Parcel Infrastructure Roads and Drainage	7,242,000	-	(7,242,000)	576,436					
		Deep strip foundations & Obstructions	5,164,300	-	(5,164,300)	411,059					
	Skanska	Ground Remediation	11,345,049	10,806,030	(539,019)	903,023		(2,388,582)			
		Tree Removal	-	-	-	-					
	Skanska	Japanese Knotweed	537,581	795,927	258,346	42,789			215,557		
	Skanska	Upgrade of Blackdown Road	-	1,295,597	1,295,597	-					
	Skanska	Temporary Security Fence & Car Parking	-	802,321	802,321	-				1,295,597	
	Skanska	Northern Access Roundabout	1,707,379	1,900,063	192,684	135,901			802,321		56,783
	Skanska	Spine (Mindenhurst) Road	6,209,673	7,000,591	790,918	494,267					296,651
	Skanska	Environmental Improvements Works to Deepcut Bridge Road	439,731	1,057,267	617,536	35,001					582,535
	Skanska	Red Rd/Maultwhay/Upper Chobham Rd - Improvements	1,770,232	1,801,838	31,606	140,904					(109,298)
	Skanska	Deepcut Br Rd Railway Bridge - Improvements	179,662	153,556	(26,106)	14,300					(40,406)
	Skanska	Red Rd/A322 Improvements (Roundabout)	175,893	265,684	89,791	14,000					75,791
	Skanska	M3 Junction 3 - Improvements	125,638	144,679	19,041	10,000					9,041
	Skanska	Frith Hill cycle path to Tomlinscote School	469,884	525,255	55,371	37,401					17,970
	Skanska	Cycle Path - Frimley lock to Deepcut Bridge Rd	430,937	376,148	(54,789)	34,301					(89,090)
	Skanska	Cycle Path Ramp - Deepcut Rd down to Canal Path	314,094	134,028	(180,066)	25,001					(205,067)
	Skanska	Loop Road	4,465,157	3,894,168	(570,989)	355,410					(926,399)
	Skanska	Frimley Green Rd/ Stuart Rd/Wharf Rd Improvements	1,130,738	1,003,519	(127,219)	90,002					(217,221)
	Skanska	Gale Rd/Dawney Hill Improvements	150,765	228,857	78,092	12,000					66,092
	Skanska	Cycle Path - Deepcut Br Rd to North via Menorca Rd	479,935	477,000	(2,935)	38,201					(41,136)
	Skanska	Canal Steps & Substation 2 & 3	-	222,609	222,609	-					222,609
	Skanska	Sports Hub	3,075,606	2,670,595	(405,011)	244,807					(649,818)
	Skanska	ZEF Mindenhurst Primary School	6,369,000	9,823,754	3,454,754	506,948					2,947,806
	Skanska	St Barbara's Church Refurb & New Build Church Hall	1,530,000	1,682,821	152,821	121,782					31,039
	Skanska	SANGS - Central	1,339,296	1,265,140	(74,156)	106,603					(180,759)
	Skanska	SANGS - Southern	228,660	2,311,185	2,082,525	18,200					2,064,325
	Skanska	ANGST	106,792	750,000	643,208	8,500					634,708
	Skanska	Village Green	1,642,082	1,407,731	(234,351)	130,704					(365,055)
	Skanska	Formal Park	438,623	575,056	136,433	34,913					101,520
	Skanska	LAPS	-	25,000	25,000	-					25,000
	Skanska	Allotments	-	659,768	659,768	-					659,768
	Skanska	Green Swathe	-	493,353	493,353	-					493,353
	Skanska	Maintenance	-	490,000	490,000	-					490,000
	Skanska	S38 & S278 Fees and Commuted sums	-	2,896,313	2,896,313	-					2,896,313
	Skanska	Development risks (excluding asbestos which is above)	-	1,731,385	1,731,385	-					1,731,385
	Skanska	Inflation	-	1,027,784	1,027,784	-	1,027,784				-
	Skanska	Contingency	-	100,000	100,000	-					100,000
	Skanska	Sundry costs and Infrastructure Maintenance	-	-	-	-					-
	Skanska	MoD Handover	-	-	-	-					-
		<b>Sub-Total</b>		<b>72,614,163</b>		<b>79,268,945</b>					
		<b>Cost of Sales / Professional Fees</b>									
	Skanska	Site Security	-	342,800	342,800	-				342,800	-
	Skanska	Estate Agency Fees for Land Disposal	-	1,405,705	1,405,705	-				1,405,705	-
		<b>Sub-Total</b>				<b>1,748,505</b>					



GBA - APPENDIX C  
BREAKDOWN OF DIFFERENCES MAY 2019 & OCTOBER 2020

Cost category	Party incurring cost	Description	Anticipated Final Cost - 2019	Anticipated Final Cost - 2020	Difference Red = Down Blue = Up
<b>Not Permissible</b>					
	DIO	Procurement (Appointment of a developer)	484,000	484,000	-
	DIO	Legal costs (Appointment of a developer)	30,000	30,000	-
	DIO	Design (Initial design for planning)	300,000	300,000	-
	DIO	Staff Costs (Pre-contract)	500,000	500,000	-
		Sub-Total	1,314,000.00	1,314,000	
<b>Planning and Requisite Consents</b>					
	DIO	Planning and requisite consents for Deepcut	375,000	375,000	-
		Sub-Total	375,000	375,000	
<b>Cost of Sales</b>					
	DIO / Ska	Estate Agency Fees & Legal Costs		792,295	See below
	DIO	Marketing to find a developer		288,448	See below
		Sub-Total	874,284	1,080,743	206,459
<b>Professional and Other Fees</b>					
	DIO	Legal support (Drafting of appointment)	1,075,000	1,075,000	-
		Sub-Total	1,075,000	1,075,000	
<b>Building Works</b>					
	DIO	DIO Infrastructure support	337,500	337,500	-
		Sub-Total	337,500	337,500	
<b>Site Assembly Preparation and Ancillary Expenditure</b>					
	DIO	Decant costs for RDEL & LWC	5,796,739	5,796,739	-
		Sub-Total	5,796,739	5,796,739	
<b>To be Discussed</b>					
	DIO	DIO & Military staff	2,152,500	2,152,500	-
		Sub-Total	2,152,500	2,152,500	
<b>Professional Fees</b>					
	Skanska	Master Planning & Planning Costs		2,864,350	See below
	Skanska	Legal Fees for land disposal		616,264	See below
	Skanska	Site surveys & Site Investigations		624,360	See below
	Skanska	Ecological Surveys & Consultancy		662,543	See below
	Skanska	Design Fees (Architectural, MEP, Civils, Structural & Land Scaping)		5,404,568	See below
	Skanska	External auditor & cost plan advisor		351,835	See below
	Skanska	Miscellaneous Consultants		155,617	See below
	Skanska	Contingency		50,000	See below
	Skanska	Ground Remediation Consultant		1,769,068	See below
	Skanska	Unexploded Ordnance		200,000	See below
	Skanska	Relationship manager with council & grant funding application		190,512	See below
	Skanska	Archaeology		71,817	See below
	Skanska	Public Art		218,500	See below
	Skanska	Opportunities to pursue further development planning		150,000	See below
		Sub-Total	11,706,019	13,329,434	1,623,415
<b>Building Works and Ancillary Expenditure</b>					
	Skanska	Electrical Supplies	1,799,860	2,612,894	813,034
		Whole Utilities	19,702		(19,702)
		Independent Connection Provider	682,920		(682,920)
	Skanska	Gas Supplies	635,605	663,685	28,080
	Skanska	Water Supplies	1,786,445	1,842,548	56,103
	Skanska	Data & Telecommunications	1,109,465	1,234,843	125,378
	Skanska	Foul & Surface Water Disposal	1,768,825	1,887,314	118,489
		On plot Attenuation			

Unforeseen costs  
Inflation  
Indeviation  
Market Conditions  
Movement in costs - Policy Changes  
Increased costs due to MoD Legacy  
Ground Remediation  
Additional Fees  
Scope Creep / Design Changes  
Management Issues  
Programme Delays  
Contract Management  
Scope Creep / Design Changes  
Covid-19  
Delays / Loss of Productivity  
Costs / Implementation of protocols

4,751

201,708

63,607

1,559,808

42,169

396,293



GBA - APPENDIX C  
BREAKDOWN OF DIFFERENCES MAY 2019 & OCTOBER 2020

Cost category	Party incurring cost	Description	Anticipated Final Cost - 2019	Anticipated Final Cost - 2020	Difference Red = Down Blue = Up
Cost of Sales / Professional Fees					
Skanska		Site Security		342,800	See below
Skanska		Estate Agency Fees for Land Disposal		1,405,705	See below
		Sub-Total	1,649,352	1,748,505	99,153
Section 106 Contribution Fees					
Skanska		Community Hall Contribution	20,000	20,000	-
Skanska		GP Surgery Contribution	331,866	331,866	-
Skanska		Library Contribution	130,000	130,000	-
Skanska		Secondary School contribution		-	-
Skanska		SANGS Maintenance South	3,051,373	3,051,373	-
Skanska		SANGS Maintenance Central	2,034,249	2,034,249	-
Skanska		SAMM Contribution		-	-
Skanska		ANGST Maintenance	349,230	349,230	-
Skanska		Village Green - Maintenance	174,615	174,615	-
Skanska		Formal Park - Maintenance	174,615	174,615	-
Skanska		Open Space - Maintenance	542	542	-
Skanska		LAPS - Maintenance	128,680	128,680	-
Skanska		Allotments - Maintenance	40,000	40,000	-
Skanska		Sports Hub - Maintenance	1,047,689	1,047,689	-
Skanska		Contribution to artificial Sports pitch to LA then Sports England	300,000	300,000	-
Skanska		LEAP - Maintenance	480,000	480,000	-
Skanska		Blackdown Road Play Areas Upgrade	40,000	40,000	-
Skanska		Basingstoke Canal Water Supply - Borehole	50,000	50,000	-
Skanska		Travel Plan Packs Monitoring Fee	3,795	Inc below line	(3,795)
Skanska		Travel Plan Packs development Monitoring Fee	19,909	18,474	(1,435)
Skanska		Cycle Parking at Brookwood	25,000	25,000	-
Skanska		Basingstoke Canal Path and upgrade of Canal Towpath	481,000	564,451	83,451
Skanska		Contribution to Highways Safety Improvements	100,000	116,466	16,466
Skanska		Improvements to Bus Routes in the Area	4,080,000	4,080,000	-
Skanska		Bellow Road Closure	78,373	78,373	-
Skanska		S106 Monitoring		Inc above line	-
Skanska		Indexation applicable to s.106	1,801,496	3,387,694	1,586,198
Skanska		SUDS adoption fee	1,500,000	1,500,000	-
		Sub-Total	16,442,432	18,123,317	1,680,885
Preliminaries (Staff) Costs					
Skanska		Development management fee		2,799,668	See below
Skanska		Principle contractor (new) & principle designer team		10,003,237	See below
Skanska		Other misc. prelim costs		58,840	See below
		Sub-Total	8,820,167	12,861,745	4,041,578
Preliminaries (Other)					
Skanska		Principle contractor (old) & delivery team		4,700,000	See below
Skanska		Other misc. prelim costs		441,140	See below
		Sub-Total	6,565,695	5,141,140	(1,424,555)
Other					
Skanska		Project specific insurances during delivery		1,116,041	571,107
		Sub-Total	544,934	1,116,041	571,107
Total Development Cost			127,335,205	143,720,609	16,385,404

Unforeseen costs	Increased costs due to MoD Legacy	Management Issues	Covid-19								
Inflation	Indeviation	Market Conditions	Movement in costs - Policy Changes	Ground Remediation	Additional Fees	Scope Creep / Design Changes	Programme Delays	Contract Management	Scope Creep / Design Changes	Delays / Loss of Productivity	Costs / Implementation of protocols
8,962								90,191			
108			(3,795)		(1,543)						
2,614			15,923						80,837		
543											
	1,586,198										
47,926								2,582,426		970,218	441,008
35,676								(2,510,742)		722,226	328,285
2,961		240,478					240,478			59,943	27,247

GBA - APPENDIX C  
BREAKDOWN OF DIFFERENCES MAY 2019 & OCTOBER 2020

Cost category	Party incurring cost	Description	Anticipated Final Cost - 2019	Anticipated Final Cost - 2020	Difference Red = Down Blue = Up	Breakdown of Differences															
						Inflation	Unforeseen costs	Increased costs due to MoD Legacy	Management Issues	Covid-19	Indeviation	Market Conditions	Movement in costs - Policy Changes	Ground Remediation	Additional Fees	Scope Creep / Design Changes	Programme Delays	Contract Management	Scope Creep / Design Changes	Delays / Loss of Productivity	Costs / Implementation of protocols
Less Agreed deductions																					
		DIO/RDEL/LWC Decant costs	(5,796,739)	(5,796,739)	-																
		DIO & Military Staff	(2,152,500)	(2,152,500)	-																
		Temporary car park and security fencing	(752,908)	(802,321)	(49,413)	(4,091)															
		MOD Handover	(50,000)	(50,000)	-																
		Inflation	(3,254,692)	(1,027,784)	2,226,908	2,226,908															
		Sub-Total	(12,006,839)	(9,829,344)																	
		Net cost included in model	115,328,366	133,891,265	18,562,899	479,789	1,586,198	240,478	2,055,585	8,107,976	151,708	1,211,801	240,478	161,875	1,778,084	1,752,387	796,540				

115,328,366      133,891,265  
 115,328,366      133,891,266      18,562,900

Inflation Rate 0.54%      As "Appendix 1"      As "Appendix 2"  
 Note BNP Paribas report (p.12) erroneously gives this as 18,652,900



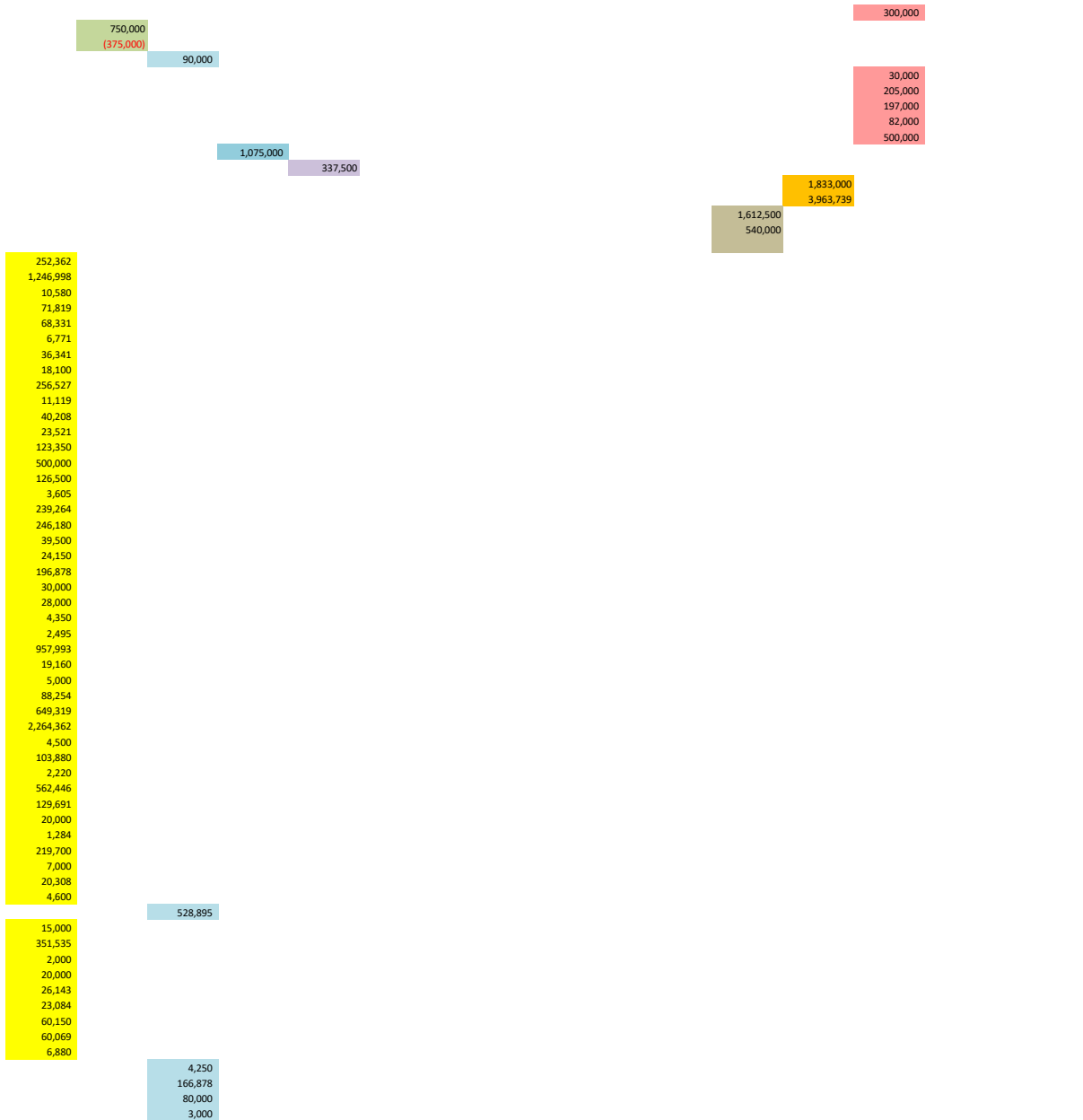
GBA - APPENDIX D - Analysis of May 2019 FVA Costs to accord with Table 4.2.1.1 of the October 2020 FVA

COMMERCIAL REPORT FOR 2019/05

Total Oct	133,891,265	13,329,434	375,000	1,080,743	1,075,000	337,500	79,268,945	18,123,317	5,141,140	12,861,745	1,116,041	2,152,500	5,796,739	1,314,000	1,748,505	(9,829,344)
Differenc	18,562,993	1,623,416	0	206,459	0	0	9,587,364	1,680,885	(1,424,554)	4,041,578	571,107	0	0	0	99,153	2,177,495

	Fees	Planning	Sales	Other fees	Building	Building	S.106	Prelims	Staff	Other	DIO Staff	Site Assembly	Not Permiss	Cost of Sale/Fees	Excluded	
Totals as allocated by GBA	115,328,362	11,706,018	375,000	874,284	1,075,000	337,500	69,681,581	16,442,432	6,565,694	8,820,167	544,934	2,152,500	5,796,739	1,314,000	1,649,352	(12,006,839)
Total May 2019 FVA Table 4.2.1.1	115,328,366	11,706,019	375,000	874,284	1,075,000	337,500	69,681,583	16,442,432	6,565,695	8,820,167	544,934	2,152,500	5,796,739	1,314,000	1,649,352	(12,006,839)

Package Ref.	Subcontractor	Description
DIO - 01	DIO	MOD Enquiry by design
DIO - 02	DIO	Planning setup fees
DIO - 02	DIO	Planning setup fees (see explanation tab)
DIO - 03	DIO	Valuations (GVA)
DIO - 04	DIO	Title reports and searches (Pinsent Masons)
DIO - 05	DIO	Procurement - marketing
DIO - 06	DIO	Procurement - contract drafting
DIO - 07	DIO	Procurement - award software
DIO - 08	DIO	DIO/MOD staff cost
DIO - 09	DIO	Legal support
DIO - 10	DIO	DIO infrastructure support
DIO - 11	DIO/RDEL	Decant costs
DIO - 12	DIO/LWC	Decant costs
DIO - 13	DIO	DIO staff
DIO - 14	DIO	Military staff
DC400	DANDO SURVEYING LIMITED	Measured Building Survey
DC402	HYDROCK CONSULTANTS LTD	Site Investigation/Soil Report
DC403	TIM O'HARE ASSOCIATES LLP	Topsoil Survey
DC405	COTSWOLD ARCHAEOLOGICAL LTD	Archaeology Report
DC406	AMENITY TREE CARE LIMITED	Arboricultural Survey
DC407	THOMSON ECOLOGY LTD	Tree Survey
DC408	DISCOVERY CE LTD	Geotechnical & Environmental Consultant
DC411	CLOACA SURVEYS LIMITED	Drainage Survey
DC413	MACC INTERNATIONAL LTD	UXO Survey
DC414	CSM UTILITIES LIMITED	Gas Utility Network Survey/Testing
DC462	SOCOTEC UK LIMITED	Asbestos Survey
DC463	GERALD EVE LLP	Condition Survey
DC464	WATERMAN INFRASTRUCTURE & ENVI	Traffic Survey
DC500	HUMAD LIMITED	Architect Fees
DC501	PURCELL MILLER TRITTON LLP	Architect Fee (Church)
DC502	GARDNER STEWART ARCHITECTS	Landscape Design - Green Space M1 & M2
DC503	NICHOLAS PEARSON ASSOCIATES LT	Landscape Design
DC504	NEIL TULLY ASSOCIATES LIMITED	Landscape Design
DC504	C L LANGADFAN LIMITED	Landscape Design Fees
DC505	HOP CONSULTING LTD	Structure Engineer Design
DC506	NICHOLAS PEARSON ASSOCIATES LT	ecologist
DC507	N/a	Water Treatment Services
DC508	N/a	Business Plan
DC510	N/a	M&E BREEM Assessment
DC511	N/a	BREEM Assessment
DC513	GL HEARN LIMITED	Planning Consultant Fees
DC514	NATURAL ENGLAND	Planning Pre-App Fees
DC515		Planning Application Fees
DC516	SKANSKA CONST UK LTD T/A IS	Street Lighting Design
DC517	JOHN THOMPSON & PARTNERS LLP	Master Planning / Design Code
DC520	ODYSSEY MARKIDES LLP	Civil/Infrastructure Engineer Fees
DC521	OVE ARUP & PARTNERS LTD	Design & Engineering Consultants
DC522	ODYSSEY MARKIDES LLP	Traffic Planning Engineer
DC523	DESIGN GROUP 3 LLP	Church M&E Survey
DC524	SMS ENERGY SERVICES LIMITED	Utilities Design
DC525	SMS ENERGY SERVICES LIMITED	Services Engineer (Utilities)
DC526	AECOM INFRASTRUCTURE & ENVIRON	CFM Assessment (Design/Const)
DC527	N/a	Design Consultant
DC530	STWIDIOHUD LTD	Public Art Strategy
DC534	ORIGIN 3 LIMITED	Frith Hill Feasibility Study
DC538	STUDIO HIVE LIMITED	Principal Designer
DC539	CAPITA PROPERTY AND INFRASTRUC	CDM Co-ordinator
DC540	GVA GRIMLEY LTD	Development Viability Consultant
DC540a	SAVILLS (UK) LIMITED	Development Viability Consultant
DC541	GARDNER & THEOBALD LLP	Quantity Surveying Services
DC543	N/a	Public Exhibition Support
DC544	N/a	Affordable Housing Viability
DC547	THINKING PLACE LIMITED	Public Consultation
DC547a	AVRIL BAKER CONSULTANCY	Public Consultation
DC548	SIMON JONES ASSOCIATES LTD	Tree Survey
DC549	CONSULT QRD LTD	Sports land Consultant
DC550	SKEYE AERIAL SURVEY & INSPECT.	Drone
DC551	FOXTROT DEVELOPMENTS LIMITED	Sales and Marketing Consultant
DC552	PHILOSOPHY DESIGN LIMITED	Branding & Marketing
DC552A	FERRIER PEARCE CREATIVE GROUP	Marketing Agency Services
DC553	N/a	Mindenhurst Website



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GBA - APPENDIX D - Analysis of May 2019 FVA Costs to accord with Table 4.2.1.1 of the October 2020 FVA

Selection Criteria: Contract: 105051 - DEEP CUT DEVELOPMENT & INFRAST

COMMERCIAL REPORT FOR 2019/05

Total Oct	133,891,265	13,329,434	375,000	1,080,743	1,075,000	337,500	79,268,945	18,123,317	5,141,140	12,861,745	1,116,041	2,152,500	5,796,739	1,314,000	1,748,505	(9,829,344)
Differen	18,562,993	1,623,416	0	206,459	0	0	9,587,364	1,680,885	(1,424,554)	4,041,578	571,107	0	0	0	99,153	2,177,495

Totals as allocated by GBA  
Total May 2019 FVA Table 4.2.1.1

Package Ref.	Subcontractor	Description
DC54	DAVITT JONES BOULD LIMITED	Legal / Client Funds
DC56	DAVITT JONES BOULD LTD	Legal Wayleaves & Easement
DC58	HILL HOPSTETTER LTD	Legal Fees
DC59	FIELDFISHER LLP	Legal Fees
DC560	CLYDE & CO LLP	Legal Fees
DC562	EDUCATION FACILITIES MANAGEMEN	Peer Review Fees
DC565	PINSNET MASONS LLP	Legal advice on Canal easement
DC570	2501 ASSOCIATES LTD	Military Liaison
DC571	MARK LACEY CONSULTING LTD	Decant & Transition Advisor
DC572	N/a	4 Ha Workshop Attendance
DC600	THE ENVIRONMENT PARTNERSHIP	Supervision for the Japanese Knotweed Removal - NEC3
DC602	SKANSKA TECHNOLOGY LTD	NEC Civil Supervisor
DC710	THE NORTH KENT ARCHITECTURE CE	Design South East - Pre App
DC712	N/a	S278 Inspection and Legal Fees
DC714	SURREY COUNTY COUNCIL	S278 Agreement - Commuted Sum
DC720	SURREY COUNTY COUNCIL	Legal Cost - Basingstoke Canal
DC721	N/a	Legal Cost - Basingstoke Canal
DC722	N/a	Commercial Advice - Basingstoke Canal easement
DC812		Professional Fee DIO (PEG)
DC910	JAPANESE KNOTWEED LTD	Site Survey
DC999		Other Consultants
DCF03		Disposal Fees
DCM01	STUDIO HIVE LIMITED	Development Management
DCP01	JAPANESE KNOTWEED SOLUTIONS	Japanese Knotweed
DCP02	NETWORK RAIL INFRASTRUCTR LTD	Deepcut Bridge
DCP03		4 Hectare work
UT10000	SOUTHERN ELECTRIC POWER DISTRI	Electrical Services
UT10002	SGN CONNECTIONS LTD	Gas Infrastructure
UT10004	BRITISH TELECOMMUNICATIONS PLC	Telecommunication Diversion
UT10005	VIRGIN MEDIA LTD	Telecommunication Diversion
UT10006	SEVERN TRENT SERVICES OPERATIO	Portable Water Disconnection
UT10007	SOUTH EAST WATER LTD	Water Supply
UT10008	THAMES WATER UTILITIES LTD	Foul Water
UT10010	UK POWER SOLUTIONS LTD	Independent Connection Provider
UT10011	ENERGY ASSETS LIMITED	Meter Asset Management
UT10020	WILLOW PUMPS LIMITED	Pump Station Survey
UT10021	S.G. RAY & COMPANY LTD	Gas connections
UT10022	SPECIALIST POWER ENG CONTR LTD	electrical Connections
UT10023	SEVERN TRENT SERVICES OPERATIO	24/7 Incident Response Services
UT10024	N/a	Pump Station Commissioning
UT10030		Surveys
EN0010	SKANSKA CONST UK LTD T/A IS	Silt Trenches
EN0011	SKANSKA CONST UK LTD T/A IS	Japanese Knotweed
EN0012	SKANSKA CONST UK LTD T/A IS	Temporary Car Park
EN0013	SKANSKA CONST UK LTD T/A IS	Tree Removal & Protection
EN0014		Off-site Foul Drainage upgrades
EN0015	SKANSKA CONST UK LTD T/A IS	Temporary Security Fencing
EN0016		Measures to existing drainage Channels / Water courses
EN0017	SKANSKA CONST UK LTD T/A IS	Drainage for Parcels A & M
EN0018	SKANSKA CONST UK LTD T/A IS	Utility Trench
EN0019	SKANSKA CONST UK LTD T/A IS	Site Set Up
EN0020		Upgrade of existing DIO Roads
EN0021	MINISTRY OF DEFENCE	MoD Handover
EN0022	SKANSKA CONST UK LTD T/A IS	Asbestos Removal
EN0023	SEVERN TRENT SERVICES OPERATIO	Rising Main / Pump Station (DIO disconnection)
EN0024	CSY CONSTRUCTION LTD	Building 22 - Builders' Works
EN0024a	STRONG SERVICES LTD	Building 22 Electrical Works
EN0026	SKANSKA CONST UK LTD T/A IS	Haul Road
EN0027	SKANSKA CONST UK LTD T/A IS	Rising Main & Pump Station (South SANGS)
EN0028	SKANSKA CONST UK LTD T/A IS	Site Wide Demolition
EN0029	SKANSKA CONST UK LTD T/A IS	Site Wide Remediation
EN0030	SCOFELL LANDSCAPES LTD	Tree Removals for Gnd Remediation
EN0100		Phase 1 Parcels (A,M,F,D,C,E, School, Village centre, Pub)
EN0110		Phase 2 Parcels (inside wire and sports hub)
IN01000	SKANSKA CONST UK LTD T/A IS	Northern Access Roundabout
IN01100	SKANSKA CONST UK LTD T/A IS	Spine Road
IN01200		Environmental Improvements Works to Deepcut Bridge Road
IN01300	SKANSKA CONST UK LTD T/A IS	Red Rd/Maultway/Upper Chobham Rd - Improvements
IN01400	SKANSKA CONST UK LTD T/A IS	Deepcut Br Rd Railway Bridge - Improvements
IN01500		Red Rd/A322 Improvements (Roundabout)
IN01600		M3 Junction 3 - Improvements
IN01700	SKANSKA CONST UK LTD T/A IS	Frith Hill cycle path to Tomlinscote School

Fees	Planning	Sales	Other fees	Building	Building	S.106	Prelims	Staff	Other	DIO Staff	Site Assembly	Not Permiss	Cost of Sale/Fees	Excluded
115,328,362	11,706,018	375,000	874,284	1,075,000	337,500	69,681,581	16,442,432	6,565,694	8,820,167	544,934	2,152,500	5,796,739	1,314,000	1,649,352
115,328,366	11,706,019	375,000	874,284	1,075,000	337,500	69,681,583	16,442,432	6,565,695	8,820,167	544,934	2,152,500	5,796,739	1,314,000	1,649,352
(4)	(1)	0	(0)	0	0	(2)	0	(1)	(0)	0	0	0	0	0

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GBA - APPENDIX D - Analysis of May 2019 FVA Costs to accord with Table 4.2.1.1 of the October 2020 FVA

Selection Criteria: Contract: 105051 - DEEP CUT DEVELOPMENT & INFRAST

COMMERCIAL REPORT FOR 2019/05

	13.87%	23.61%				13.76%	10.22%	-21.70%	45.82%	104.80%		6.01%	-18.14%			
Total Oct	133,891,265	13,329,434	375,000	1,080,743	1,075,000	337,500	79,268,945	18,123,317	5,141,140	12,861,745	1,116,041	2,152,500	5,796,739	1,314,000	1,748,505	(9,829,344)
Differen	18,562,993	1,623,416	0	206,459	0	0	9,587,364	1,680,885	(1,424,554)	4,041,578	571,107	0	0	0	99,153	2,177,495
		Fees	Planning	Sales	Other fees	Building	Building	S.106	Prelims	Staff	Other	DIO Staff	Site Assembly	Not Permiss	Cost of Sale/Fees	Excluded
Totals as allocated by GBA	115,328,362	11,706,018	375,000	874,284	1,075,000	337,500	69,681,581	16,442,432	6,565,694	8,820,167	544,934	2,152,500	5,796,739	1,314,000	1,649,352	(12,006,839)
Total May 2019 FVA Table 4.2.1.1	115,328,366	11,706,019	375,000	874,284	1,075,000	337,500	69,681,583	16,442,432	6,565,695	8,820,167	544,934	2,152,500	5,796,739	1,314,000	1,649,352	(12,006,839)
	(4)	(1)	0	(0)	0	0	(2)	0	(1)	(0)	0	0	0	0	0	0

Package Ref.	Subcontractor	Description
IN01700a	SCOFELL LANDSCAPES LTD	Frith Hill Cycle Path Vegetation & Tree Clearance
IN01800	SKANSKA CONST UK LTD T/A IS	Cycle Path - Frimley lock to Deepcut Bridge Rd
IN01900		Cycle Path Ramp - Deepcut Rd down to Canal Path
IN02000		Loop Road
IN02100		Frimley Green Rd/ Stuart Rd/Wharf Rd Improvements
IN02200		Gole Rd/Dawney Hill Improvements
IN02300		Cycle Path - Deepcut Br Rd to North via Menorca Rd
IN02400	N/a	Sundry costs
IN02500	N/a	Infrastructure Maintenance
CO0100		Sports Hub
CO0200	SKANSKA CONSTRUCTION UK LTD	Primary School Construction
CO0400		St Barbaras Church
OP0100	SKANSKA CONST UK LTD T/A IS	SANGS - Central
OP0110	SKANSKA CONST UK LTD T/A IS	SANGS Boundary Fence
OP0200		SANGS - Southern
OP0300		ANGST
OP0400	SKANSKA CONST UK LTD T/A IS	Village Green
OP0500		Formal Park
OP0700		Allotments
OP0800		Open space maintenance
CON001		Community Hall Contribution
CON002		GP Surgery
CON003		Library
CON005		SANGS Maintenance South
CON006		SANGS Maintenance Central
CON008		ANGST Maintenance
CON009		Village Green - Maintenance
CON010		Formal Park - Maintenance
CON011		Open Space - Maintenance
CON012		LAPS - Maintenance
CON013		Allotments - Maintenance
CON014		Sports Hub - Maintenance
CON015		Contribution to artificial Sports pitch to LA then Sports En
CON016		LEAP - Maintenance
CON017		Blackdown Road Play Areas Upgrade
CON018		Basingstoke Canal Water Supply - Borehole
CON019		Travel Plan Packs Monitoring Fee
CON020	SURREY HEATH BOROUGH COUNCIL	Travel Plan Packs development Monitoring Fee
CON021		Cycle Parking at Brokwood
CON022		Basingstoke Canal Path and upgrade of Canal Towpath
CON023		Contribution to Highways Safety Improvements
CON024		Improvements to Bus Routes in the Area

13,645
395,708
59,951
4,629,633
1,119,813
185,944
477,000
130
5,042
2,597,965
9,719,428
1,611,000
827,456
69,291
243,530
284,533
1,395,658
576,520
682,813
240,000
20,000
331,866
130,000
3,051,373
2,034,249
349,230
174,615
174,615
542
128,680
40,000
1,047,689
300,000
480,000
40,000
50,000
3,795
19,909
25,000
481,000
100,000
4,080,000

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GBA - APPENDIX D - Analysis of May 2019 FVA Costs to accord with Table 4.2.1.1 of the October 2020 FVA

COMMERCIAL REPORT FOR 2019/05

	13.87%	23.61%				13.76%	10.22%	-21.70%	45.82%	104.80%		6.01%	-18.14%			
Total Oct	133,891,265	13,329,434	375,000	1,080,743	1,075,000	337,500	79,268,945	18,123,317	5,141,140	12,861,745	1,116,041	2,152,500	5,796,739	1,314,000	1,748,505	(9,829,344)
Differen	18,562,903	1,623,416	0	206,459	0	0	9,587,364	1,680,885	(1,424,554)	4,041,578	571,107	0	0	0	99,153	2,177,495
		Fees	Planning	Sales	Other fees	Building	Building	S.106	Prelims	Staff	Other	DIO Staff	Site Assembly	Not Permiss	Cost of Sale/Fees	Excluded
Totals as allocated by GBA	115,328,362	11,706,018	375,000	874,284	1,075,000	337,500	69,681,581	16,442,432	6,565,694	8,820,167	544,934	2,152,500	5,796,739	1,314,000	1,649,352	(12,006,839)
Total May 2019 FVA Table 4.2.1.1	115,328,366	11,706,019	375,000	874,284	1,075,000	337,500	69,681,583	16,442,432	6,565,695	8,820,167	544,934	2,152,500	5,796,739	1,314,000	1,649,352	(12,006,839)
	(4)	(1)	0	(0)	0	0	(2)	0	(1)	(0)	0	0	0	0	0	0

Package Ref.	Subcontractor	Description
CON025	SURREY HEATH BOROUGH COUNCIL	Bellow Road Closure
CON027		SUDS adoption fee
CON030		Indexation applicable to s.106
PO100	N/a	Staff Management Costs
PO102	N/a	Staff Project Team
PO106	SKANSKA CONST UK LTD T/A IS	Management Core Team (IS)
PO117	N/a	Stationary
PO120	N/a	Catering
PO132	N/a	PPE & First Aid
PO140	N/a	PEG Meetings
PO147	N/a	Plant & Tools
PO200	N/a	Aerial Photography
PO201	N/a	Site Photography
PO202	N/a	Office Furniture
PO205	N/a	Office Cleaning
PO206	POPPIES (FARNBOROUGH) LTD	Office Cleaning
PO208	SECOM PLC	Site Security
PO210	N/a	Drawings
PO211	N/a	Plant hire
PO215	N/a	Communication mailing
PO216	N/a	Signage
PO800	N/a	Bond
PO806	N/a	MoD building - utility bills
PO820	N/a	Insurance
PO910	N/a	Inflation
REC001		Project Contingency
		Excluded
		<b>TOTAL</b>
		<b>PREVIOUS TOTAL(2018/12)</b>
		<b>MOVEMENT</b>

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	78,373	
	1,500,000	
	1,801,496	
		2,684,744
		6,135,423
	6,275,570	
	30,000	
	10,000	
	30,000	
	5,000	
	10,000	
	719	
	5,000	
	25,000	
	300	
	46,560	
	11,496	
	1,000	
	1,500	
	12,000	
	10,000	
	41,550	
	50,000	
		544,934
	3,254,692	
	7,246,960	
		(12,006,839)

## GBA - APPENDIX E

## INDICES

Index		List A Jun-17	Jul-18	List B May-19	List C Oct-20	C/B %age	C/A %age
	Averages					0.54%	7.96%
BCIS	All-in Tender Price Index	307	313 <sup>1</sup>	334	327	-2.10%	6.51%
BCIS	General Building (excl M&E) Cost Index	336.6		361.2	365.4	1.16%	8.56%
BCIS	General Building Cost Index	334.3		357.7	362.8	1.43%	8.53%
BCIS	General Civil Engineering Cost Index	151.2		162.7	162.4	-0.18%	7.41%
BCIS	Labour Cost index	417.6		445.3	458.2	2.90%	9.72%
BCIS	Materials Cost index	272.2		291.4	292.7	0.45%	7.53%
BCIS	Plant Cost Index	340.3		376.8	357.8	-5.04%	5.14%
BCIS	Private Housing Construction Price Index	204		221	229	3.62%	12.25%
ONS	Consumer Price Index	103.5		107.9	109.2	1.20%	5.51%
ONS	Retail Price Index	271.5		289	294.4	2.00%	8.43%
Land Registry	UK House Price Index - Surrey Heath - All Types	390,959		388,141	394,800	2.00%	0.98%

<sup>1</sup> This is the Index for the period 3Q18 as reported at the time

**GBA - APPENDIX F  
ALLOCATION OF RESPONSIBILITY**

**2017 - v - 2020**

Category	Cost Difference 2020-2017 £	Risk £	Responsibility		Land Value £	MoD £
			Developer Cost £	Escalation		
<b><u>Unforeseen costs</u></b>						
Inflation	7,163,807			7,163,807		
Indexation	3,387,694		3,387,694			
Market Conditions	240,478	240,478				
Movement in costs - Policy Changes	(5,696,883)		(5,696,883)			
<b><u>Increased costs due to MoD Legacy</u></b>						
Ground Remediation	(1,645,999)				(1,645,999)	
Additional Fees	3,329,922					3,329,922
Scope Creep / Design Changes	(11,789,716)					(11,789,716)
<b><u>Management Issues</u></b>						
Programme Delays	-	-				
Contract Management	18,228,026	18,228,026				
Scope Creep / Design Changes	28,123,167	14,061,584	14,061,584			
<b><u>Covid-19</u></b>						
Delays / Loss of Productivity	1,752,387	876,194	876,193			
Costs / Implementation of protocols	796,540		796,540			
<b>TOTALS £</b>	<b>43,889,423</b>	<b>33,406,282</b>	<b>13,425,128</b>	<b>7,163,807</b>	<b>(1,645,999)</b>	<b>(8,459,794)</b>

**2019 - v - 2020**

Category	Cost Difference 2020-2019 £	Risk £	Responsibility		Land Value £	MoD £
			Developer Cost £	Escalation		
<b><u>Unforeseen costs</u></b>						
Inflation	479,789			479,789		
Indexation	-					
Market Conditions	240,478	240,478				
Movement in costs - Policy Changes	2,055,585		2,055,585			
<b><u>Increased costs due to MoD Legacy</u></b>						
Ground Remediation	8,107,976				8,107,976	
Additional Fees	151,708					151,708
Scope Creep / Design Changes	1,211,801					1,211,801
<b><u>Management Issues</u></b>						
Programme Delays	240,478	240,478				
Contract Management	161,875	161,875				
Scope Creep / Design Changes	1,778,084	889,042	889,042			
<b><u>Covid-19</u></b>						
Delays / Loss of Productivity	1,752,387	876,194	876,193			
Costs / Implementation of protocols	796,540		796,540			
<b>TOTALS £</b>	<b>16,976,701</b>	<b>2,408,067</b>	<b>4,617,360</b>	<b>479,789</b>	<b>8,107,976</b>	<b>1,363,509</b>

**DEEPCUT**

GBA - APPENDIX G

**Notional Hectare Residual Value**

35% Affordable

(Also applies to other percentages)

		FVA		BCIS		Difference
Construction Cost	32,900 ft2	£ 140.38	4,618,502	£ 138.42	4,554,018	
External Works		5.40%	249,399	5.40%	245,917	
			<hr/>		<hr/>	
			4,867,901		4,799,935	
Contingency		5.00%	243,395	5.00%	239,997	
Professional fees		12.00%	584,148	12.00%	575,992	
			<hr/>		<hr/>	
		£	5,695,444	£	5,615,924	<hr/>
			<hr/>		<hr/>	£ 79,520

## Appendix 2: BNPRE Response to BPS Information Request 4<sup>th</sup> February 2021



**SKANSKA/DIO – DEEPCUT DEVELOPMENT  
RESPONSE TO BPS QUERIES ISSUED 26 JANUARY 2021**

	BPS query	DIO/Skanska response
1	Justification of the 8% IRR currently being used.	<p>For the avoidance of doubt, the Applicant does not consider that 8% IRR is a sufficient return. This level of return was used as it reflected the range BPS have previously indicated of 6% to 10%.</p> <p>There are a number of components in the return.</p> <ol style="list-style-type: none"> <li>1. We are using an ungeared IRR, which in practice means that the Master Developer is using their own equity to fund the infrastructure costs. The IRR is therefore a true return on their own capital, rather than mixed funding including debt. If DIO/Skanska were to fund this equity externally, it would cost at least 6%. Or putting it another way, if DIO/Skanska used their investment in this site as equity for a another development scheme brought forward by a third party, they would expect to secure a return of at least 6%.</li> <li>2. The IRR needs to reflect risk. There are two elements of risk that the return must reflect. Firstly, DIO/Skanska are exposed to cost-risk on a package of extensive infrastructure works required to facilitate the delivery of land parcels that are capable of being used for residential. The second risk is that the land can be sold expeditiously and at a value that covers the costs of DIO/Skanska's investment in the site.</li> <li>3. Over an 11-year programme, DIO and Skanska are exposed to a range of economic conditions. At the outset, the parties were unable to reliably predict the anticipated land receipts so far in advance of onward sales of serviced land parcels. In this context, one would reasonably expect a return to reflect this risk. The amounts that developers may pay for serviced land parcels will be determined not only by market conditions at the time, but also changing standards which may become more onerous over time.</li> <li>4. Given the significant costs involved, Skanska/DIO will be carrying significant costs for most of the 11-year programme and the cashflow will remain negative until the very end of the programme. The return needs to reflect the cost of carrying this deficit.</li> </ol> <p>Taking these element of risk together, one would reasonably expect a project such as this to achieve an IRR of at least 15%, considering the opportunity cost of equity (6%), standard 'contractor' return on the infrastructure costs (5%) and the risk on land sales (conservatively at 5%).</p> <p>In its October 2019 assessment of the Welborne Garden Village Viability Appraisal, Fareham Borough Council's advisors indicate that <i>"on strategic sites a key measure of viability is the IRR which should, ideally be, circa 12%+. The IRR reflects the profitability of a scheme over the investment period. For example a project may be viable but it may take several years for the profit to be realised. The IRR enables the impact of time to be explicitly taken into account"</i>.</p>

	BPS query	DIO/Skanska response								
		<p>We also note that Suffolk Coastal District Council accepted an IRR of 15% on a 2,000 unit residential scheme where the Applicant was acting in master developer role. Although this scheme had significant works associated with making the former quarry site ready for development, the costs involved were less than 50% of the costs anticipated at Deepcut.</p> <p>Andrew Jones has mentioned an un-identified DIO site in Rushmoor where he suggests that a return of 6% was accepted. It is unclear whether this was a target return or an outturn. Further information on this case should be provided so that the circumstances can be understood. DIO have checked their land disposals and the only sale of land in Rushmoor was 1.71 hectares of land at Ski Slope, Gallwey Road, Aldershot which was sold via private treaty to Rushmoor Borough Council in March 2005.</p>								
2	Detail on the extent to which insurance covers any cost overrun.	The Contractors All Risks Policy covers the physical loss or damage to the works and the repair or replacement following an Insured Peril (Fire, lightning, flood etc). It also covers additional cost of working in order to prevent or minimise the interruption with the carrying out of the project. Directly incurred costs only are covered, consequential costs are not covered by the policy.								
	<p>Detail on the contracting method</p> <ul style="list-style-type: none"> <li>▪ Are the agreements with subcontractors on a fixed sum basis?</li> <li>▪ Further detail as to whether the subcontractors carry the risk of any cost overrun?</li> <li>▪ What percentage of costs are contracted through a fixed cost basis arrangement?</li> </ul>	<p>No. Most of the sub-contractors and consultant agreements are placed on a lump sum basis. Such lump sums are tied to listed specification, drawings and work scope that are to be performed within a stated duration.</p> <p>The sub-contracts and consultant agreements have variation clauses in them. In addition to these variation clauses, the sub-contracts are adjustable for delay and loss and expense incurred by the sub-contractor - in the event that the liability/default leading to the delay/loss and expense is not their risk.</p> <p>Approx. 80-90% of the sub-contractor and consultant agreements are placed on a lump sum basis as described above.</p>								
3	What force majeure factors has cover been procured for?	Our insurer has confirmed that a Force Majeure event will not trigger the policy if physical damage has not occurred. This policy does not cover COVID-19.								
4	Can it be demonstrated what return (in cash terms) was anticipated in 2014, how is this looking now and what is it forecast to be moving forward?	<p><b>2014 anticipated return:</b></p> <table border="0"> <tr> <td>Land receipts (assuming 35% AH):</td> <td style="text-align: right;">£135,370,000</td> </tr> <tr> <td>Costs</td> <td style="text-align: right;">£55,640,000</td> </tr> <tr> <td>Land cost</td> <td style="text-align: right;">£8,573,370</td> </tr> <tr> <td>Return</td> <td style="text-align: right;">£71,156,630</td> </tr> </table>	Land receipts (assuming 35% AH):	£135,370,000	Costs	£55,640,000	Land cost	£8,573,370	Return	£71,156,630
Land receipts (assuming 35% AH):	£135,370,000									
Costs	£55,640,000									
Land cost	£8,573,370									
Return	£71,156,630									

BPS query		DIO/Skanska response
		<p>Simple return on cost 110.81%</p> <p>Simple return on value 52.56%</p> <p><b>2020 anticipated return:</b></p> <p>Land receipts (assuming 10% AH): £143,775,221</p> <p>Costs £138,711,987</p> <p>Land cost £8,573,370</p> <p>Return -£3,510,136</p> <p>Simple return on cost -2.38%</p> <p>Simple return on value -2.44%</p> <p>Clearly DIO and Skanska hope to improve on this position through improvements in land sales receipts but this cannot be guaranteed in the current climate and clearly increases risk.</p> <p>It is important to stress that the land cost is set at the minimum end of the reasonable range as noted at Section 5.1 of our October 2020 report.</p>
5	Can it be demonstrated what the land return for the DIO (in cash terms) was anticipated to be in 2014, how is this looking now and what is it forecast to be moving forward?	See response above. DIO's position in fact worse as than the figures shown as they will incur the costs that BPS have sought to exclude from the appraisal.
6	Can it be confirmed what contingency sits within the forecast cost allowances?	The development budget includes a register of the foreseeable risks in the divestment of the site. This analysis includes an estimation of the risk impact and probability that equates to £5.3m. This equates to 3.6% of the total costs which is well within normal levels of contingency.
7	<p>Detail on the review mechanism (staged review proposal)</p> <ul style="list-style-type: none"> <li>What is the proposed trigger point for the review?</li> </ul>	DIO/Skanska is proposing a single review. We have yet to finalise our proposal but it will be along the lines of an updated financial viability assessment being submitted before the first marketing of the Phase containing more than the 899th (eight hundred and ninety ninth) dwellings.

BPS query	DIO/Skanska response
<ul style="list-style-type: none"> <li>▪ If the above is measured by no. of units delivered, then can it be confirmed how many units are yet to be delivered?</li> <li>▪ In your view, what is the target profit and land value in cash terms and as an IRR?</li> <li>▪ In your view, is the scheme currently in a deficit? If so, to what extent does this need to be addressed (% terms) before the provision of additional affordable housing can be considered?</li> <li>▪ If a review was to identify a surplus, how would this be shared (in % terms)?</li> </ul>	<p>Of the 1200 dwellings permitted, land has been sold for and detailed planning granted for 363 dwellings leaving 837 dwellings. At the time the review mechanism is submitted, the land for 300 dwellings will be left to be sold.</p> <p>The target profit is £25.34 million based on an IRR of 15%. This is achieved when total land receipts increase from £143.78 million to £172.63 million.</p> <p>For information only, this return equates to 17.21% on cost and 14.68% on value, both well within the normal range given the risks.</p> <p>The scheme is evidently in deficit, as outlined above. This deficit needs to be mitigated in full before a surplus is generated. It is important to stress that the early phases of this scheme provided 35% affordable housing and this 'over-provision' (in terms of maximum viable percentage) contributes towards this deficit.</p> <p>As discussed, the review envisaged by DIO/Skanska would result in 100% of the surplus being used to provide additional affordable housing in the final phases of the Development.</p>
<p>8</p> <p>Is there potential for other reviews to be offered?</p> <ul style="list-style-type: none"> <li>▪ Is the proposal of a final/outturn review on the table?</li> <li>▪ What % share could be offered as a payment-in-lieu in this instance?</li> </ul>	<p>A single review only is proposed. It should be noted that the trigger for the review is at 75% of units, which is the typical timing for a late stage review. Adding a further 'late-late' stage review is therefore unnecessary.</p> <p>The review at 899 dwellings offered by DIO/Skanska will use any surplus to provide on-site affordable housing. This is advantageous to the Council as 100% of any surplus will be used for affordable housing.</p>

## Appendix 3: BPS Appraisals

Deepcut - residual value of hectare of development  
100% private housing

Deepcut - residual value of hectare of development  
100% private housing

Appraisal Summary for Phase 1 Houses

Currency in £

**REVENUE**

Sales Valuation	Units	ft²	Sales Rate ft²	Unit Price	Gross Sales
Private Houses	35	35,000	414.00	414,000	14,490,000

**NET REALISATION** **14,490,000**

**OUTLAY**

**ACQUISITION COSTS**

Residualised Price			4,663,268		
Stamp Duty		5.00%	233,163	4,663,268	
Agent Fee		1.00%	46,633		
Legal Fee		0.80%	37,306		
				317,102	

**CONSTRUCTION COSTS**

Construction	ft²	Build Rate ft²	Cost
Private Houses	35,000	140.38	4,913,300
Contingency		5.00%	258,931
			5,172,231

**Other Construction**

External works		5.40%	265,318		
				265,318	

**PROFESSIONAL FEES**

Professional fees		12.00%	621,434		621,434
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**MARKETING & LETTING**

Marketing		2.50%	362,250		362,250
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**DISPOSAL FEES**

Sales Agent Fee		1.00%	144,900		
Sales Legal Fee	35 un	650.00 /un	22,750		
				167,650	

**MISCELLANEOUS FEES**

Profit on Private		17.00%	2,463,300		2,463,300
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**FINANCE**

Debit Rate 6.500%, Credit Rate 0.000% (Nominal)					
Land			456,171		
Construction			1,274		
Total Finance Cost				457,445	

**TOTAL COSTS** **14,489,999**

**PROFIT** **1**

**Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%

**Deepcut - residual value of hectare of development**

**100% private housing**

IRR% (without Interest) 6.05%

Profit Erosion (finance rate 6.500) 0 mths



Deepcut - residual value of hectare of development  
10% affordable housing

Deepcut - residual value of hectare of development  
10% affordable housing

Appraisal Summary for Phase 1 Houses

Currency in £

**REVENUE**

Sales Valuation	Units	ft²	Sales Rate ft²	Unit Price	Gross Sales
Private Houses	31	31,000	414.00	414,000	12,834,000
Aff Rent houses	2	1,800	182.00	163,800	327,600
SO houses	2	1,500	253.00	189,750	379,500
<b>Totals</b>	<b>35</b>	<b>34,300</b>			<b>13,541,100</b>

**NET REALISATION** **13,541,100**

**OUTLAY**

**ACQUISITION COSTS**

Residualised Price			4,205,872		
Stamp Duty		5.00%	210,294		4,205,872
Agent Fee		1.00%	42,059		
Legal Fee		0.80%	33,647		
				285,999	

**CONSTRUCTION COSTS**

Construction	ft²	Build Rate ft²	Cost		
Private Houses	31,000	140.38	4,351,780		
Aff Rent houses	1,800	140.38	252,684		
SO houses	1,500	140.38	210,570		
<b>Totals</b>	<b>34,300 ft²</b>		<b>4,815,034</b>		
Contingency		5.00%	253,752		5,068,786
<b>Other Construction</b>					
External works		5.40%	260,012		260,012

**PROFESSIONAL FEES**

Professional fees		12.00%	609,006		609,006
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**MARKETING & LETTING**

Marketing		2.50%	320,850		320,850
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**DISPOSAL FEES**

Sales Agent Fee		1.00%	128,340		
Affordable disposal fee		1.00%	7,071		
Sales Legal Fee	31 un	650.00 /un	20,150		
Affordable disposal legal fee		0.50%	3,536		159,097

**MISCELLANEOUS FEES**

Profit on Private		17.00%	2,181,780		
Profit on Affordable		6.00%	42,426		2,224,206

**FINANCE**

Debit Rate 6.500%, Credit Rate 0.000% (Nominal)					
Land			406,864		
Construction			408		
Total Finance Cost					407,272

**TOTAL COSTS** **13,541,099**

Deepcut - residual value of hectare of development  
10% affordable housing

**PROFIT**

1

**Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
IRR% (without Interest)	6.00%
Profit Erosion (finance rate 6.500)	0 mths

Deepcut - residual value of hectare of development  
35% affordable housing

Deepcut - residual value of hectare of development  
35% affordable housing

Appraisal Summary for Phase 1 Houses

Currency in £

**REVENUE**

Sales Valuation	Units	ft²	Sales Rate ft²	Unit Price	Gross Sales
Private Houses	23	23,000	414.00	414,000	9,522,000
Aff Rent houses	6	5,400	182.00	163,800	982,800
SO houses	6	4,500	253.00	189,750	1,138,500
<b>Totals</b>	<b>35</b>	<b>32,900</b>			<b>11,643,300</b>

**NET REALISATION** **11,643,300**

**OUTLAY**

**ACQUISITION COSTS**

Residualised Price			3,291,078		
Stamp Duty		5.00%	164,554		3,291,078
Agent Fee		1.00%	32,911		
Legal Fee		0.80%	26,329		
				223,793	

**CONSTRUCTION COSTS**

Construction	ft²	Build Rate ft²	Cost	
Private Houses	23,000	140.38	3,228,740	
Aff Rent houses	5,400	140.38	758,052	
SO houses	4,500	140.38	631,710	
<b>Totals</b>	<b>32,900 ft²</b>		<b>4,618,502</b>	
Contingency		5.00%	243,395	
				4,861,897
<b>Other Construction</b>				
External works		5.40%	249,399	
				249,399

**PROFESSIONAL FEES**

Professional fees		12.00%	584,148		584,148
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**MARKETING & LETTING**

Marketing		2.50%	238,050		238,050
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**DISPOSAL FEES**

Sales Agent Fee		1.00%	95,220		
Affordable disposal fee		1.00%	21,213		
Sales Legal Fee	23 un	650.00 /un	14,950		
Affordable disposal legal fee		0.50%	10,607		
				141,990	

**MISCELLANEOUS FEES**

Profit on Private		17.00%	1,618,740		
Profit on Affordable		6.00%	127,278		
				1,746,018	

**FINANCE**

Debit Rate 6.500%, Credit Rate 0.000% (Nominal)					
Land			306,926		
Total Finance Cost				306,926	

**TOTAL COSTS** **11,643,299**

Deepcut - residual value of hectare of development  
35% affordable housing  
PROFIT

1

**Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
IRR% (without Interest)	5.87%
Profit Erosion (finance rate 6.500)	0 mths

## Appendix 2 - BPS Addendum Report June 2021

# Princess Royal Barracks, Deepcut, Surrey, GU16 6RN

20th June 2021



## Addendum

- 1.1 BPS Chartered Surveyors were instructed in 2020 by Surrey Heath Borough Council to undertake a review of a Financial Viability Assessment prepared by BNP Paribas on behalf of the Defence Infrastructure Organisation (DIO) and Skanska ('the Applicant') in connection with a planning application for the redevelopment of the Princess Royal Barracks.
- 1.2 We understood that the intention of the Applicant's submission was to provide financial viability evidence to support proposed amendments to the requirements of the S106 Agreement signed in relation to the extant hybrid planning consent 12/0546. More specifically to reduce the affordable housing obligations on the remaining phases of the development to 0% from the current 35% obligation.
- 1.3 This addendum report follows and should be read in conjunction with our report of 17 February 2021.
- 1.4 Following the findings of our initial viability review dated February 2021, it was agreed with Skanska that our Cost Consultants, Geoffrey Barnett Associates, would undertake a further, more detailed assessment of the scheme costs to date. Geoffrey Barnett Associates have since undertaken this review and their findings can be found in Appendix 1.
- 1.5 Our initial review concluded that amendments should be made to the Residual Land Values calculated for the remaining plots. We reduced the finance rate and reduced the construction period based on advice from our Cost Consultant. This made a marginal difference to the plot values per hectare, increasingly them slightly above BNP's assessment. In addition, we identified that BNP's Land Trading Model included a target land return on day one which significantly distorted the schemes overall return on an IRR basis and we considered to represent an unrealistic return on a project with a long delivery time and where it would be expected that any land return which follow the incremental nature of the land sale process. We also note this was the approach taken in earlier modelling. Consequently we have amended the model to apportion the land return across the plot sales which has the effect of improving the IRR.
- 1.6 It will be seen that the GBA report has sought to identify the basis on which project costs have escalated. GBA's initial report sought firstly to verify the expenditure but also to apportion some of the cost increases into the following categories:



a) Developer's Risk - items within the control of the Developer	£2,408,067
b) Developer's Cost - items outside the control of the Developer	£4,617,360
c) Escalation - item outside the control of the Developer	£ 479,789
d) Reduction in Land Value	£8,107,976
e) The use and/or misuse of the land by the former user.	£1,363,509

The total cost of items d) & e) is £9,471,485.

- 1.7 Essentially some of the cost escalation is seen as more appropriately falling into areas which would normally be ascribed to developer's risk category a) or reflected in a reduction in land value d) as being outside of normal expectations or resulting directly from the former occupiers use of the property e).
- 1.8 This same exercise was updated in respect of the recent more detailed exercise and have noted a marginal increase in items d) and e) to a figure of £10,359,642. Based on this assessment GBA conclude that allowable costs which should be included within the financial model should not exceed £120,871,240.
- 1.9 Reflecting these recommendation and rescheduling the DIO land receipts as described above, we conclude that the remaining phases could viably deliver a reduced 15% affordable housing contribution on the remaining plots. We acknowledge this represents a significant reduction in the current 35% obligation but it also reflect an increase on the 0% provision proposed in the BNP report.

## Appendix 1 - GBA Cost Review

**FURTHER REVIEW OF UPDATED COSTS  
INCURRED AND FORECAST  
AS PREPARED BY  
SKANSKA AND GARDINER & THEOBALD**

**FOR**

**PRINCESS ROYAL BARRACKS, DEEPCUT**

**14<sup>th</sup> MAY 2021**

**Geoffrey Barnett Associates**

*Chartered Quantity Surveyors*

*Project Coordinators*

The Old Mill

Mill Lane

GODALMING

Surrey

GU7 1EY

Tel: 01483 429229

**CONTENTS:**

- 1: INTRODUCTION**
- 2: BASIS OF REVIEW**
- 3: DETAILED REVIEW & COMMENTARY:**
- 4: FINANCIAL IMPLICATIONS**
- 5: CONCLUSIONS**
- 6: FINAL SUMMARY**

**APPENDICES:**

- A: INFORMATION REQUESTED 30<sup>th</sup> MARCH 2021**
- B: INVOICE SCHEDULE - ITEM REF DC513 - GL HEARN LIMITED - Planning Consultant Fees**
- C: BCIS ABSTRACT - ITEM REF EN0018 - Schedule of Rates for Services Trench**
- D: SUMMARY OF FINANCIAL IMPLICATIONS**
- E: BCIS RPIX – ITEM REF CON030 – S106 Indexation**
- F: SCHEDULE OF SECTION 106 SUMS – ITEM REF CON030 – S106 Indexation**
- G: CALCULATION OF MONTHLY CHANGES TO RPIX – ITEM REF CON030 – S106 Indexation**
- H: CALCULATION OF REVISED COSTS FOR FINAL SUMMARY**

## **1.0 INTRODUCTION**

- 1.1 Geoffrey Barnett Associates are Chartered Quantity Surveyors, established in 1974, and have over 40 years' experience of providing quantity surveying, project co-ordination and construction cost management services to clients throughout the UK. The firm's experience covers a wide range of project types and sizes including new build residential and commercial developments, infrastructure projects and refurbishment projects.

## **2.0 BASIS OF REVIEW**

- 2.1 An initial review on 16<sup>th</sup> February 2021 looked at the updated Financial Viability Assessment produced by BNP Paribas dated October 2020 which included enabling and infrastructure cost and core build and abnormal cost schedules produced by Gardiner & Theobald.
- 2.2 This initial review highlighted a number of items which were deemed worthy of further investigation. (See Appendix A).
- 2.3 The rationale for each item was based on the following:
- 2.3.1 Green items - based on the amount paid to date;
  - 2.3.2 Blue items - based on the amount yet to be paid; and
  - 2.3.3 Pink items - based on the significance of the cost increase between May 19 and the Anticipated Final Cost.
- 2.4 On 31<sup>st</sup> March 2021 Skanska were asked to produce for these selected items:
- 2.4.1 copies of the latest invoices (where paid on a gross basis) or all invoices for each item where paid on invoice only;
  - 2.4.2 where appropriate, copies of the latest valuation (interim or final) and breakdown showing the amount paid to date;
  - 2.4.3 copies of the relevant parts of any quotes or contracts defining the scope of works, the contract sum and contract conditions; and
  - 2.4.4 where costs have been forecast, details of the assessments and/or a detailed cost plan.
- 2.5 Skanska provided this information electronically in three tranches on 15<sup>th</sup> April, 21<sup>st</sup> April and 27<sup>th</sup> April 2021. The information comprises a total of 801 files.
- 2.6 Within the 2<sup>nd</sup> release of data, there are apparently some items missing:
- 2.6.1 Package IN02500 - there are 3 outstanding invoices to come; and
  - 2.6.2 Package P0106 there are some Hays invoices to the sum of £19k which are awaited.

- 2.7 Each package was analysed according to the type of information received. We looked for evidence:
- 2.7.1 That costs have been incurred;
  - 2.7.2 That invoices were legitimate and correctly applied;
  - 2.7.3 That Value for Money has been prioritised where Contracts place internally;  
Note the MoU states Skanska CAR & SIS will "work together to minimise the cost of the Works to realise the Best Value for the Authority".
  - 2.7.4 Of correlation between quotes and orders; and
  - 2.7.5 That Forecast of costs to come are reasonable and based on known figures or detailed cost plans.

### 3.0 DETAILED REVIEW & COMMENTARY:

Note: Reference to Items 1, 2, 3 & 4 below refer to the Skanska Nomenclature as follows:

1. Invoices where paid gross or all invoices totalling paid to date:
2. Latest valuation:
3. Quotes, Contract Sum & Conditions:
4. Forecast cost to come:

#### DC402 Site Investigation/Soil Report

- a) Invoices provided and total £1,452,492.
- b) Costs substantiated.

#### DC404 Planning Relationship Meeting Facilitator

- a) We concur with Skanska that an underpayment of £1,000.00 has occurred. The value of EHDC Invoice 2000151551 was input into the Valuation as £302.30 whereas its value is £1,302.30.
- b) The Contract (Item 3) only covers the initial workshop facilitation (£3,547.50).
- c) A copy of any subsequent agreement (or exchange of correspondence) covering the subsequent consultancy services has not been provided.
- d) Item 4 *The Narrative to explain .....* has been directly copied from the DC 402 Hydrock package and has not been properly amended.
- e) We have no information as to how the Forecast of costs to come have been calculated.

#### DC513 GL HEARN LIMITED Planning Consultant Fees

- a) Item 1 - Several invoices have not been provided. See Appendix B where the missing copies are highlighted in green.
- b) Item 1 - Several invoices included in the batch are for works at Worthy Down and St Barts Hospital. There is also a GT invoice. As these have not been included in the calculation of the total paid to date, they have been ignored.
- c) Item 1 - One invoice has been input incorrectly but the total is not affected.
- d) We have separated Disbursements and Expenses to provide a clearer picture of costs and the consultant's fees.
- e) Item 4 *The Narrative to explain .....* has parts copied from the DC 402 Hydrock package which have not been fully amended.
- f) Item 4 - No explanation has been given as to why the costs have risen from the original order for £70,000 to circa £880,000\*  
\*Disbursements and expenses were excluded from the original Agreement and so this is probably a little over-stated.
- g) Item 3 - A copy of Purchase Order 14085 has not been provided.
- h) We believe that Item Ref 71 is the fee invoice for February 2021 and therefore the calculation of the Forecast of costs to come is overstated.  
 $10 \times £8,500.00 = 85,000.00$  Skanska calculate this as £100,039 including disbursements, expenses, and a small contingency.
- i) We believe that the £8,500 per month already includes an allowance for disbursements and expenses (£250)

#### DC520 Civil/Infrastructure Engineer Fees

- a) Item 1 - Not all Invoices provided.
- b) Item 4 - Forecast of costs to come are reasonable but they may only cover Phase 1?

**DC524 Utilities Design**

- a) Costs to date substantiated.
- b) Item 4 - Forecast of costs to come also substantiated.

**DC714 S278 Agreement - Commuted Sum**

- a) Item 1 - No correlation between invoices provided and Item 2 Cost Ledger
- b) Item 2 - Invoices 173388 & 190330 do not appear on the Ledger.
- c) Item 2- Payments of £60,872.81 & £46,286.56 do not appear to have a corresponding invoice.
- d) Item 1 - Invoices from Western Power, Siemens and Sedgemoor Tree Services included in information bundle.
- e) Item 3- Quotes from South East water included in information bundle.
- f) Where do items d & e above fit in to this Cost Centre?
- g) Item 4 - Forecast of costs to come shows no actual calculation shown just reference to 12% design fee and standard commuted sums.

**DC901 Security**

- a) Item 4 - Recent research indicates security guarding can cost between £10 and £40 per hour. Skanska's allowance of £17/hour is considered reasonable. The calculation of the monthly rate is accepted.
- b) Item 4 – Skanska's Forecast of Costs to Come calculation appears flawed as there are 21 months between April 2021 and December 2022 inclusive and not 20. Total cost should therefore be £259,896.
- c) According to Gov.uk the average cost of a CCTV scheme is between £65,000 and £250,000. Therefore, Skanska's allowance of £95,000 including boarding up ground floor windows and doors seems reasonable.
- d) No allowance for Skanska margin.
- e) Item 4- the total forecast of costs to come should be increased to £388,330.

**DCF03 Disposal Fees**

- a) Item 4- The Forecast of costs to come calculation is based upon reasonable assumptions and is accepted.

**DCM01 STUDIO HIVE LIMITED Development Management**

- a) Item 3 information is the same as DC714.
- b) Item 1 - not all payments shown on the Ledger are substantiated by copies of invoices.

**UTI0001 SOUTHERN ELECTRIC POWER Electrical Services**

- a) Item 1- Invoices have been provided that do not appear on the Ledger.
- b) Item 1 – There appears to be no correlation between the invoices provided and the Cost Ledger provided under Item 2.
- c) Item 4 - Forecast of costs to come – the SMS Cost Plan has not been provided.

**UTI0004 VIRGIN MEDIA LTD Telecommunication Diversion**

- a) Item 2 - No Notice of Payment for £137,393.33 (Net) provided.
- b) Item 4 - Forecast of costs to come – the SMS Cost Plan not been provided.



- UTI0007 SOUTH EAST WATER LTD Water Supply**
- a) Item 1 – There appears to be no correlation between the invoices provided and the Cost Ledger provided under Item 2.
  - b) Item 4 - Forecast of costs to come - the SMS Cost Plan not been provided.
- UTI0012 Off site HV Reinforcement**
- a) Item 4 - The Forecast of costs to come calculation is based upon reasonable assumptions and is accepted.
- UTI0022 SPECIALIST POWER ENG CONTR LTD Electrical Connections**
- a) Item 2 - Costs to date are substantiated.
  - b) Item 4 - Forecast of costs to come - the SMS Cost Plan not been provided.
- EN0011 SKANSKA CONST UK LTD T/A IS Japanese Knotweed**
- a) Item 3 shows lowest tender of £379,100 received from IVM.
  - b) Item 3 shows next lowest tender of £402,385 received from JKSL.
  - c) Item 1 shows Order Value of Measured Works as £522,452.07.
  - d) Item 2 shows Order Value of Measured Works as £513,165.82.
  - e) Contract awarded to SIS in the sum of £613,130.82. No explanation of the discrepancies.
  - f) Item 3 also refers to a "Scope of Works" which was not provided.
  - g) Items 1 & 2 show different Final Account Forecasts (£720,386.83 & £713,707.56). The reason for this?
  - h) The list of Variations in Item 1 is different from the list in Item 2.
  - i) Some of the variations refer to things other than Japanese Knotweed:
    - Testing asbestos;
    - Removal of concrete obstructions.
  - j) Item 4 – Forecast of costs to complete includes £22,515 Contingency on £50,000 Phase 2 works and £20,000 Maintenance costs. This equates to 32%.
- EN0018 SKANSKA CONST UK LTD T/A IS Utility Trench**
- a) Item 1- No indication of length or depth of trenches included - not possible to determine if costs are reasonable.
  - b) Item 3 - No competitive tenders shown to compare SIS quote with - not possible to determine value for money.
  - c) The Memorandum of Understanding (MoU) states Skanska CAR & SIS will "work together to minimise the cost of the Works to realise the Best Value for the Authority".
  - d) Items 1 & 2 show different final account forecasts (£1,162,893.34 & £1,099,678.53)
  - e) These FA forecasts do not correspond to the Forecast of £1,899,428 as reported.
  - f) Item 4 – Forecast of costs to complete is based on a further 3,500m of trenching. We are unable to determine if this is reasonable.
  - g) The rate of £250/m for the further trenching is considered reasonable. BCIS rates (see Appendix C) would indicate that this allows for a 900mm wide x 1250mm deep trench with 1 x150mm duct.

**EN0019 SKANSKA CONST UK LTD T/A IS Site Set Up**

- a) Items 1 & 2 show different final account forecasts (£857,831.81 & £721,265.86)
- b) These FA forecasts do not correspond to the Forecast of £1,070,088 as previously reported.
- c) Item 3 - No competitive tenders shown to compare SIS quote with - not possible to determine value for money.
- d) Item 3 Order Value is £151,487.16
- e) Final Account Forecast in Item 1 based on Order Value of £744,763.74 is £857,831.81
- f) Final Account Forecast in Item 2 based on Order Value of £635,923.59 is £721,265.86
- g) Item 4 - We have not been able to establish if forecast costs to come are already included in Forecast of Preliminaries PO100 as not all items are fully described (e.g. "INVOICE PAYMENT" to Skanska?)
- h) Item 1 Variations build up totals £113,068.07
- i) Item 2 Variations build up totals £148,645.62
- j) Item 4 - Forecast of costs to come may be missing January 21? (Valuation to end December 2020 and Forecast from February 2021).

**EN0020 Upgrade of existing DIO Roads**

- a) Estimates for Brunswick Road are reasonable.
- b) The G&T Cost Plan for the Military Roads is reasonable.
- c) There is no allowance (9.25%) for Skanska Margin.
- d) There is no design development contingency.
- e) The Forecast cost is under-estimated – See Section 4.

**EN0027 SKANSKA CONST UK LTD T/A IS Rising Main & Pump Station (South SANGS)**

- a) Item 1 Forecast of Final Account is £92,420.34 LESS than the amount paid to date.
- b) Item 2 Forecast of Final Account is £86,969.15 MORE than the amount paid to date.
- c) Item 2 refers to Gavin Jones - Measured Works. Item 1 refers to Active Tunnelling.
- d) Item 3 Order value is £423,506.14 (equates to £387,648.64 without the 9.25% Margin).
- e) Item 3 Tender Report concludes that the order value is £420,268.64 (equates to £384,685.25 without the 9.25% Margin).
- f) Item 2 Order Value is £420,228.41 (equates to £384,648.43 without the 9.25% Margin).
- g) Item 4 - Forecast of costs to come the small contingency equates to £3,285.57.

**EN0028 SKANSKA CONST UK LTD T/A IS Site Wide Demolition**

- a) Item 1, Item 2 & Item 3 Order Values all correspond.
- b) Item 4 - Forecast of costs to come equates to £92.12 per m2 of building. This is reasonable.

- EN0029 SKANSKA CONST UK LTD T/A IS Site Wide Remediation**
- a) Item 1 Gross Value of Works Incl variations shown as £3,969,760.39.
  - b) Amount paid to date appears to be £3,847,974 and not £3,847,978.
  - c) Item 1 Forecast Final Account shown as £4,184,537.33.
  - d) Item 4 Cost to complete could be £336,563 and not £104,701 (see item f below).
  - e) Item 2 Forecast Final Account shown as £4,215,344.37.
  - f) Item 4 Forecast of costs to come could be £367,370 and not £104,701 (see also Item d above).
- EN0032 Upgrade of Blackdown Road**
- a) G&T Cost Plan is reasonable.
  - b) Contingency is more than the normal allowance and could be reduced to 5% as rates in the cost plan are generally rounded.
- EN0110 Phase 2 Parcels (inside wire and sports hub)**
- a) G&T Cost Plan is reasonable.
  - b) Clearance Parcels X,I,L,N,V,T cost is reasonable.
  - c) Contingency is more than the normal allowance and could be reduced to 5% as rates in the cost plan are generally rounded.
  - d) Rate for site clearance is £0.50/m<sup>2</sup> in IN01200.
- IN01000 SKANSKA CONST UK LTD T/A IS Northern Access Roundabout**
- a) Item 1 Forecast Final Account is £1,910,923.84
  - b) Item 2 Forecast Final Account is £1,864,811.60
  - c) Items 1 & 2 Paid to date is £1,863,082.22. Reported previously as £1,863,808
  - a) Item 4 – Forecast of costs to come is a Skanska allowance for additional unforeseen works that may be ordered by SHBC to achieve handover. We cannot say if this is a reasonable allowance. Should this be reallocated to PR0100 Development Risk?
  - d) Item 1 accepted NATTA tender
 

	£ 1,371,521.70
Skanska Margin 9.25%	£ 126,865.76
	<b>£ 1,498,387.46</b>
  - e) Item 1 Order Value includes Landscaping
 

	£ 85,182.00
Skanska Margin 9.25%	£ 7,879.34
	<b>£ 93,061.34</b>
  - f) Item 1 Order Value includes Traffic Signals
 

	£ 29,661.07
Skanska Margin 9.25%	£ 2,743.65
	<b>£ 32,404.72</b>
  - g) Item 3 Order Value £ 1,643,019.46 or £ 1,623,853.52
  - h) Any reason for the discrepancy?

**IN01100 SKANSKA CONST UK LTD T/A IS Spine Road**

- b) Item 1 Forecast Final Account is £6,901,697.32
- c) Item 2 Forecast Final Account is £6,932,788.89
- d) Items 1 & 2 Paid to date is £6,862,253.21 (item 1 states 19p). Reported previously as £6,858,346.
- e) Item 4 - Forecast of costs to come (£142,245) is a Skanska allowance for additional unforeseen works that may be ordered by SHBC to achieve handover. We cannot say if this is reasonable. Should this be reallocated to PR0100 Development Risk?
- f) Should this be reallocated to PR0100 Development Risk?

**IN01200 Environmental Improvements Works to Deepcut Bridge Road**

- a) G&T Cost Plan uses a rate of £5,000 per Ha for site clearance. This is reasonable.
- b) Consistency between rates for similar Works eg EN0020?
- c) There is a Commercial adjustment of £138,006.

**IN01300 SKANSKA CONST UK LTD T/A IS Red Rd/Maultway/Upper Chobham Rd – Improvements**

- a) No details provided of how the Surfacing Sub-contract went from a tender of £190,874.87 to an order value of £200,351.59.
- b) No details provided of how the Vegetation Clearance Sub-contract went from a tender of £24,500.00 to an order value of £25,502.50.
- c) No details provided of how the Landscaping Sub-contract went from a tender of £13,656.79 to an order value of £33,401.51.
- g) Item 4 - The Forecast of costs to come (£280,659) is a Skanska allowance for additional unforeseen works that may be ordered by SHBC to achieve handover. Should this be reallocated to PR0100 Development Risk?
- d) Item 1 Order Value adds £817.00 for a TTRO.
- e) Item 1 Forecast Final Account is £ 1,997,502.15
- f) Item 2 Forecast Final Account is £ 1,988,757.76 but excludes S/C Gibbs footpath works.
- g) Maultway Roundabout capping layer variation - was this not included in original scope of works? £ 63,324.60
- h) Remedial works to footpaths - what & why? £ 113,207.93

**IN01700 SKANSKA CONST UK LTD T/A IS Frith Hill cycle path to Tomlinscote School**

- a) Part of the s.106 Agreement.
- b) Items 1 & 2 Forecast Final Account £ 516,934.44
- c) This is above the previous Forecast by £ 25,122.44
- h) Item 4 - The Forecast of costs to come is a Skanska allowance for additional unforeseen works that may be ordered by SHBC to achieve handover. Should this be reallocated to PR0100 Development Risk?
- d) Breakdown of Variations in Items 1 & 2 are different. No explanation provided.
- e) Item 3 – The original Order Value was £238,874.14

**IN02000 Loop Road**

- a) G&T Cost Plan is reasonable.
- b) Contingency is more than the normal allowance and could be reduced to 5% as rates in the cost plan are generally rounded.

**IN02100 Frimley Green Rd/ Stuart Rd/Wharf Rd Improvements**

- a) G&T Cost Plan error in calculation found.
- b) No Preliminaries transfer to PO102.
- c) Contingency is more than the normal allowance and could be reduced to 5% as rates in the cost plan are generally rounded.

**IN02500 Infrastructure Maintenance**

- a) Item 1 - No sight of amended order/agreement raising rates (increased scope?)
- b) Total of Invoices provided = £ 10,442
- c) Amount claimed paid to date = £18,407.
- d) Item 4 - Forecast of costs to come includes February 21 which is included amongst the invoices in Item 1. Does this reduce the forecast?
- e) Item 4 - Where does the £10,000 per month come from?
- f) Item 4 - How is the £1,593 unspent allowance calculated?

**IN02600 OLIVER CONNELL AND SON LIMITED Canal Steps and Substation 2&3 Works**

- a) Item 1 - Estimated Final Account is £ 588,404.79
- b) Item 2 - Estimated Final Account is £ 588,404.79
- c) Item 4 - Forecast of costs to come should be a positive £ 283,071.95 and not a negative **-£ 238,797.00**

**CO0100 Sports Hub**

- a) G&T Cost Plan is reasonable.
- b) No Preliminaries transfer to PO102.
- c) Contingency is more than the normal allowance and could be reduced to 5% as rates in the cost plan are generally rounded.

**CO0201 SKANSKA BUILDING Primary School Construction**

- a) Item 2 Forecast Final Account £ 11,817,484.50
- b) Item 2 Amount paid to date £ 11,766,473.48 as reported
- c) Balance to come £ 51,011.02 **Not -(£542,719)**
- d) No Preliminaries transfer to PO102 etc?
- e) Inappropriate expenses included?
  - 28-Aug-18 EXPS00094582 971444 [Dunn , Fraser ] -Return train to Walsall
  - 28-Aug-18 EXPS00094582 971444 [Dunn , Fraser ] -Taxi Cov Station - Bodmin Road
  - 28-Aug-18 EXPS00094582 971444 [Dunn , Fraser ] -Return train to Coventry
- f) Item 3 - RFA shows a RFA Sign off of £8.40 Million. No details of the £3.40 Million additional costs provided.
- g) CO0400 calculation states that £603,740 was transferred to CO0201. This is not shown separately.

**CO0400 St Barbara's Church**

- a) CO0400 calculation states that £603,740 was transferred to CO0201. How is it shown?
- b) How is this £603,740 calculated?
- c) How is the cost of the Church Internal Works £ 239,131.00 calculated?
- d) Item 4- Forecast of costs to come for church has risen from £ 731,975.77 to £842,871.00 with no explanation

**OP0100 SKANSKA CONST UK LTD T/A IS SANGS - Central**

- a) Amount paid to date verified. Costs to Come £ 82,394.00
- b) Item 1 Forecast of final account £ 965,134.21
- c) Item 2 Forecast of final account £ 1,156,616.50
- d) Item 1 Order Value £ 672,495.61
- e) Item 2 Order Value £ 529,500.88
- f) Item 3 Order Value £ 709,297.40
- g) Item 1 Variations £ 292,638.61
- h) Item 2 Variations £ 392,626.01
- i) Item 4 - Forecast of costs to come shown as £82,394 but could be as much as £242,012.50.

**OP0200 SANGS - Southern**

- a) Item 4 Costs to come based on G&T Cost Plan £ 1,786,000
- Amendment £ 142,000
- Skanska Margin 9.250% £ 178,340
- Risk Allowance = 9.071% £ 178,185
- TOTAL £ 2,284,525
- b) Small rounding error in Skanska figures ignored.
- c) Possible reduction of Contingency to 5% could save £ 72,868
- d) No Preliminaries transfer to PO102 etc

**OP0300 ANGST**

- a) G&T Cost Plan is reasonable.
- b) Small rounding error in Skanska figures ignored.
- c) Possible reduction of Contingency to 5% .
- d) No Preliminaries transfer to PO102 etc

- OP0400 SKANSKA CONST UK LTD T/A IS Village Green**
- |    |                                                                                                                                                     |                |                |
|----|-----------------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------|
| a) | Item 1 Amount paid to date                                                                                                                          | £ 1,398,996.65 |                |
| b) | Apparently Excludes £1,664.74 wrongly accounted.                                                                                                    | £ 1,664.74     |                |
| c) | Amount paid to date verified.                                                                                                                       | £ 1,400,661.39 |                |
| d) | Item 4 – Forecast costs to come stated as                                                                                                           | £ 7,070.00     |                |
| e) | Item 1 Forecast of final account                                                                                                                    | £ 1,398,712.54 |                |
| f) | Item 2 Forecast of final account                                                                                                                    | £ 1,403,020.19 |                |
| g) | Item 1 Order Value                                                                                                                                  | £ 1,004,453.20 |                |
| h) | Item 2 Order Value                                                                                                                                  | £ 953,930.53   |                |
| i) | Item 3 Order Value                                                                                                                                  | £ 1,007,987.00 | Discrepancies? |
| j) | Item 1 Variations                                                                                                                                   | £ 394,259.34   |                |
| k) | Item 2 Variations                                                                                                                                   | £ 449,089.66   | Discrepancies? |
| l) | Item 4 - Forecast of costs to come possibly reduces to                                                                                              | £2,359         |                |
| m) | Item 4 - The original cost to come Forecast is a Skanska allowance for additional unforeseen works that may be ordered by SHBC to achieve handover. |                |                |
- OP0500 Formal Park**
- a) G&T Cost Plan is reasonable.
  - b) Preliminaries transfer to PO102 of £61,000.
  - c) Commercial adjustment of £33,654.
  - d) Forecast of costs to come flawed.
  - e) Possible reduction of Contingency to 5%.
- OP0700 Allotments**
- a) G&T Cost Plan is reasonable.
  - b) Possible reduction of Contingency to 5%.
- CON005 SANGS Maintenance South**
- a) The cost is as the Section 106 Agreement.
- CON006 SANGS Maintenance Central**
- a) The overall cost is as the Section 106 Agreement.
  - b) £250,000 has been paid to SHBC.
- CON014 Sports Hub - Maintenance**
- a) The cost is as the Section 106 Agreement.
- CON022 Basingstoke Canal Path and upgrade of Canal Towpath**
- a) The cost is as the Section 106 Agreement.
  - b) Indexation equates to 17.35%. Applied by SCC.
  - c) From the BCIS RPIX Indices Data Base we estimate the actual percentage (at the time of invoice) is 16.9%.
  - d) We have ignored this anomaly as payment has been made to SCC.
- CON024 Improvements to Bus Routes in the Area**
- a) The cost is as the Section 106 Agreement.
- CON030 Indexation applicable to s.106**
- a) Refer to Section 4.

**CON031 SUDS adoption fee**

- a) The cost of this item is NOT included in the Section 106 Agreement.
- b) According to Skanska, this item has been requested by Surrey Heath Borough Council (SHBC) for them to adopt the SUDS, despite it not being detailed within the S.106 agreement.
- c) The amount is currently in dispute.

**PO100 Staff Management Costs**

- a) Includes Mileage expenses from homes (not office)? Is this chargeable?
- b) Includes expenses for the Worthy Down project. Are these chargeable to Deepcut?
- c) Includes "Lend a hand day" prize.
- d) Includes ICE Subscription.
- e) What is "COST ALLOCATION LOAD"?
- f) Includes Items for School Christmas Event.
- g) Includes Award Engraving.
- h) Includes bus fare for Worthy Down meeting in Winchester.
- i) Forecast of costs to come does not take account of Preliminaries included in other items e.g. IN01200.

**PO102 Staff Project Team**

- a) Item 1 Costs to date and Item 4 Forecast of costs to come. Is there a way of determining the amount spent on say Remediation?

**PO106 SKANSKA CONST UK LTD T/A IS Management Core Team (IS)**

- a) Is there a way of determining the amount spent on say Remediation?

**PO820 Insurance**

- a) Costs to date substantiated
- b) Item 4 Forecast of Costs to Come - Costs based on reasonable assumptions.

**PR0100 Development Risk**

- a) Are these costs in addition to the Contingencies allowed for in the various Forecasts of Costs to Come?



**4.0 FINANCIAL IMPLICATIONS**

4.1 In the following analysis sums have been rounded to the nearest £.

4.2 Refer to Appendix D which summarises the following text.

**DC402 Site Investigation/Soil Report**

c) No financial implications.

**DC404 Planning Relationship Meeting Facilitator**

f) Awaiting response.

**DC513 GL HEARN LIMITED Planning Consultant Fees**

a)	Awaiting Responses				
b)	Removal of double counting	10 months @ £8,500	£	85,000	
c)	Contingency/Disbursements	5% Contingency	£	4,250	
d)	Revised Total Costs to com		£	89,250	
e)	Previous		£	100,039	
f)	Difference		-£	10,789	

**DC520 Civil/Infrastructure Engineer Fees**

c) Awaiting response.

**DC524 Utilities Design**

a) No financial implications.

**DC714 S278 Agreement - Commuted Sum**

a) Awaiting response.

**DC901 Security**

a)	Additional month of security	21 months	£ 12,376	£	259,896
b)	CCTV			£	95,280
c)	Skanska Margin			£	32,854
d)	Revised forecast			£	388,030
e)	Original forecast			£	342,800
f)	Difference			£	45,230

**DCF03 Disposal Fees**

a) No financial implications.

**DCM01 STUDIO HIVE LIMITED Development Management**

a) Awaiting response.

**UTI0001 SOUTHERN ELECTRIC POWER Electrical Services**

d) Awaiting response.

**UTI0004 VIRGIN MEDIA LTD Telecommunication Diversion**

a) Awaiting response.

<b>UTI0007</b>	<b>SOUTH EAST WATER LTD</b> Water Supply		
	a)	Awaiting response.	
<b>UTI0012</b>	<b>Off site HV Reinforcement</b>		
	a)	No financial implications.	
<b>UTI0022</b>	<b>SPECIALIST POWER ENG CONTR LTD</b> Electrical Connections		
	a)	Awaiting response.	
<b>EN0011</b>	<b>SKANSKA CONST UK LTD T/A IS</b>	<b>Japanese Knotweed</b>	
	a)	Worst Case F/A from Section 3 (Incl Margin)	£ 720,387
	b)	Phase 2 (Incl Margin)	£ 50,000
	c)	Maintenance (Incl Margin)	£ 20,000
	d)	Contingency 5% Contingency On Phase 2 & Maintenance	£ 3,500
	e)	Revised Total Costs	£ 793,887
	f)	Previous	£ 795,927
	g)	Difference	-£ 2,040
<b>EN0018</b>	<b>SKANSKA CONST UK LTD T/A IS</b> Utility Trench		
	a)	Worst Case F/A from Section 3 (Incl Margin)	£ 1,162,893
	b)	Costs to Come 3,500 m @ £ 250	£ 875,000
	c)	Contingency 5% Contingency on costs to come	£ 43,750
	d)	Revised Total Costs	£ 2,081,643
	e)	Previous	£ 1,899,428
	f)	Difference	£ 182,215
<b>EN0019</b>	<b>SKANSKA CONST UK LTD T/A IS</b> Site Set Up		
	a)	Worst Case F/A from Section 3 (Incl Margin)	£ 857,832
	b)	Additional month plant etc hire	£ 7,500
	c)	Office relocation	£ 90,000
	d)	Additional month miscellaneous prelims	£ 3,709
	e)	TOTAL	£ 959,041
	f)	Previous	£ 1,070,088
	g)	Difference	-£ 111,047

<b>EN0020</b>	<b>Upgrade of existing DIO Roads</b>		
	a) G+T Cost Plan	£	1,770,000
	b) Brunswick Road 1	£	164,000
	c) Brunswick Road 2	£	245,000
	d) Total	£	2,179,000
	e) Skanska Margin 9.25%	£	201,558
	f) Total	£	2,380,558
	g) 5% Contingency	£	119,028
	h) Total	£	2,499,586
	i) Commercial Adjustment	-£	31,418
	j) Total	£	<b>2,468,168</b>
	k) Previous	£	2,147,582
	l) Difference	£	320,586
<b>EN0027</b>	<b>SKANSKA CONST UK LTD T/A IS</b>	<b>Rising Main &amp; Pump Station (South SANGS)</b>	
	a) Worst Case F/A from Section 3 (Incl Margin)	£	575,833
	b) Costs to come included in FA forecast	£	-
	c) Previous	£	579,119
	d) Difference	-£	<b>3,286</b>
<b>EN0028</b>	<b>SKANSKA CONST UK LTD T/A IS</b>	<b>Site Wide Demolition</b>	
	c) No financial implications.		
<b>EN0029</b>	<b>SKANSKA CONST UK LTD T/A IS</b>	<b>Site Wide Remediation</b>	
	a) Worst Case F/A from Section 3 (Incl Margin)	£	4,215,344
	b) Amount paid to date Substantiated	£	3,847,978
	c) Revised Total Costs to come	£	367,366
	d) Previous	£	104,701
	e) Difference	£	262,665
<b>EN0032</b>	<b>Upgrade of Blackdown Road</b>		
	a) G&T Cost Plan is reasonable (Incl Margin)	£	1,107,000
	b) Skanska Margin 9.25%	£	102,398
	c) 5% Contingency	£	60,470
	d) Revised Total Costs	£	1,269,868
	e) Previous	£	1,296,597
	f) Difference	-£	<b>26,729</b>
<b>EN0110</b>	<b>Phase 2 Parcels (inside wire and sports hub)</b>		
	a) G&T Cost Plan is reasonable	£	298,000
	b) Clearance Parcels X,I,L,N,V,T	£	184,000
	c) Skanska Margin 9.25%	£	44,585
	d) 5% Contingency	£	26,329
	e) Revised Total Costs	£	552,914
	f) Previous	£	592,558
	g) Difference	-£	<b>39,644</b>

<b>IN01000</b>	<b>SKANSKA CONST UK LTD T/A IS Northern Access Roundabout</b>		
	a) Worst Case F/A from Section 3 (Incl Margin)	£	1,910,924
	b) Contingency Not required	£	-
	c) Previous	£	1,900,063
	d) Difference	£	10,861
<b>IN01100</b>	<b>SKANSKA CONST UK LTD T/A IS Spine Road</b>		
	a) Worst Case F/A from Section 3 (Incl Margin)	£	6,932,789
	b) Contingency Not changed		
	Budget for unforeseen Council requested works	£	142,245
	c) Revised Total Costs	£	7,075,034
	d) Previous	£	7,000,591
	e) Difference	£	74,443
<b>IN01200</b>	<b>Environmental Improvements Works to Deepcut Bridge Road</b>		
	a) Item 4 Costs to come based on G&T Cost Plan	£	1,003,000
	b) Skanska Margin 9.250%	£	92,778
	c) 5% Contingency	£	52,281
	d) Commercial adjustment	-£	138,006
	e) TOTAL	£	1,012,561
	f) Previous	£	1,007,922
	g) Difference	£	4,639
<b>IN01300</b>	<b>SKANSKA CONST UK LTD T/A IS Red Rd/Maultway/Upper Chobham Rd – Improvements</b>		
	a) Worst Case F/A from Section 3 (Incl Margin)	£	1,997,502
	b) Contingency Reduced by 50% to reflect forecast FA	-£	140,330
	Budget for unforeseen Council requested works	£	280,659
	c) Revised Total Costs	£	2,137,831
	d) Previous	£	1,801,838
	e) Difference	£	335,993
<b>IN01700</b>	<b>SKANSKA CONST UK LTD T/A IS Frith Hill cycle path to Tomlinscote School</b>		
	a) Worst Case F/A from Section 3 (Incl Margin)	£	516,934
	b) Contingency Not changed		
	Budget for unforeseen Council requested works	£	8,384
	c) Revised Total Costs	£	525,318
	d) Previous	£	491,812
	e) Difference	£	33,506

<b>IN02000</b>	<b>Loop Road</b>		
	a) G&T Cost Plan is reasonable	£	3,317,000
	b) Preliminaries transfer to PO102	-£	349,985
	c) Skanska Margin 9.25%	£	274,449
	d) 5% Contingency	£	162,073
	e) Revised Total Costs	£	3,403,537
	f) Previous	£	3,436,559
	g) Difference	-£	33,022
<b>IN02100</b>	<b>Frimley Green Rd/ Stuart Rd/Wharf Rd Improvements</b>		
	a) G&T Cost Plan (corrected) is reasonable	£	745,000
	b) Preliminaries transfer to PO102	£	-
	c) Skanska Margin 9.25%	£	68,913
	d) 5% Contingency	£	40,696
	e) Revised Total Costs	£	854,609
	f) Previous	£	1,003,519
	g) Difference	-£	148,910
<b>IN02500</b>	<b>Infrastructure Maintenance</b>		
	a) Amount paid to date	£	10,442
	b) Removal of month already paid from costs to come 22 months @ £10,000	£	220,000
	c) Unspent allowance	£	1,593
	d) Total Costs	£	232,035
	e) Previous	£	250,000
	f) Difference	-£	17,965
<b>IN02600</b>	<b>OLIVER CONNELL AND SON LIMITED Canal Steps and Substation 2&amp;3 Works</b>		
	a) Worst Case F/A from Section 3 (Incl Margin)	£	588,405
	b) Previous	£	222,609
	c) Difference	£	365,796
<b>CO0100</b>	<b>Sports Hub</b>		
	a) G&T Cost Plan	£	2,294,000
	b) Skanska Margin 9.250%	£	212,195
	c) 5% Contingency	£	125,310
	d) TOTAL	£	2,631,505
	e) Previous	£	2,670,595
	f) Difference	-£	39,090
<b>CO0201</b>	<b>SKANSKA BUILDING Primary School Construction</b>		
	a) Worst Case F/A from Section 3 (Incl Margin)	£	11,817,485
	b) Inappropriate expenses Say	-£	10,000
	c) Revised Total Costs	£	11,807,485
	d) Previous	£	11,223,754
	e) Difference	£	583,731
<b>CO0400</b>	<b>St Barbara's Church</b>		
	a) G&T Cost Plan (corrected & rounded) is reasonable	£	906,000
	b) Preliminaries transfer to PO102	£	-

	c)	Skanska Margin	9.25%	£	83,805
	d)	5% Contingency		£	49,490
	e)	Revised Total Costs		£	1,039,295
	f)	Previous		£	1,082,821
	g)	Difference		-£	43,526
<b>OP0100</b>		<b>SKANSKA CONST UK LTD T/A IS</b>	<b>SANGS - Central</b>		
	a)	Worst Case F/A from Section 3 (Incl Margin)		£	1,156,617
	b)	Previous		£	996,998
	c)	Difference		£	159,619
<b>OP0200</b>		<b>SANGS - Southern</b>			
	a)	G&T Cost Plan (corrected & rounded) is reasonable		£	1,786,000
	b)	Amendment		£	142,000
	c)	Skanska Margin (Corrected) 9.250%		£	178,340
	h)	5% Contingency		£	105,317
	d)	Revised Total Costs		£	2,211,657
	e)	Previous		£	2,284,703
	f)	Difference = Costs to come		-£	73,046
<b>OP0300</b>		<b>ANGST</b>			
	a)	G&T Cost Plan (corrected & rounded) is reasonable		£	614,000
	b)	Skanska Margin (Corrected) 9.250%		£	56,795
	c)	5% Contingency		£	33,540
	d)	Revised Total Costs		£	704,335
	e)	Previous		£	750,000
	f)	Difference = Costs to come		-£	45,665
<b>OP0400</b>		<b>SKANSKA CONST UK LTD T/A IS</b>	<b>Village Green</b>		
	a)	Worst Case F/A from Section 3 (Incl Margin)		£	1,403,020
	b)	Previous		£	1,407,731
	c)	Difference = Costs to come		-£	4,711

<b>OP0500</b>	<b>Formal Park</b>		
	a) G&T Cost Plan		£ 486,000
	b) Preliminaries transfer to PO102		-£ 61,000
	c) Commercial adjustment		-£ 33,654
	d) Skanska Margin	9.25%	£ 36,200
	e) 5% Contingency		£ 21,377
	f) Total		£ 448,923
	g) Previous		£ 489,134
	h) Difference		-£ 40,211
<b>OP0700</b>	<b>Allotments</b>		
	a) G&T Cost Plan		£ 531,000
	b) Skanska Margin	9.250%	£ 49,118
	c) 5% Contingency		£ 21,377
	d) Revised Total Costs		£ 609,124
	e) Previous		£ 659,768
	f) Difference		-£ 50,644
<b>CON005</b>	<b>SANGS Maintenance South</b>		
	a) No financial implications.		
<b>CON006</b>	<b>SANGS Maintenance Central</b>		
	a) No financial implications.		
<b>CON014</b>	<b>Sports Hub - Maintenance</b>		
	a) No financial implications.		
<b>CON022</b>	<b>Basingstoke Canal Path and upgrade of Canal Towpath</b>		
	e) No financial implications.		
<b>CON024</b>	<b>Improvements to Bus Routes in the Area</b>		
	a) No financial implications.		
<b>CON030</b>	<b>Indexation applicable to s.106</b>		
	a) See Appendices F & G		
	b) Re-calculated		£ 3,241,830.64
	c) Previous		£ 3,387,694.00
	d) Difference		-£ 145,863.36
<b>CON031</b>	<b>SUDS adoption fee</b>		
	a) No financial implications.		
<b>PO100</b>	<b>Staff Management Costs</b>		
	a) Response awaited.		
	b) 10% allowance made.		

**PO102 Staff Project Team**

- a) Response awaited.
- b) 10% allowance made.

**PO106 SKANSKA CONST UK LTD T/A IS**

**Management Core Team (IS)**

- a) Response awaited.
- b) 10% allowance made.

**PO820 Insurance**

- a) No financial implications.

**PR0100 Development Risk**

- a) See Appendices to report
- b) From packages £ 1,036,584
- c) Previous £ 6,731,385
- d) Total £ 7,767,969



## 5.0 CONCLUSIONS

- 5.1 We have established that, for the packages analysed, costs have been expended.
- 5.2 However, as Forecasts of Final Account values vary from document to document in most packages it is difficult to establish what the likely out turn costs for each of these packages will be.
- 5.3 There is an inconsistent application of Contingency. We understand that each package will have its own set of circumstances determining the level of Contingency required but no rationale has been provided.
- 5.4 Whilst we have found several anomalies within the packages analysed, totalling a saving of approximately £207,000, we believe that the overall level of costs presented is of the correct magnitude.
- 5.5 In our previous report, dated 16<sup>th</sup> February 2021, in paragraph 6.2 we allocated responsibility for the increases in costs between the May 2019 FVA and October 2020 FVA as follows:

a)	Developer's Risk - items within the control of the Developer	£2,408,067
b)	Developer's Cost - items outside the control of the Developer	£4,617,360
c)	Escalation - item outside the control of the Developer	£ 479,789
d)	Reduction in Land Value	£8,107,976
e)	The use and/or misuse of the land by the former user.	£1,363,509

The total cost of items d) & e) is £9,471,485.

- 5.6 Following our detailed analysis, we now believe that the following costs for remediation, whilst largely substantiated, should not be offset against the requirement to provide Affordable Housing. These costs, should in our opinion, be absorbed by the MoD or reflected in the land value.

Packages Analysed Works			Costs	
ENO011		Japanese Knotweed	£ 793,887	
ENO029		Site Wide Remediation	£ 4,215,344	
PR0100	Item 1	Contamination	£ 3,480,000	
PR0100	Item 5	Japanese Knotweed	£ 77,500	
PR0100	Item 22	UXO	£ 35,500	£ 8,602,231
Preliminaries		Allow 15%		£ 1,290,335
Other Packages				
DC413		UXO Survey	£ 256,527	
DC600		Supervision for JK Removal	£ 12,592	
DCP01		Japanese Knotweed	£ 12,375	
EN0022		Asbestos Removal	£ 124,659	£ 406,153
Preliminaries		Allow 15%		£ 60,923
			<b>TOTAL</b>	<b>£10,359,642</b>

## 6.0 FINAL SUMMARY

### 6.1 Considering the following:

- 6.1.1 the saving discovered (see Appendix D) in the packages analysed and assuming that this level of saving (0.188%) can be found across all packages;
- 6.1.2 the costs of remediation (to ascertain reduction in Land Value and the cost of the use and/or misuse of the land by the former user); and
- 6.1.3 the Developer's Risk Items which are within the control of the Developer (See Report 16<sup>th</sup> February 2021)

we calculate the total scheme costs to be reduced to £120,871,240 (See Appendix H).

**APPENDIX A**

**INFORMATION REQUESTED 30<sup>th</sup> MARCH 2021**

Package Ref.	Subcontractor	Description	May 2019	Paid to date	To be paid	Anticipated Final Cost	Difference AFC - May 19	
DIO - 01	DIO	MOD Enquiry by design	300,000	300,000	0	300,000	0	0%
DIO - 02	DIO	Planning setup fees	750,000	750,000	0	750,000	0	0%
DIO - 02	DIO	Planning setup fees (see explanation tab)	(375,000)	(375,000)	0	(375,000)	0	0%
DIO - 03	DIO	Valuations (GVA)	90,000	90,000	0	90,000	0	0%
DIO - 04	DIO	Title reports and searches (Pinsent Masons)	30,000	30,000	0	30,000	0	0%
DIO - 05	DIO	Procurement - marketing	205,000	205,000	0	205,000	0	0%
DIO - 06	DIO	Procurement - contract drafting	197,000	197,000	0	197,000	0	0%
DIO - 07	DIO	Procurement - award software	82,000	82,000	0	82,000	0	0%
DIO - 08	DIO	DIO/MOD staff cost	500,000	500,000	0	500,000	0	0%
DIO - 09	DIO	Legal support	1,075,000	1,075,000	0	1,075,000	0	0%
DIO - 10	DIO	DIO infrastructure support	337,500	337,500	0	337,500	0	0%
DIO - 11	DIO/RDEL	Decant costs	1,833,000		0	0	(1,833,000)	-100%
DIO - 12	DIO/LWC	Decant costs	3,963,739		0	0	(3,963,739)	-100%
DIO - 13	DIO	DIO staff	1,612,500		0	0	(1,612,500)	-100%
DIO - 14	DIO	Military staff	540,000		0	0	(540,000)	-100%
CFR	N/A	CVR Adjustment	0	1,762	0	1,762	1,762	
DC400	DANDO SURVEYING LIMITED	Measured Building Survey	252,362	210,789	20,520	231,309	(21,053)	-8%
DC400a	D&H SURVEYS LTD	Tree Topography	0	15,000	0	15,000	15,000	
DC401	N/A	Building Surveyor (Refurb)	0	7,500	(7,500)	0	0	
DC402	HYDROCK CONSULTANTS LTD	Site Investigation/Soil Report	1,246,998	1,452,492	240,236	1,692,728	445,730	36%
DC403	TIM O'HARE ASSOCIATES LLP	Topsoil Survey	10,580	12,385	0	12,385	1,805	17%
DC404	EHDC	Planning Relationship Meeting Facilitator	0	112,085	78,427	190,512	190,512	
DC405	COTSWOLD ARCHAEOLOGICAL LTD	Archaeology Report	71,819	26,089	45,730	71,819	0	0%
DC406	AMENITY TREE CARE LIMITED	Arboricultural Survey	68,331	68,331	0	68,331	0	0%
DC406a	FPCRENVIRONMENT & DESIGN LTD	Phase 2 Arboricultural Survey	0	26,785	12,733	39,518	39,518	
DC407	THOMSON ECOLOGY LTD	Tree Survey	6,771	6,771	0	6,771	0	0%
DC408	DISCOVERY CE LTD	Geotechnical & Environmental Consultant	36,341	49,976	13,022	62,998	26,657	73%
DC409	ROB GAZZARD	Wildfire Management Consultant	0	1,934	10,000	11,934	11,934	
DC411	CLOACA SURVEYS LIMITED	Drainage Survey	18,100	18,100	0	18,100	0	0%
DC412	BLACKDOWN ENVIRONMENTAL CONSUL	Badger Survey & Licence	0	3,190	0	3,190	3,190	
DC413	MACC INTERNATIONAL LTD	UXO Survey	256,527	107,207	92,793	200,000	(56,527)	-22%
DC414	CSM UTILITIES LIMITED	Gas Utility Network Survey/Testing	11,119	9,319	1	9,320	(1,799)	-16%
DC415	ALLIANCE GROUP SOLUTIONS LTD	Surface Water Network Surveys	0	59,631	117,501	177,132	177,132	
DC462	SOCOTEC UK LIMITED	Asbestos Survey	40,208	20,208	25,001	45,209	5,001	12%
DC463	GERALD EVE LLP	Condition Survey	23,521	16,021	0	16,021	(7,500)	-32%
DC463a	GIA BUILDING CONSULTANCY LLP	Retained Buildings Condition Survey	0	14,260	2,879	17,139	17,139	
DC464	WATERMAN INFRASTRUCTURE & ENVI	Traffic Survey	123,350	58,751	9,953	68,704	(54,646)	-44%
DC500	HLMAD LIMITED	Architect Fees	500,000	500,000	0	500,000	0	0%
DC501	PURCELL MILLER TRITTON LLP	Architect Fee (Church)	126,500	59,861	66,639	126,500	0	0%
DC502	GARDNER STEWART ARCHITECTS	Landscape Design - Green Space M1 & M2	3,605	3,605	0	3,605	0	0%
DC503	NICHOLAS PEARSON ASSOCIATES LT	Landscape Design	239,264	239,264	0	239,264	0	0%
DC503a	NEIL TULLY ASSOCIATES LIMITED	Landscape Design	246,180	180,393	(450)	179,943	(66,237)	-27%
DC504	C L L LANGADFAN LIMITED	Landscaping Design Fees	39,500	39,500	0	39,500	0	0%
DC505	HOP CONSULTING LTD	Structure Engineer Design	24,150	5,275	3,900	9,175	(14,975)	-62%
DC506	NICHOLAS PEARSON ASSOCIATES LT	Ecologist	196,878	255,307	18,099	273,406	76,528	39%
DC506a	SWT ECOLOGY SERVICES LTD	Phase 2 Ecologist	0	127,808	44,493	172,301	172,301	
DC507	N/a	Water Treatment Services	30,000	15,465	2,535	18,000	(12,000)	-40%
DC508	N/a	Business Plan	28,000	15,508	12,492	28,000	0	0%
DC510	N/a	M&E BREEAM Assessment	4,350	4,350	5,000	9,350	5,000	115%
DC511	N/a	BREEAM Assessment	2,495	5,025	4,470	9,495	7,000	281%
DC512	N/A	Solicitor's Fees (Appointments)	0	0	0	0	0	
DC513	GL HEARN LIMITED	Planning Consultant Fees	957,993	932,872	100,039	1,032,911	74,918	8%
DC514	NATURAL ENGLAND	Planning Pre-App Fees	19,160	7,831	12,662	20,493	1,333	7%
DC515	N/a	Planning Application Fees	5,000	7,908	57,092	65,000	60,000	1200%
DC516	SKANSKA CONST UK LTD T/A IS	Street Lighting Design	88,254	135,723	16,364	152,087	63,833	72%
DC517	JOHN THOMPSON & PARTNERS LLP	Master Planning / Design Code	649,319	705,477	34,773	740,250	90,931	14%
DC520	ODYSSEY MARKIDES LLP	Civil/Infrastructure Engineer Fees	2,264,362	1,759,320	86,744	1,846,064	(418,298)	-18%
DC520a	WATERMAN INFRASTRUCTURE & ENV	Civil/Infrastructure Engineer Fees	0	411,944	357,981	769,925	769,925	
DC521	OVE ARUP & PARTNERS LTD	Design & Engineering Consultants	4,500	0	4,500	4,500	0	0%
DC522	ODYSSEY MARKIDES LLP	Traffic Planning Engineer	103,880	85,067	18,813	103,880	0	0%
DC523	DESIGN GROUP 3 LLP	Church M&E Survey	2,220	2,220	0	2,220	0	0%
DC524	SMS ENERGY SERVICES LIMITED	Utilities Design	562,446	572,711	366,163	938,874	376,428	67%
DC525	SMS ENERGY SERVICES LIMITED	Services Engineer (Utilities)	129,691	129,566	96,149	225,715	96,024	74%
DC526	AECOM INFRASTRUCTURE & ENVIRON	CFSH Assessment (Design/Const)	20,000	20,000	0	20,000	0	0%
DC527	N/a	Design Consultant	1,284	1,284	0	1,284	0	0%
DC528	N/A	Life Cycle Costing Consultant	0	0	0	0	0	
DC530	STIWIDIOHUD LTD	Public Art Strategy	219,700	25,100	193,400	218,500	(1,200)	-1%
DC534	ORIGIN 3 LIMITED	Frith Hill Feasibility Study	7,000	5,684	0	5,684	(1,316)	-19%
DC538	STUDIO HIVE LIMITED	Principal Designer	20,308	20,308	0	20,308	0	0%
DC539	CAPITA PROPERTY AND INFRASTRUC	CDM Co-ordinator	4,600	4,600	0	4,600	0	0%
DC540	GVA GRIMLEY LTD	Development/Viability Consultant	528,895	584,818	117,477	702,295	173,400	33%
DC540a	SAVILLS (UK) LIMITED	Development /Viability Consultant	15,000	25,000	0	25,000	10,000	67%
DC541	GARDINER & THEOBALD LLP	Quantity Surveying Services	351,535	250,605	101,230	351,835	300	0%
DC542	N/A	Development Valuation Consultant	0	0	0	0	0	
DC543	N/a	Public Exhibition Support	2,000	2,000	0	2,000	0	0%
DC544	N/a	Affordable Housing Viability	20,000	22,090	6,500	28,590	8,590	43%
DC547	THINKING PLACE LIMITED	Public Consultation	26,143	26,143	0	26,143	0	0%
DC547a	AVRIL BAKER CONSULTANCY	Public Consultation	23,084	23,084	0	23,084	0	0%
DC548	SIMON JONES ASSOCIATES LTD	Tree Survey	60,150	47,983	24,109	72,092	11,942	20%
DC549	CONSULT ORD LTD	Sports land Consultant	60,069	38,259	21,810	60,069	0	0%
DC550	SKEYE AERIAL SURVEY & INSPECT.	Drone	6,880	19,105	0	19,105	12,225	178%
DC551	FOXTROT DEVELOPMENTS LIMITED	Sales and Marketing Consultant	4,250	4,250	0	4,250	0	0%
DC552	PHILOSOPHY DESIGN LIMITED	Branding & Marketing	166,878	166,878	0	166,878	0	0%

Package Ref.	Subcontractor	Description	May 2019	Paid to date	To be paid	Anticipated Final Cost	Difference AFC - May 19	
DC552A	FERRIER PEARCE CREATIVE GROUP	Marketing Agency Services	80,000	84,579	21,480	106,059	26,059	33%
DC553	N/a	Mindenhurst Website	3,000	4,260	5,740	10,000	7,000	233%
DC554	DAVITT JONES BOULD LIMITED	Legal / Client Funds	18,311	18,311	0	18,311	0	0%
DC %%%	N/A	Dispute Consultancy Services	0	20,098	0	20,098	20,098	
DC556	DAVITT JONES BOULD LTD	Legal Wayleaves & Easement	139,997	89,617	30,383	120,000	(19,997)	-14%
DC557	HOFHI LLP	Services Investigation (Legals)	0	0	0	0	0	0%
DC558	HILL HOFSTETTER LTD	Legal Fees	94,253	94,253	0	94,253	0	0%
DC559	FIELDFISHER LLP	Legal Fees	236,340	177,285	29,055	206,340	(30,000)	-13%
DC560	CLYDE & CO LLP	Legal Fees	49,436	31,958	3,978	35,936	(13,500)	-27%
DC562	EDUCATION FACILITIES MANAGEMEN	Peer Review Fees	4,797	4,797	0	4,797	0	0%
DC563	N/A	Consultant Disbursements	0	0	0	0	0	0%
DC564	N/A	Blank	0	0	0	0	0	0%
DC565	PIINSENT MASONS LLP	Legal advice on Canal easement	175,832	104,707	(2,907)	101,800	(74,032)	-42%
DC570	2501 ASSOCIATES LTD	Military Liaison	48,014	40,541	17,059	57,600	9,586	20%
DC571	MARK LACEY CONSULTING LTD	Decant & Transition Advisor	6,375	6,375	0	6,375	0	0%
DC572	N/a	4 Ha Workshop Attendance	1,261	1,261	0	1,261	0	0%
DC600	THE ENVIRONMENT PARTNERSHIP	Supervision for the Japanese Knotweed Removal - NEC3	12,592	12,592	0	12,592	0	0%
DC602	SKANSKA TECHNOLOGY LTD	Temporary Works Consultant/NEC Civil Supervisor	98,420	78,873	43,992	122,865	24,445	25%
DC710	THE NORTH KENT ARCHITECTURE CE	Design South East - Pre App	59,426	15,726	15,000	30,726	(28,700)	-48%
DC712	N/a	S278 Inspection and Legal Fees	18,243	18,243	18,000	36,243	18,000	99%
DC714	SURREY COUNTY COUNCIL	S278 Agreement - Commuted Sum	2,769,182	1,151,543	1,708,527	2,860,070	90,888	3%
DC715	N/a	Site H&S Consultant	0	0	0	0	0	0%
DC720	SURREY COUNTY COUNCIL	Legal Cost - Basingstoke Canal	2,000	500	0	500	(1,500)	-75%
DC721	N/a	Legal Cost - Basingstoke Canal	16,927	16,927	0	16,927	0	0%
DC722	N/a	Commercial Advice - Basingstoke Canal easement	2,100	2,100	0	2,100	0	0%
DC723	N/a	Mindenhurst Man Co accountants	0	700	4,300	5,000	5,000	
DC812		Professional Fee DIO (PEG)	867	867	4,133	5,000	4,133	477%
DC901		Security	0	0	342,800	342,800	342,800	
DC910	JAPANESE KNOTWEED LTD	Site Survey	550	550	0	550	0	0%
DC999		Consultant's Contingency for uncertainty	183,000	0	50,000	50,000	(133,000)	-73%
DCF01	N/a	Masterplanning Fees	0	0	0	0	0	0%
DCF02	N/a	Professional Fees	0	0	0	0	0	0%
DCF03		Disposal Fees	1,649,352	0	1,405,705	1,405,705	(243,647)	-15%
DCM01	STUDIO HIVE LIMITED	Development Management	900,880	900,880	0	900,880	0	0%
DCP01	JAPANESE KNOTWEED SOLUTIONS	Japanese Knotweed	12,375	6,155	0	6,155	(6,220)	-50%
DCP02	NETWORK RAIL INFRASTRUCTURE LTD	Deepcut Bridge	12,000	12,000	0	12,000	0	0%
DCP03		4 Hectare work	400,000	0	150,000	150,000	(250,000)	-63%
DCP03	N/a	Cost to pursue opportunities (Included in item above)	0	0	0	0	0	0%
INFO1000	N/a	Deep Cut Principal Assumptions	0	0	0	0	0	0%
UTI0001	SOUTHERN ELECTRIC POWER DISTRI	Electrical Services	1,712,550	591,289	1,208,829	1,800,118	87,568	5%
UTI0002	SGN CONNECTIONS LTD	Gas Infrastructure	630,605	290,190	371,121	661,311	30,706	5%
UTI0003	BRITISH TELECOMMUNICATIONS PLC	Telecommunication Diversion	966,849	505,445	284,682	790,127	(176,722)	-18%
UTI0004	VIRGIN MEDIA LTD	Telecommunication Diversion	142,616	142,616	219,601	362,217	219,601	154%
UTI0005	SOUTH EAST WATER LTD	Water	0	0	0	0	0	0%
UTI0006	SEVERN TRENT SERVICES OPERATIO	Portable Water Disconnection	175,979	183,174	62,991	246,165	70,186	40%
UTI0007	SOUTH EAST WATER LTD	Water Supply	1,545,464	91,571	1,498,112	1,589,683	44,219	3%
UTI0008	THAMES WATER UTILITIES LTD	Foul Water	19,590	19,590	0	19,590	0	0%
UTI0009		Telecommunications Diversion	0	0	82,500	82,500	82,500	
UTI0010	UK POWER SOLUTIONS LTD	Independent Connection Provider	682,920	747,936	24,426	772,362	89,442	13%
UTI0011	ENERGY ASSETS LIMITED	Meter Asset Management	2,762	2,762	0	2,762	0	0%
UTI0012		Off site HV Reinforcement	0	0	1,653,841	1,653,841	1,653,841	
UTI0013		Water Connections	0	0	6,700	6,700	6,700	
UTI0014	N/a	Utilities Credits	0	0	(49,719)	(49,719)	(49,719)	
UTI0015		On site HV Reinforcement	0	0	0	0	0	0%
UTI0020	WILLOW PUMPS LIMITED	Pump Station Survey	1,500	1,500	0	1,500	0	0%
UTI0021	S.G. RAY & COMPANY LTD	Gas connections	5,000	2,375	0	2,375	(2,625)	-53%
UTI0022	SPECIALIST POWER ENG CONTR LTD	Electrical Connections	87,310	91,159	387,371	478,530	391,220	448%
UTI0023	SEVERN TRENT SERVICES OPERATIO	24/7 Incident Response Services	16,940	0	16,940	16,940	0	0%
UTI0024	N/a	Pump Station Commissioning	846	846	0	846	0	0%
UTI0030		Surveys	65,002	0	0	0	(65,002)	-100%
UTI9999		Utilities Contingency	0	0	50,000	50,000	50,000	
EN0010	SKANSKA CONST UK LTD T/A IS	Slit Trenches	58,124	55,251	0	55,251	(2,873)	-5%
EN0011	SKANSKA CONST UK LTD T/A IS	Japanese Knotweed	830,564	703,412	92,515	795,927	(34,637)	-4%
EN0012	SKANSKA CONST UK LTD T/A IS	Temporary Car Park	459,663	0	0	0	(459,663)	-100%
EN0013	SKANSKA CONST UK LTD T/A IS	Tree Removal & Protection	268,514	217,500	37,741	255,241	(13,273)	-5%
EN0014		Off-site Foul Drainage upgrades	50,000	0	50,000	50,000	0	0%
EN0015	SKANSKA CONST UK LTD T/A IS	Temporary Security Fencing	293,245	0	0	0	(293,245)	-100%
EN0016		Measures to existing drainage Channels / Water courses	285,197	0	345,503	345,503	60,306	21%
EN0017	SKANSKA CONST UK LTD T/A IS	Drainage for Parcels A & M	644,652	610,674	0	610,674	(33,978)	-5%
EN0018	SKANSKA CONST UK LTD T/A IS	Utility Trench	1,450,429	996,220	903,208	1,899,428	448,999	31%
EN0019	SKANSKA CONST UK LTD T/A IS	Site Set Up	684,819	722,292	347,796	1,070,088	385,269	56%
EN0020		Upgrade of existing DIO Roads	1,894,458	0	2,147,582	2,147,582	253,124	13%
EN0021	MINISTRY OF DEFENCE	MoD Handover	50,000	0	0	0	(50,000)	-100%
EN0022	SKANSKA CONST UK LTD T/A IS	Asbestos Removal	124,659	117,252	0	117,252	(7,407)	-6%
EN0023	SEVERN TRENT SERVICES OPERATIO	Rising Main / Pump Station (DIO disconnection)	207,806	207,806	0	207,806	0	0%
EN0024	CSY CONSTRUCTION LTD	Building 22 - Builders' Works	168,260	266,342	192,697	459,039	290,779	173%
EN0024a	STRONG SERVICES LTD	Building 22 Electrical Works	38,860	44,015	0	44,015	5,155	13%
EN0025		Site Wide Remediation - Phase 2	0	0	0	0	0	0%
EN0026	SKANSKA CONST UK LTD T/A IS	Haul Road	492,330	443,765	24,229	467,994	(24,336)	-5%
EN0027	SKANSKA CONST UK LTD T/A IS	Rising Main & Pump Station (South SANGS)	609,234	488,864	90,255	579,119	(30,115)	-5%
EN0027a	N/a	Green Swathe Telemetry & Pump Station Maintenance	0	1,324	(1,324)	0	0	0%
EN0027b	N/a	Green Swathe Pump Station Tanking	0	170	(85)	85	85	
EN0028	SKANSKA CONST UK LTD T/A IS	Site Wide Demolition	12,134	11,534	810,653	822,187	810,053	6676%

Package Ref.	Subcontractor	Description	May 2019	Paid to date	To be paid	Anticipated Final Cost	Difference AFC - May 19	
EN0028a	R M PENNY (PLANT HIRE & DEMOLI	Building 58 Demolition Works	0	3,665	0	3,665	3,665	
EN0029	SKANSKA CONST UK LTD T/A IS	Site Wide Remediation	2,246,020	3,847,978	104,701	3,952,679	1,706,659	76%
EN0029a	KELTBRAY LTD	Bovis Bank Remediation	0	460,198	17,396	477,594	477,594	
EN0030	SCOFELL LANDSCAPES LTD	Tree Removals for Gnd Remediation	130,000	132,985	19,149	152,134	22,134	17%
EN0031	HOARD-T LIMITED	Hoarding	0	171,594	49,193	220,787	220,787	
EN0032		Upgrade of Blackdown Road	0	0	1,296,597	1,296,597	1,296,597	
EN0100		Phase 1 Parcels (A,M,F,D,C,E, School, Village centre, Pub)	500,037	0	410,297	410,297	(89,740)	-18%
EN0110		Phase 2 Parcels (inside wire and sports hub)	1,247,382	0	592,558	592,558	(654,824)	-52%
EN0200		Contingency	0	0	50,000	50,000	50,000	
IN01000	SKANSKA CONST UK LTD T/A IS	Northern Access Roundabout	1,998,866	1,863,808	36,255	1,900,063	(98,803)	-5%
IN01100	SKANSKA CONST UK LTD T/A IS	Spine Road	6,755,839	6,858,346	142,245	7,000,591	244,752	4%
IN01200		Environmental Improvements Works to Deepcut Bridge Road	1,103,063	0	1,007,922	1,007,922	(95,141)	-9%
IN01200A	LANES GROUP PLC	DBR - Drainage Condition Survey	0	19,914	11,101	31,015	31,015	
IN01200B	SUMO SERVICES LIMITED	DBR - GPR Survey	0	15,820	2,510	18,330	18,330	
IN01300	SKANSKA CONST UK LTD T/A IS	Red Rd/Maultway/Upper Chobham Rd - Improvements	1,578,000	1,521,179	280,659	1,801,838	223,838	14%
IN01400	SKANSKA CONST UK LTD T/A IS	Deepcut Br Rd Railway Bridge - Improvements	182,709	146,338	7,217	153,556	(29,153)	-16%
IN01500		Red Rd/A322 Improvements (Roundabout)	253,788	0	265,684	265,684	11,896	5%
IN01600		M3 Junction 3 - Improvements	138,201	0	144,679	144,679	6,478	5%
IN01700	SKANSKA CONST UK LTD T/A IS	Frith Hill cycle path to Tomlinscote School	444,660	483,428	8,384	491,812	47,152	11%
IN01700a	SCOFELL LANDSCAPES LTD	Frith Hill Cycle Path Vegetation & Tree Clearance	13,645	37,263	(3,820)	33,443	19,798	145%
IN01800	SKANSKA CONST UK LTD T/A IS	Cycle Path - Frimley lock to Deepcut Bridge Rd	395,708	117,159	258,989	376,148	(19,560)	-5%
IN01900		Cycle Path Ramp - Deepcut Rd down to Canal Path	59,951	0	134,028	134,028	74,077	124%
IN02000		Loop Road	4,629,633	0	3,436,559	3,436,559	(1,193,074)	-26%
IN02000b	SKANSKA CONST UK LTD T/A IS	Nub Road & Minorca Road	0	274,859	182,750	457,609	457,609	
IN02100		Frimley Green Rd/ Stuart Rd/Wharf Rd Improvements	1,119,813	0	1,003,519	1,003,519	(116,294)	-10%
IN02200		Gole Rd/Dawney Hill Improvements	185,944	0	228,857	228,857	42,913	23%
IN02300		Cycle Path - Deepcut Br Rd to North via Menorca Rd	477,000	0	477,000	477,000	0	0%
IN02400	N/a	Sundry costs	130	285	(155)	130	0	0%
IN02500	N/a	Infrastructure Maintenance	5,042	18,407	231,593	250,000	244,958	4858%
IN02600	OLIVER CONNELL AND SON LIMITED	Canal Steps and Substation 2&3 Works	0	461,406	(238,797)	222,609	222,609	
IN09999		Contingency	0	7,019	42,981	50,000	50,000	
CO0100		Sports Hub	2,597,965	0	2,670,595	2,670,595	72,630	3%
CO0200	SKANSKA CONSTRUCTION UK LTD	Primary School Construction	9,719,428	0	0	0	(9,719,428)	-100%
CO0201	SKANSKA BUILDING	Primary School Construction	0	11,766,473	(542,719)	11,223,754	11,223,754	
CO0300		Primary School - 2EF	0	0	0	0	0	
CO0400		St Barbaras Church	1,611,000	0	1,082,821	1,082,821	(528,179)	-33%
CO0500		Church Hall	0	0	0	0	0	
CO400a	N/a	St Barbara's Church External Facade Testing	0	0	0	0	0	
OP0100	SKANSKA CONST UK LTD T/A IS	SANGS - Central	827,456	914,604	82,394	996,998	169,542	20%
OP0100A	SCOFELL LANDSCAPES LTD	Central SANGS Eastern Remediation Footpath	0	63,590	38,801	102,391	102,391	
OP0110	SKANSKA CONST UK LTD T/A IS	SANGS Boundary Fence	69,291	65,708	10,159	75,867	6,576	9%
PO0110A	J & G FENCING LTD	SANGS Boundary Fence perimeter	0	31,870	(31,870)	0	0	
OP0120	SWT ECOLOGY SERVICES LIMITED	Badger Sett Re-Homing - Central SANGS	0	84,545	5,340	89,885	89,885	
OP0200		SANGS - Southern	243,530	0	2,284,703	2,284,703	2,041,173	838%
OP0200A	SKANSKA CONST UK LTD T/A IS	Southern SUDS tree removal	0	25,158	1,324	26,482	26,482	
OP0300		ANGST	284,533	0	750,000	750,000	465,467	164%
OP0350		Green Swathe	0	0	493,353	493,353	493,353	
OP0400	SKANSKA CONST UK LTD T/A IS	Village Green	1,395,658	1,400,661	7,070	1,407,731	12,073	1%
OP0500		Formal Park	576,520	0	489,134	489,134	(87,386)	-15%
OP0500A	SKANSKA CONST UK LTD T/A IS	Formal Park DBR Path	0	69,016	16,906	85,922	85,922	
OP0600		LAPS	0	0	25,000	25,000	25,000	
OP0700		Allotments	682,813	0	659,768	659,768	(23,045)	-3%
OP0800		Open space maintenance	240,000	0	240,000	240,000	0	0%
CON001		Community Hall Contribution	20,000	0	20,000	20,000	0	0%
CON002		GP Surgery	331,866	0	331,866	331,866	0	0%
CON003		Library	130,000	0	130,000	130,000	0	0%
CON004		Secondary School contribution	0	0	0	0	0	
CON005		SANGS Maintenance South	3,051,373	0	3,051,373	3,051,373	0	0%
CON006		SANGS Maintenance Central	2,034,249	250,000	1,784,249	2,034,249	0	0%
CON007		SAMM Contribution	0	0	0	0	0	
CON008		ANGST Maintenance	349,230	0	349,230	349,230	0	0%
CON009		Village Green - Maintenance	174,615	0	174,615	174,615	0	0%
CON010		Formal Park - Maintenance	174,615	0	174,615	174,615	0	0%
CON011		Open Space - Maintenance	542	0	542	542	0	0%
CON012		LAPS - Maintenance	128,680	0	128,680	128,680	0	0%
CON013		Allotments - Maintenance	40,000	0	40,000	40,000	0	0%
CON014		Sports Hub - Maintenance	1,047,689	0	1,047,689	1,047,689	0	0%
CON015		Contribution to artificial Sports pitch to LA then Sports En	300,000	0	300,000	300,000	0	0%
CON016		LEAP - Maintenance	480,000	0	480,000	480,000	0	0%
CON017		Blackdown Road Play Areas Upgrade	40,000	0	40,000	40,000	0	0%
CON018		Basingstoke Canal Water Supply - Borehole	50,000	0	50,000	50,000	0	0%
CON019		Travel Plan Packs Monitoring Fee	3,795	0	0	0	(3,795)	-100%
CON020	SURREY HEATH BOROUGH COUNCIL	Travel Plan Packs development Monitoring Fee	19,909	18,474	0	18,474	(1,435)	-7%
CON021		Cycle Parking at Brookwood	25,000	0	25,000	25,000	0	0%
CON022		Basingstoke Canal Path and upgrade of Canal Towpath	481,000	564,451	0	564,451	83,451	17%
CON023		Contribution to Highways Safety Improvements	100,000	116,466	0	116,466	16,466	16%
CON024		Improvements to Bus Routes in the Area	4,080,000	0	4,080,000	4,080,000	0	0%
CON025	SURREY HEATH BOROUGH COUNCIL	Bellow Road Closure	78,373	78,373	0	78,373	0	0%
CON026		S106 Monitoring	0	0	0	0	0	
CON027		SUDS adoption fee	0	0	0	0	0	
CON030		Indexation applicable to s.106	1,801,496	0	3,387,694	3,387,694	1,586,198	88%
CON031		SUDS adoption fee	1,500,000	0	1,500,000	1,500,000	0	0%
CON999		Removal of contribution from revenue	0	0	0	0	0	

Package Ref.	Subcontractor	Description	May 2019	Paid to date	To be paid	Anticipated Final Cost	Difference AFC - May 19	
P0100	N/a	Staff Management Costs	2,684,744	2,109,045	690,623	2,799,668	114,924	4%
P0102	N/a	Staff Project Team	6,135,423	6,330,801	3,672,436	10,003,237	3,867,814	63%
P0103	GEOCAD LTD	Engineer	0	13,440	(13,440)	0	0	
P0105	HECTOR JWH LIMITED	Management Core Team	0	0	0	0	0	
P0106	SKANSKA CONST UK LTD T/A IS	Management Core Team (IS)	6,275,570	4,648,157	51,843	4,700,000	(1,575,570)	-25%
P0107	CLIFFINE LTD	Site Labour	0	27,631	(27,631)	0	0	
P0108	BSW CONTRACTORS LTD	Site Cleaning	0	49,800	(49,800)	0	0	
P0117	N/a	Stationary	30,000	27,475	22,525	50,000	20,000	67%
P0120	N/a	Catering	10,000	9,090	6,910	16,000	6,000	60%
P0121	N/a	Team Events	0	3,448	19,552	23,000	23,000	
P0132	N/a	PPE & First Aid	30,000	41,649	18,351	60,000	30,000	100%
P0140	N/a	PEG Meetings	5,000	3,400	1,600	5,000	0	0%
P0147	N/a	Plant & Tools	10,000	78,471	(53,471)	25,000	15,000	150%
P0200	N/a	Aerial Photography	719	719	781	1,500	781	109%
P0201	N/a	Site Photography	5,000	2,275	2,725	5,000	0	0%
P0202	N/a	Office Furniture	25,000	28,073	3,927	32,000	7,000	28%
P0205	N/a	Office Cleaning	300	637	(157)	480	180	60%
P0206	POPPIES (FARNBOROUGH) LTD	Office Cleaning	46,560	40,008	29,592	69,600	23,040	49%
P0208	SECOM PLC	Site Security	11,496	11,904	3,507	15,411	3,915	34%
P0209		Site Access	0	0	0	0	0	
P0210	N/a	Drawings	1,000	3,412	688	4,100	3,100	310%
P0211	N/a	Plant hire	1,500	32,435	(29,935)	2,500	1,000	67%
P0215	N/a	Communication mailing	12,000	11,729	3,271	15,000	3,000	25%
P0216	N/a	Signage	10,000	13,569	4,431	18,000	8,000	80%
P0217	N/a	Courier	0	1,493	1,507	3,000	3,000	
P0800	N/a	Bond	41,550	26,743	14,806	41,450	(100)	0%
P0805	N/a	MoD building - business rate	0	22,339	0	22,339	22,339	
P0806	N/a	MoD building - utility bills	50,000	82,678	(2,678)	80,000	30,000	60%
P0810	N/a	Bank Charges	0	1	0	1	1	
P0815	N/a	MoD Buildings	0	0	10,500	10,500	10,500	
P0820	N/a	Insurance	544,934	561,882	554,159	1,116,041	571,107	105%
P0900		Interest	0	0	0	0	0	
P0910	N/a	Inflation	3,254,692	617	(617)	0	(3,254,692)	-100%
RE0010		Project Contingency	7,246,960	2,000	(2,000)	0	(7,246,960)	-100%
PR0100		Development Risk			6,731,385	6,731,385	6,731,385	
		Excluded	(12,006,839)				12,006,839	-100%
		<b>TOTAL</b>	<b>115,328,366</b>			<b>133,891,175</b>	<b>18,562,809</b>	

**APPENDIX B**

**INVOICE SCHEDULE - ITEM REF DC513 - GL HEARN LIMITED - Planning Consultant Fees**



APPENDIX B

DC513

GL HEARN LIMITED Planning Consultant Fees

Ref Nr	Invoice Date	Nr	Fee	Expenses	Disbursements	Total	
1	31/10/2014	551	10,000.00	-	10,000.00		
2	31/12/2014	600	4,437.50	-	-	4,437.50	
2	30/01/2015	615	912.50	143.68	-	1,056.18	
2	28/11/2014	586	6,750.00	668.90	7,418.90		
3	27/02/2015	639	10,000.00	-	-	10,000.00	
4	31/03/2015	664	10,000.00	224.88	10,224.88		
5	30/04/2015	276	7,500.00	141.00	-	7,641.00	
6	31/05/2015	290	10,000.00	1,263.90	-	11,263.90	
7	30/06/2015	303	6,500.00	164.50	-	6,664.50	
8	31/08/2015	326	2,000.00	250.20	-	2,250.20	
8	30/09/2015	338	5,710.00	-	-	5,710.00	
9	30/10/2015	351	5,710.00	293.00	-	6,003.00	
10	30/11/2015	363	5,710.00	907.80	-	6,617.80	
11	31/12/2015	382	5,710.00	882.68	-	6,592.68	
12	29/01/2016	385	5,710.00	885.28	-	6,595.28	
13	29/02/2016	399	6,325.00	984.86	-	7,309.86	
14	08/03/2016	404	5,812.50	-	-	5,812.50	
14	31/03/2016	412	11,750.00	324.89	-	12,074.89	
15	29/04/2016	424	11,750.00	584.00	-	12,334.00	
16	29/05/2016	435	11,750.00	-	-	11,750.00	
17	29/06/2016	453	11,750.00	475.60	-	12,225.60	
18	29/07/2016	461	11,750.00	1,223.04	-	12,973.04	
19	31/08/2016	473	11,750.00	97.00	-	11,847.00	
20	31/09/2016	485	11,750.00	107.80	-	11,857.80	
21	31/10/2016	513	16,500.00	371.00	-	16,871.00	
21	17/11/2016	12871	-	-	4,500.00	4,500.00	Pro Forma
22	02/12/2016	N/A	-	-	-	-	??
23	30/11/2016	520	16,500.00	3,326.10	-	19,826.10	

24	30/12/2016	539	16,500.00	-	-	16,500.00	
25	31/01/2017	558	16,500.00	-	-	16,500.00	
26	28/02/2017	587	16,500.00	-	-	16,500.00	
27	27/03/2017	362	1,500.00	-	-	1,500.00	
27	27/03/2017	409	16,500.00	-	-	16,500.00	
28	25/04/2017	1167	16,500.00	64.40	194.00	16,758.40	
29	31/05/2017	1896	16,500.00	16.50	150.00	16,666.50	
30	30/07/2017	2862	16,500.00	43.66	975.00	17,518.66	Skanska figure = £17,500.00 but total is correct
30	30/07/2017	2868	1,750.00	-	97.00	1,847.00	
31	24/07/2017	3487	16,500.00	208.56	291.00	16,999.56	
32	23/08/2017	4368	16,500.00	-	-	16,500.00	
33	26/09/2017	5255	16,500.00	-	97.00	16,597.00	Disbursements separated
34	26/10/2017	6014	16,500.00	-	777.00	17,277.00	Disbursements separated
35	20/12/2017	6992	16,500.00	1,958.80	-	18,458.80	Invoice number corrected / Expenses separated
36	28/02/2018	7598/7586	16,500.00	751.44	-	17,251.44	Invoice number added / Expenses separated
37	28/03/2018	8943	16,500.00	-	-	16,500.00	Invoice number added
38	13/06/2018	10348/11099	16,500.00	3,082.18	1,160.00	20,742.18	Invoice number added / Expenses separated / Disbursements separated
39	20/06/2018	11346	16,500.00	-	623.94	17,123.94	Invoice number added / Disbursements separated
40	28/06/2018	12180	16,500.00	-	432.03	16,932.03	Invoice number added / Disbursements separated
41	04/07/2018		-	-	-	-	??
42	25/07/2018		17,223.00	-	-	17,223.00	
43	29/08/2018	135706	16,500.00	54.60	816.00	17,370.60	Invoice number added / Expenses separated / Disbursements separated
44	03/10/2018	14408	14,500.00	156.38	232.00	14,888.38	Invoice number added / Expenses separated / Disbursements separated
45	07/11/2018	15478	16,500.00	228.64	350.00	17,078.64	Invoice number added / Expenses separated / Disbursements separated
46	05/12/2018	16930	-	-	18,332.00	18,332.00	Invoice number added / Disbursements separated
47	28/11/2018	16530	8,250.00	59.40	-	8,309.40	Invoice number added / Expenses separated
48	23/01/2019	17518	16,500.00	318.20	-	16,818.20	Invoice number added / Expenses separated
49	20/03/2019	18542/19906	33,000.00	-	272.00	33,272.00	Invoice number added / Disbursements separated
50	17/04/2019	19385	8,250.00	-	149.00	8,399.00	Invoice number added / Disbursements separated
51	18/06/2019		16,500.00	-	-	16,500.00	
52	14/08/2019		40,198.66	-	-	40,198.66	
53	29/08/2019		8,250.00	-	-	8,250.00	
54	02/10/2019		9,528.40	-	-	9,528.40	
55	24/10/2019		16,649.08	-	-	16,649.08	
56	27/11/2019	24178	8,250.00	54.65	259.00	8,563.65	Invoice number added / Expenses separated / Disbursements separated
57	18/12/2019	24469	16,500.00	10.60	141.00	16,651.60	Invoice number added / Expenses separated / Disbursements separated

58	29/01/2020	25421	12,375.00	93.98	141.00	12,609.98	Invoice number added / Expenses separated / Disbursements separated
59	26/02/2020	25775	4,125.00	-	-	4,125.00	Invoice number added
60	29/04/2020	28937	8,250.00	-	-	8,250.00	Invoice number added
61	03/06/2020		8,316.80	-	-	8,316.80	
62	24/06/2020		12,375.00	-	-	12,375.00	
63	29/07/2020		8,250.00	-	-	8,250.00	
64	26/08/2020		8,250.00	-	-	8,250.00	
65	09/09/2020		8,383.22	-	-	8,383.22	
66	30/09/2020		8,250.00	-	-	8,250.00	
67	28/10/2020		8,250.00	-	-	8,250.00	
68	25/11/2020		8,250.00	-	-	8,250.00	
69	16/12/2020		9,759.00	-	-	9,759.00	
70	03/02/2021		12,375.00	-	-	12,375.00	
71	24/02/2021		10,866.00	-	-	10,866.00	

TOTALS            882,461.66    20,422.10            29,988.97    932,872.73

Skanska reported figures    **914,012.20**    **13,653.23**    **6,207.00**    **932,872.43**

**APPENDIX C**

**BCIS ABSTRACT - ITEM REF EN0018 - Schedule of Rates for Services Trench**

APPENDIX C

EN0018 SKANSKA CONST UK LTD T/A IS Utility Trench

Schedule of rates



H9440\_04052021121235

H9440\_04052021121235

**Note**

**Date created** 04-May-2021 12:12:41 **Date accessed** 04-May-2021 12:12:41

**Adjustment selection**

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**Inflation factor** (using all in TPI)

Current: 1Q2021 (328)

Base: 1Q2021 (328)

**Location factor**

Current: Surrey Heath ( 117; sample 14 )

Base: Surrey Heath ( 117; sample 14 )

**Contract value adjustment**

Current: 3,500,000

Base: 3,500,000

**Other adjustment**

Preliminaries (0% assumed in abstract) Preliminaries 0%

Overheads and profit (0% assumed in abstract) Overheads and profit 0%

Abstract items

Code	Description	Quantity	Unit	Rate	Total	Adjustment
BCIS SMM7 Major Work Estimating Prices 2021						
P	BUILDING FABRIC SUNDRIES					
PH	P30 TRENCHES/PIPEWAYS/PITS FOR BURIED ENGINEERING SERVICES					
PH001	Excavating trenches by machine (JCB) to receive service pipes, cables, conduits and the like; starting at reduced ground level; grading bottoms; backfilling completely with excavated material					
PH002	Trenches; average depth:					
PH002P	1250 mm; width: 900 mm	1	m	22.83	22.83	1.17
PH003	Timber earthwork support to service trenches, to sides of opposing faces not exceeding 2.00 m apart, maximum depth not exceeding 1.00 m, in					
PH006A	Loose ground, running sand and the like	1	m <sup>2</sup>	20.63	20.63	1.17
PH007	Machine loading (Cat) from spoil heaps or from side of excavation					
PH008	Disposal of excavated material by removing from site to tip and paying tipping charges, average distance from site:					
PH008D	20 km	1	m <sup>3</sup>	55.11	55.11	1.17
PH013	Extra over for backfilling trenches for Filling by machine (JCB); compacting with whacker in 250 mm layers; imported materials					
PH014A	Imported granular material, 19 mm down (compacting with whacker)	1	m <sup>3</sup>	73.63	73.63	1.17
PH019	Granular material, MOT, grade 1:					
PH025	Bed and covering (volumes include pipes):					
PH025F	600 mm wide x 425 mm thick to 2 Nr 100 mm pipes (0.255)	1	m	28.41	28.41	1.17
PH026	Ducting; ring seal joints; PVCu circular ducting;					
PH030	6" nominal size:					
PH030A	laying in trenches	1	m	32.05	32.05	1.17
<b>Abstract: H9440_04052021121235</b>				<b>Total: 232.64</b>		

**APPENDIX D**

**SUMMARY OF FINANCIAL IMPLICATIONS**

## APPENDIX D

Package Ref	Sub-Contractor/Supplieerr/Consl Works		Anticipated Final Cost SKANSKA	Financial Implications of Analysis Reasons	Cost £	Proposed Anticipated Final Cost
DC402	HYDROCK CONSULTANTS LTD	Site Invetigation/Soil Report	1,692,728	None		1,692,728
DC404	EHDC	Planning Relationship Meeting Facilitator	190,512	<i>Awaiting Responses - but none expected</i>		190,512
DC513	GL HEARN LIMITED	Planning Consultant Fees	1,032,911	<i>Awaiting Responses - Removal of Double Counting</i>	(10,789)	1,022,122
DC520	ODYSSEY MARKIDES LLP	Civil/Infrastructure Engineer Fees	1,846,064	<i>Awaiting Responses - but none expected</i>		1,846,064
DC524	SMS ENERGY SERVICES LIMITED	Utilities Design	938,874	None		938,874
DC714	SURREY COUNTY COUNCIL	S278 Agreement - Commuted Sum	2,860,070	<i>Awaiting Responses - but none expected</i>		2,860,070
DC901		Security	342,800	Additional month/Skanska margin	45,230	388,030
DCF03		Disposal Fees	1,405,705	None		1,405,705
DCM01	STUDIO HIVE LIMITED	Development Management	900,880	<i>Awaiting Responses - but none expected</i>		900,880
UIT001	SOUTHERN ELECTRIC POWER DISTRI	Electrical Services	1,800,118	<i>Awaiting Responses - but none expected</i>		1,800,118
UTI004	VIRGIN MEDIA LTD	Telecommunication Diversion	362,217	<i>Awaiting Responses - but none expected</i>		362,217
UTO007	SOUTH EAST WATER LTD	Water Supply	1,589,683	<i>Awaiting Responses - but none expected</i>		1,589,683
UTI0012		Off site HV Reinforcement	1,653,841	None		1,653,841
UTI0022	SPECIALIST POWER ENG CONTR LTD	Electrical Connections	478,530	<i>Awaiting Responses - but none expected</i>		478,530
EN0011	SKANSKA CONST UK LTD T/A IS	Japanese Knotweed	795,927	Worst case FA Forecast/Contingency reduced to 5%	(2,040)	793,887
EN0018	SKANSKA CONST UK LTD T/A IS	Utility Trench	1,899,428	Worst case FA Forecast/Contingency increased to 5%	182,215	2,081,643
EN0019	SKANSKA CONST UK LTD T/A IS	Site Set Up	1,070,088	Worst case FA Forecast/Additional month's costs added	(111,047)	959,041
EN0020		Upgrade of existing DIO Roads	2,147,582	Skanska margin added	320,586	2,468,168
EN0027	SKANSKA CONST UK LTD T/A IS	Rising Main & Pump Station (South SANGS)	579,119	Worst case FA Forecast/Costs to come removed	(3,286)	575,833
EN0028	SKANSKA CONST UK LTD T/A IS	Site Wide Demolition	822,187	None		822,187
EN0029	SKANSKA CONST UK LTD T/A IS	Site Wide Remediation	3,952,679	Worst case FA Forecast	262,665	4,215,344
EN0032		Upgrade of Blackdown Road	1,296,597	Contingency reduced to 5%	(26,729)	1,269,868
EN0110		Phase 2 Parcels (inside wire and sports hub)	592,558	Contingency reduced to 5%	(39,644)	552,914
INO1000	SKANSKA CONST UK LTD T/A IS	Northern Access Roundabout	1,900,063	Worst case FA Forecast	10,861	1,910,924
INO1100	SKANSKA CONST UK LTD T/A IS	Spine Road	7,000,591	Worst case FA Forecast/Contingency unchanged	74,443	7,075,034
INO1200		Environmental Improvements Works to Deepcut Bridge Road	1,007,922	Contingency increased to 5%	4,639	1,012,561
INO1300	SKANSKA CONST UK LTD T/A IS	Red Rd/Maultway/Upper Chobham Rd - Improvements	1,801,838	Worst case FA Forecast/Budget for unforeseen reduced	335,993	2,137,831
INO1700	SKANSKA CONST UK LTD T/A IS	Frith Hill cycle path to Tomlinscote School	491,812	Worst case FA Forecast/Contingency unchanged	33,506	525,318
INO2000		Loop Road	3,436,559	Contingency reduced to 5%	(33,022)	3,403,537



## APPENDIX D

Package Ref	Sub-Contractor/Supplieerr/Consl Works	Anticipated Final Cost SKANSKA	Financial Implications of Analysis Reasons	Cost £	Proposed Anticipated Final Cost
IN02100	Frimley Green Rd/ Stuart Rd/Wharf Rd Improvements	1,003,519	Cost Plan corrected/Contingency reduced to 5%	(148,910)	854,609
IN02500	N/a Infrastructure Maintenance	250,000	Amount paid to date corrected/Month already paid removed	(17,965)	232,035
IN02600	OLIVER CONNELL AND SON LIMITED Canal Steps and Substation 2&3 Works	222,609	Costs to come corrected	365,796	588,405
CO0100	Sports Hub	2,670,595	Contingency reduced to 5%	(39,090)	2,631,505
CO0201	SKANSKA BUILDING Primary School Construction	11,223,754	Worst case FA Forecast/Costs to come corrected	583,731	11,807,485
CO0400	St Barbaras Church	1,082,821	Contingency reduced to 5%	(43,526)	1,039,295
OP0100	SKANSKA CONST UK LTD T/A IS SANGS - Central	996,998	Worst case FA Forecast/Costs to come corrected	159,619	1,156,617
OP0200	SANGS - Southern	2,284,703	Cost Plan corrected/Contingency reduced to 5%	(73,046)	2,211,657
OP0300	ANGST	750,000	Contingency reduced to 5%	(45,665)	704,335
OP0400	SKANSKA CONST UK LTD T/A IS Village Green	1,407,731	Costs to come corrected	(4,711)	1,403,020
OP0500	Formal Park	489,134	Margin corrected/Contingency reduced to 5%	(40,211)	448,923
OP0700	Allotments	659,768	Contingency reduced to 5%	(50,644)	609,124
CON005	SANGS Maintenenace South	3,051,373	None		3,051,373
CON006	SANGS Maintenance Central	2,034,249	None		2,034,249
CON014	Sports Hub - Maintenance	1,047,689	None		1,047,689
CON022	Basingstoke Canal Path and upgrade of Canal Towpath	564,451	None		564,451
CON024	Improvements to Bus Routes in the Area	4,080,000	None		4,080,000
CON030	Indexation applicable to s.106	3,387,694	Re-calculated	(145,863)	3,241,831
CON031	SUDS adoption fee	1,500,000	None		1,500,000
PO100	N/a Staff Management Costs	2,799,668	Awaiting Responses - but some expected - Allowance of 10%	(279,967)	2,519,701
PO102	N/a Staff Project Team	10,003,237	Awaiting Responses - but some expected - Allowance of 10%	(1,000,324)	9,002,913
PO106	SKANSKA CONST UK LTD T/A IS Management Core Team (IS)	4,700,000	Awaiting Responses - but some expected - Allowance of 10%	(470,000)	4,230,000
PO820	N/a Insurance	1,116,041	None		1,116,041
PRO100	Development Risk	6,731,385	None		6,731,385
<b>TOTAL COST OF PACKAGES ANALYSED</b>			<b>£ 109,947,302.00</b>	<b>TOTAL NET EFFECT</b>	<b>(207,194)</b>

**APPENDIX E**

**BCIS RPIX – ITEM REF CON030 – S106 Indexation**

**All Items RPI Excluding Mortgage Interest Payments #1340**  
(RPIX)

Base date: 13 Jan 1987=100 | Updated: 21-Apr-2021 | #1340

Date	Index	Status	Percentage change		
			On year	On quarter	On month
Jan-2013	245.1		3.3%	0.2%	-0.4%
Feb-2013	246.9		3.2%	0.8%	0.7%
Mar-2013	248.0		3.2%	0.8%	0.4%
Apr-2013	248.8		2.9%	1.5%	0.3%
May-2013	249.2		3.1%	0.9%	0.2%
Jun-2013	249.0		3.3%	0.4%	-0.1%
Jul-2013	249.0		3.2%	0.1%	0.0%
Aug-2013	250.3		3.3%	0.4%	0.5%
Sep-2013	251.2		3.2%	0.9%	0.4%
Oct-2013	251.2		2.7%	0.9%	0.0%
Nov-2013	251.5		2.7%	0.5%	0.1%
Dec-2013	252.8		2.8%	0.6%	0.5%
Jan-2014	251.9		2.8%	0.3%	-0.4%
Feb-2014	253.6		2.7%	0.8%	0.7%
Mar-2014	254.3		2.5%	0.6%	0.3%
Apr-2014	255.2		2.6%	1.3%	0.4%
May-2014	255.4		2.5%	0.7%	0.1%
Jun-2014	255.8		2.7%	0.6%	0.2%
Jul-2014	255.5		2.6%	0.1%	-0.1%
Aug-2014	256.5		2.5%	0.4%	0.4%
Sep-2014	257.1		2.3%	0.5%	0.2%
Oct-2014	257.2		2.4%	0.7%	0.0%
Nov-2014	256.6		2.0%	0.0%	-0.2%
Dec-2014	257.0		1.7%	0.0%	0.2%
Jan-2015	254.8		1.2%	-0.9%	-0.9%
Feb-2015	256.2		1.0%	-0.2%	0.5%
Mar-2015	256.6		0.9%	-0.2%	0.2%
Apr-2015	257.5		0.9%	1.1%	0.4%
May-2015	258.1		1.1%	0.7%	0.2%
Jun-2015	258.5		1.1%	0.7%	0.2%
Jul-2015	258.2		1.1%	0.3%	-0.1%
Aug-2015	259.5		1.2%	0.5%	0.5%
Sep-2015	259.3		0.9%	0.3%	-0.1%
Oct-2015	259.2		0.8%	0.4%	0.0%
Nov-2015	259.4		1.1%	0.0%	0.1%
Dec-2015	260.3		1.3%	0.4%	0.3%

Date	Index	Status	Percentage change		
			On year	On quarter	On month
Jan-2016	258.4		1.4%	-0.3%	-0.7%
Feb-2016	259.7		1.4%	0.1%	0.5%
Mar-2016	260.8		1.6%	0.2%	0.4%
Apr-2016	261.1		1.4%	1.0%	0.1%
May-2016	261.9		1.5%	0.8%	0.3%
Jun-2016	262.9		1.7%	0.8%	0.4%
Jul-2016	263.2		1.9%	0.8%	0.1%
Aug-2016	264.5		1.9%	1.0%	0.5%
Sep-2016	264.9		2.2%	0.8%	0.2%
Oct-2016	265.0		2.2%	0.7%	0.0%
Nov-2016	265.8		2.5%	0.5%	0.3%
Dec-2016	267.4		2.7%	0.9%	0.6%
Jan-2017	265.8		2.9%	0.3%	-0.6%
Feb-2017	268.8		3.5%	1.1%	1.1%
Mar-2017	269.7		3.4%	0.9%	0.3%
Apr-2017	271.1		3.8%	2.0%	0.5%
May-2017	272.1		3.9%	1.2%	0.4%
Jun-2017	272.8		3.8%	1.1%	0.3%
Jul-2017	273.4		3.9%	0.8%	0.2%
Aug-2017	275.4		4.1%	1.2%	0.7%
Sep-2017	275.7		4.1%	1.1%	0.1%
Oct-2017	276.0		4.2%	1.0%	0.1%
Nov-2017	276.4		4.0%	0.4%	0.1%
Dec-2017	278.5		4.2%	1.0%	0.8%
Jan-2018	276.5		4.0%	0.2%	-0.7%
Feb-2018	278.6		3.6%	0.8%	0.8%
Mar-2018	278.8		3.4%	0.1%	0.1%
Apr-2018	280.2		3.4%	1.3%	0.5%
May-2018	281.3		3.4%	1.0%	0.4%
Jun-2018	282.1		3.4%	1.2%	0.3%
Jul-2018	282.3		3.3%	0.7%	0.1%
Aug-2018	284.7		3.4%	1.2%	0.9%
Sep-2018	284.7		3.3%	0.9%	0.0%
Oct-2018	284.9		3.2%	0.9%	0.1%
Nov-2018	285.0		3.1%	0.1%	0.0%
Dec-2018	286.0		2.7%	0.5%	0.4%
Jan-2019	283.4		2.5%	-0.5%	-0.9%
Feb-2019	285.4		2.4%	0.1%	0.7%
Mar-2019	285.5		2.4%	-0.2%	0.0%
Apr-2019	288.7		3.0%	1.9%	1.1%
May-2019	289.6		3.0%	1.5%	0.3%

Date	Index	Status	Percentage change		
			On year	On quarter	On month
Jun-2019	290.1		2.8%	1.6%	0.2%
Jul-2019	290.0		2.7%	0.5%	0.0%
Aug-2019	292.2		2.6%	0.9%	0.8%
Sep-2019	291.5		2.4%	0.5%	-0.2%
Oct-2019	291.0		2.1%	0.3%	-0.2%
Nov-2019	291.5		2.3%	-0.2%	0.2%
Dec-2019	292.4		2.2%	0.3%	0.3%
Jan-2020	291.2		2.8%	0.1%	-0.4%
Feb-2020	292.6		2.5%	0.4%	0.5%
Mar-2020	293.3		2.7%	0.3%	0.2%
Apr-2020	293.2		1.6%	0.7%	0.0%
May-2020	293.3		1.3%	0.2%	0.0%
Jun-2020	293.9		1.3%	0.2%	0.2%
Jul-2020	295.4		1.9%	0.8%	0.5%
Aug-2020	294.5		0.8%	0.4%	-0.3%
Sep-2020	295.5		1.4%	0.5%	0.3%
Oct-2020	295.5		1.5%	0.0%	0.0%
Nov-2020	294.7		1.1%	0.1%	-0.3%
Dec-2020	296.6		1.4%	0.4%	0.6%
Jan-2021	295.8		1.6%	0.1%	-0.3%
Feb-2021	297.2		1.6%	0.8%	0.5%
Mar-2021	298.1		1.6%	0.5%	0.3%

**APPENDIX F**

**SCHEDULE OF SECTION 106 SUMS – ITEM REF CON030 – S106 Indexation**

**MINDENHURST DEVELOPMENT, DEEPCUT VILLAGE - SECTION 106 SCHEDULE**

Skanska WBS Code	Description	Balance Remaining to pay	Approximate Date Due
CON001	Community Hall Contribution	20,000.00	Apr-22
CON002	Healthcare Contribution	331,866.00	Dec-23
CON003	Library Facility Contribution	130,000.00	Dec-23
CON004	Secondary School Education Contribution	-	N/A
CON005	Southern SANGS Maintenance Contribution	3,051,373.20	Jun-24
CON006	Central SANGS Maintenance Contribution	1,784,248.80	Aug-22
CON007	SAMM Contribution	-	N/A
CON008	ANGST Maintenance Contribution	349,229.80	Dec-23
CON009	Village Green - Maintenance	174,614.90	Apr-21
CON010	Formal Park Maintenance	174,614.90	Nov-22
CON011	Other Open Space Maintenance Contributions	542.00	Oct-23
CON012	LAPS Maintenance Contribution - Phase 1	128,680.00	May-23
CON012	LAPS Maintenance Contribution - Phase 3	128,680.00	Jul-26
CON013	Allotments Maintenance Contribution	40,000.00	Nov-22
CON014	Sports Hub Maintenance Contribution	1,047,689.40	Jul-23
CON015	Sport England Contribution	300,000.00	Dec-23
CON016	LEAP Maintenance Contribution	480,000.00	Jul-26
CON017	Blackdown Road Play Areas Contribution	40,000.00	Aug-22
CON018	Basingstoke Canal Contribution - Borehole to supplement the water supply to the Canal	50,000.00	Dec-23
CON019	Travel Plan Monitoring Fee	-	?
CON020	Travel Plan for the Development Monitoring Fee	-	Jun-19
CON021	Brookwood Station Cycle Parking Contribution	25,000.00	Jun-21
CON022	Basingstoke Canal Towpath Agreement - Canal Towpath Works	-	N/A
CON023	Highways Safety Contribution	-	N/A

Jul-13	Mar-21	Historical Average per month =	0.194414%
249.0	298.1	0.197188755	
		<b>Months</b>	
	3,943.78	13	505.48
	65,440.24	33	21,291.40
	25,634.54	33	8,340.36
	601,696.48	39	231,359.57
	351,833.80	17	58,970.10
	68,864.19	33	22,405.40
	34,432.09	1	339.48
	34,432.09	20	6,789.52
	106.88	31	32.67
	25,374.25	26	6,504.47
	25,374.25	64	16,011.00
	7,887.55	20	1,555.31
	206,592.57	28	57,031.94
	59,156.63	33	19,246.99
	94,650.60	64	59,723.98
	7,887.55	17	1,322.02
	9,859.44	33	3,207.83
	4,929.72	3	145.81

MINDENHURST DEVELOPMENT, DEEPCUT VILLAGE - SECTION 106 SCHEDULE

Skanska WBS Code	Description	Balance Remaining to pay	Approximate Date Due
CON024	Bus Contribution Payment 1	240,000.00	Apr-21
CON024	Bus Contribution Payment 2	480,000.00	Apr-22
CON024	Bus Contribution Payment 3	480,000.00	Feb-23
CON024	Bus Contribution Payment 4	480,000.00	Nov-23
CON024	Bus Contribution Payment 5	480,000.00	Sep-24
CON024	Bus Contribution Payment 6	480,000.00	Jan-25
CON024	Bus Contribution Payment 7	480,000.00	Jun-25
CON024	Bus Contribution Payment 8	480,000.00	Mar-25
CON024	Bus Contribution Payment 9	480,000.00	Mar-26
CON025	Bellow Road Closure Contribution	-	N/A
CON026	Monitoring Payment	-	N/A
CON031	SUDS adoption fee	1,500,000.00	???
N/A	Waste and Recycling Contributions		N/A

Jul-13                  Mar-21                  Historical Average per month =                  0.194414%

249.0

298.1

0.197188755

Months

47,325.30	1	466.59
94,650.60	13	12,131.43
94,650.60	23	21,463.31
94,650.60	32	29,861.99
94,650.60	42	39,193.86
94,650.60	46	42,926.61
94,650.60	51	47,592.55
94,650.60	48	44,792.99
94,650.60	60	55,991.23

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Total to March 2021 £ 2,432,626.75      Total beyond March 2021 £ 809,203.89  
 Total beyond March 2021 £ 809,203.89  
**TOTAL £ 3,241,830.64**



**APPENDIX G**

**CALCULATION OF MONTHLY CHANGES TO RPIX – ITEM REF CON030 – S106 Indexation**

<b>Series:</b>	<b>All Items RPI Excluding Mortgage Interest Payments RPIX</b>
Series number:	1340
Base:	13 Jan 1987=100
Last updated:	21-Apr-2021
Notes:	Source: National Statistics
Downloaded:	12-May-2021 19:04

Date	Index	Month on Month	Date	Index	Month on Month	Date	Index	Month on Month
Jan-2013	245.1		Jun-2016	262.9	0.38%	Nov-2019	291.5	0.17%
Feb-2013	246.9	0.73%	Jul-2016	263.2	0.11%	Dec-2019	292.4	0.31%
Mar-2013	248.0	0.45%	Aug-2016	264.5	0.49%	Jan-2020	291.2	-0.41%
Apr-2013	248.8	0.32%	Sep-2016	264.9	0.15%	Feb-2020	292.6	0.48%
May-2013	249.2	0.16%	Oct-2016	265.0	0.04%	Mar-2020	293.3	0.24%
Jun-2013	249.0	-0.08%	Nov-2016	265.8	0.30%	Apr-2020	293.2	-0.03%
Jul-2013	249.0	0.00%	Dec-2016	267.4	0.60%	May-2020	293.3	0.03%
Aug-2013	250.3	0.52%	Jan-2017	265.8	-0.60%	Jun-2020	293.9	0.20%
Sep-2013	251.2	0.36%	Feb-2017	268.8	1.13%	Jul-2020	295.4	0.51%
Oct-2013	251.2	0.00%	Mar-2017	269.7	0.33%	Aug-2020	294.5	-0.30%
Nov-2013	251.5	0.12%	Apr-2017	271.1	0.52%	Sep-2020	295.5	0.34%
Dec-2013	252.8	0.52%	May-2017	272.1	0.37%	Oct-2020	295.5	0.00%
Jan-2014	251.9	-0.36%	Jun-2017	272.8	0.26%	Nov-2020	294.7	-0.27%
Feb-2014	253.6	0.67%	Jul-2017	273.4	0.22%	Dec-2020	296.6	0.64%
Mar-2014	254.3	0.28%	Aug-2017	275.4	0.73%	Jan-2021	295.8	-0.27%
Apr-2014	255.2	0.35%	Sep-2017	275.7	0.11%	Feb-2021	297.2	0.47%
May-2014	255.4	0.08%	Oct-2017	276.0	0.11%	Mar-2021	298.1	0.30%
Jun-2014	255.8	0.16%	Nov-2017	276.4	0.14%			
Jul-2014	255.5	-0.12%	Dec-2017	278.5	0.76%			
Aug-2014	256.5	0.39%	Jan-2018	276.5	-0.72%			
Sep-2014	257.1	0.23%	Feb-2018	278.6	0.76%			
Oct-2014	257.2	0.04%	Mar-2018	278.8	0.07%			
Nov-2014	256.6	-0.23%	Apr-2018	280.2	0.50%			
Dec-2014	257.0	0.16%	May-2018	281.3	0.39%			
Jan-2015	254.8	-0.86%	Jun-2018	282.1	0.28%			
Feb-2015	256.2	0.55%	Jul-2018	282.3	0.07%			
Mar-2015	256.6	0.16%	Aug-2018	284.7	0.85%			
Apr-2015	257.5	0.35%	Sep-2018	284.7	0.00%			
May-2015	258.1	0.23%	Oct-2018	284.9	0.07%			
Jun-2015	258.5	0.15%	Nov-2018	285.0	0.04%			
Jul-2015	258.2	-0.12%	Dec-2018	286.0	0.35%			
Aug-2015	259.5	0.50%	Jan-2019	283.4	-0.91%			
Sep-2015	259.3	-0.08%	Feb-2019	285.4	0.71%			
Oct-2015	259.2	-0.04%	Mar-2019	285.5	0.04%			
Nov-2015	259.4	0.08%	Apr-2019	288.7	1.12%			
Dec-2015	260.3	0.35%	May-2019	289.6	0.31%			
Jan-2016	258.4	-0.73%	Jun-2019	290.1	0.17%			
Feb-2016	259.7	0.50%	Jul-2019	290.0	-0.03%			
Mar-2016	260.8	0.42%	Aug-2019	292.2	0.76%			
Apr-2016	261.1	0.12%	Sep-2019	291.5	-0.24%			
May-2016	261.9	0.31%	Oct-2019	291.0	-0.17%			

**Average per month 0.194414%**

**APPENDIX H**

**CALCULATION OF REVISED COSTS FOR FINAL SUMMARY**

APPENDIX H:  
CALCULATION OF REVISED COSTS FOR FINAL SUMMARY

FVA October 2020				£ 133,891,265
Packages analysed	Saving found (from Appendix D)			-£ 207,194
	=	0.188%	of value of packages analysed	
Total Value	£	133,891,265		
Value of packages analysed	£	109,947,302		
Value of packages not analysed	£	23,943,963	0.188%	-£ 45,122

Reduction in Land Value / The use and/or misuse of the land by the former user (Paragraph 5.6).

Packages Analysed	Works			
ENO011	Japanese Knotweed	£	793,887	
ENO029	Site Wide Remediation	£	4,215,344	
PR0100	Item 1 Contamination	£	3,480,000	
PR0100	Item 5 Japanese Knotweed	£	77,500	
PR0100	Item 22 UXO	£	35,500	£ 8,602,231
Preliminaries	Allow 15%			£ 1,290,335
Other Packages				
DC413	UXO Survey	£	256,527	
DC600	Supervision for JK Removal	£	12,592	
DCP01	Japanese Knotweed	£	12,375	
EN0022	Asbestos Removal	£	124,659	£ 406,153
Preliminaries	Allow 15%			£ 60,923
				SUB -TOTAL -£ 10,359,642

Costs from Report 16th February 2021

Developer's Risk.

Item 5.5 a)	items within the control of the Developer.	£ 2,408,067
Item 5.5 b)	items outside the control of the Developer.	N/A

Escalation

Item 5.5 c)	items outside the control of the Developer.	N/A
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SUB -TOTAL -£ 2,408,067

**REVISED TOTAL SCHEME COSTS £ 120,871,240**

20/0913/OOU

**Reg. Date**

15 February 2021

Frimley

<b>LOCATION:</b>	45 And Land To The Rear Of 43 And 47, Station Road, Frimley, Camberley, Surrey, GU16 7HE,
<b>PROPOSAL:</b>	Outline application for the erection of a three storey building to provide 19 no one and 6 no two bedroom flats together with associated parking and access, following the demolition of the existing house.
<b>TYPE:</b>	Outline
<b>APPLICANT:</b>	C/O Agent
<b>OFFICER:</b>	Mr Duncan Carty

**This application is being reported to the Planning Applications Committee because it is a major development. The application is subject to a non-determination appeal and so the Planning Inspectorate is now the determining authority.**

#### **RECOMMENDATION: WOULD HAVE REFUSED**

##### **1.0 SUMMARY**

- 1.1 This application relates to a non-determination appeal for the erection of a three storey building to provide 25 flats following the demolition of an existing dwelling. The application is in outline with all matters reserved. However, schematic details of layout only have been provided. The proposal would be located on 45 Station Road and land to the rear of 43 and 47 Station Road.
- 1.2 The proposal would provide housing in a settlement location where there is a presumption in favour of sustainable development and the proposal would provide a significant amount of housing towards the housing supply position where a 5 year supply of housing (currently 4.85 years supply) is not currently being achieved across the Borough.
- 1.3 However, it is considered that the proposal would result in an overdevelopment of the site with an adverse visual impact on local character, residential amenity, and highway safety. It is also considered that insufficient information has been provided to consider if the proposal would have an adverse impact on flood risk, drainage, ecology and trees. The proposal would not provide sufficient affordable housing or secure sufficient mitigation against the harm to the integrity of the Thames Basin Heaths Special Protection Area. The recommendation is that the Council would have refused this proposal if it had been the determining authority.

##### **2.0 SITE DESCRIPTION**

- 2.1 The site is located on the west side of Station Road in the settlement of Frimley. The 0.09 hectare, T-shaped site incorporates part of the rear garden of No. 43 and part of the former rear garden of No. 47 Station Road (which now forms part of the rear garden of 45 Station Road), as well as No. 45 Station Road. No. 45 Station Road is vacant and the land associated with that property is in an overgrown, unkempt condition. There are a small number of small trees within this overgrown garden.

- 2.2 Land associated with the Lyon Way Business Park lies to the north and west boundary including a wooded area to the north and the rear of a business unit to the west boundary. Major trees are also located close to the rear of the site, within the business park. A brook lies to the north of this wooded area. No. 41 Station Road lies to the south flank with other residential properties in Station Road lying opposite the site. Station Road is a narrow cul-de-sac, ending to the immediate north of No. 47 Station Road without a turning head, and is accessed from Frimley High Street. The site is sustainable, being fairly close to the Frimley centre and rail station. The nearest public car park is in Burrell Road, located about 300 metres to the south of the application site.
- 2.3 Station Road is typified by dwellings (predominantly pre-war) set forward on narrow plots with longer rear gardens. Station Road is bisected by the elevated Frimley flyover, which is the principal route which connects Frimley with Farnborough.
- 2.4 The existing dwelling at No. 45 Station Road is a pre-war detached dwelling, similar in style and size to the adjoining dwellings, Nos. 43 and 47 Station Road, but in itself not worthy of retention. This part of the site has now been vacated.
- 2.5 The site lies within Flood Zones 2 and 3 (medium and high risk) and is a minimum of about 2 kilometres from the nearest part of the Thames Basin Heaths Special Protection Area (Hawley Common). The site falls within the Victorian/Edwardian Subdivisions of the Historic Route Character Area as defined by the Western Urban Area Character SPD 2012.

### **3.0 RELEVANT HISTORY**

The relevant planning history includes:

- 3.1 21/0716/OOU – Outline application for the erection of a three storey building to provide 19 one bedroom and 6 two bedroom flats together with parking and access, following the demolition of existing house

*This application is currently under consideration. This application relates to a similar proposal to the current proposal. This proposal has included alterations to the parking and access arrangements but in all other respects is identical to the current proposal.*

### **4.0 THE PROPOSAL**

- 4.1 This application relates to the erection of a three storey building to provide 19 no one bedroom and 6 no two bedroom flats. The schematic layout indicates that the proposed building would be arranged in a U-shape located towards the rear of the plot. The schematic site layout and second floor layout plan indicates that the front part of the south wing to be two storey with the remainder of the building proposed at a three storey height. The proposed building would be built close to the flank and rear boundaries of the site with a separation of about 22 metres from the rear wall of the retained dwellings (43 and 47 Station Road). An amenity area of about 92 square metres is shown which would be provided to the immediate front of the building, with parking arranged further forward with its access direct onto Station Road.
- 4.2 The schematic drawings indicate that the proposed building would have a maximum depth of 24.1 metres and a maximum width of 24.1 metres. The schematic floor layout of the building indicates that a number of flats would be provided with habitable rooms facing the flanks and rear boundaries of the site, with minimum distances of about 1.2 metres from the south flank, 1.6 metres from the rear boundary and 2 metres from the north boundary of the site. A total of 16 parking spaces are shown on the schematic layout to be provided including 4 spaces immediately in front of the amenity area, 2 spaces within the building (undercroft/garage parking) and 3 spaces opposite, and the remainder provided off the access road and set at an angle to it. The existing dwellings at 43 and 47 Station Road would be retained with garden depths of about 10 and 20 metres, respectively.

4.3 The application is also supported by the following documents:

- Design and Access Statement;
- Biodiversity survey/assessment;
- Flood risk assessment;
- Noise report;
- Drainage details; and
- Land contamination assessment.

Reference will be made to these documents in section 7 of this report, where applicable.

## 5.0 CONSULTATION RESPONSES

- |     |                                     |                                                                                                                                                                      |
|-----|-------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 5.1 | County Highway Authority            | An objection has been raised on highway safety, capacity/impact and parking grounds. <i>Their comments are provided at Annex A.</i>                                  |
| 5.2 | Arboricultural Officer              | An objection is raised on the basis of a lack of information on tree matters.                                                                                        |
| 5.3 | Senior Environmental Health Officer | No objections on land contamination and noise and to mitigate any impacts from noise sources (road/rail).                                                            |
| 5.4 | Natural England                     | No objections, subject to appropriate mitigation being secured to offset any harm to the SPA.                                                                        |
| 5.5 | Local Lead Flood Authority          | An objection is raised on the grounds that insufficient information has been provided and significant issues have been identified regarding drainage and flood risk. |
| 5.6 | Surrey Wildlife Trust               | An objection is raised on the grounds that the report gives no indication of the conductor of the report and their level of experience.                              |
| 5.7 | Environment Agency                  | No comments – refer to standing advice.                                                                                                                              |

## 6.0 REPRESENTATION

- 6.1 A total of 9 no. neighbouring properties were notified of this application on 16 February 2021. A press notice was published in a local newspaper on 24 February 2021. At the time of preparation of the report, 2 no. representations were received in support and 16 objections have been received raising objections for the following reasons:
- 6.2 Impact on character and trees [See section 7.4]
- Out of keeping with the character of the area
  - Overdevelopment
  - Height of development/too high
  - Density of development – does not reflect the prevailing character
  - Loss of trees
  - Loss of amenity
  - Exacerbate an already congested area
  - Close to adjoining properties
  - More space needed on development

- Fails to respect existing spaciousness and broadly linear pattern of development
- Siting, depth, proximity, height, massing would be inappropriate in this location
- Layout and density of building
- Design, appearance and materials
- Landscaping
- Not previously developed land (NPPF definition)
- Effect on listed buildings and conservation area [*Officer comment: There is no nearby listed building or conservation area which would be affected*]

### 6.3 Impact on residential amenity [See section 7.5]

- Loss of privacy/overlooking of gardens and properties
- Loss of light/overshadowing
- Impact on/increase in pollution
- Noise nuisance and disturbance from comings/goings/cars
- Illumination of rear gardens
- Disturbance from car headlights leaving site
- Visual amenity
- Noise impact during construction [*Officer comment: This could be controlled by a construction management plan by condition*]
- Loss of view [*Officer comment: This is not a material planning consideration*]
- Impact from smells [*Officer comment: This is normally controlled under Environmental Health legislation*]

### 6.4 Impact on highway safety [See section 7.6]

- Impact on narrow, residential cul-de-sac
- Insufficient on-site parking and increase in on-street parking
- Loss of parking
- Increase in traffic
- Impact on emergency services and refuse vehicle access
- Inadequate access
- Affect ability to park outside property
- Disabled persons' access
- Impact of construction traffic during construction [*Officer comment: This could be controlled by a construction management plan by condition*]
- Limited height restriction for traffic on Station Road (12'6") under Frimley flyover limiting commercial vehicle access
- Impact compounded by development at 42 Station Road [*Officer comment: This This site was the subject of a refused scheme*]

### 6.5 Other matters

- Impact on flood risk [*See section 7.7*]
- Affect local geology [*Officer comment: No further explanation of this impact has been made*]
- Strain on existing community facilities [*See section 7.8*]



- Increase risk of flooding elsewhere [See section 7.9]
- Potentially contaminated land [See section 7.9]
- Impact on archaeology [*Officer comment: With the site area of 0.089 hectares, the proposal falls under the 0.4 hectare threshold (in Policy DM17 of the CSDMP) where an archaeological report would be required to support this proposal*]
- Impact on wildlife (bats, badgers, hedgehogs, foxes and birds) [See section 7.7]
- Previous refusals on SPA grounds – what has changed? [See section 7.7]
- Impact on solar panels [*Officer comment: No further explanation of this impact has been made*]
- Conflict with local plan [*Officer comment: No further explanation of this impact has been made*]
- General dislike of proposal [*Officer comment: No further explanation of this impact has been made*]
- Previous planning and appeal decisions [*Officer comment: None have been specified*]
- Decrease in property value [*Officer comment: This is not a material planning consideration*]
- Most recent supporter does not now live in Station Road [*Officer comment: This is not a material planning consideration*]
- Other properties, e.g. commercial, could be used to provide housing instead [*Officer comment: Each application has to be considered on its own merits*]
- Information missing from plans/insufficient details provided/where are the detailed drawings [*Officer comment: There is more limited information provided as this relates to an outline application*]
- Wrong information on plans (e.g. 49 Station Road does not exist), existing layout is not up-to-date and there are errors in the design and access statement [*Officer comment: This is noted. It is understood that this relates to the siting of a bungalow which was demolished in the 1990's*]

6.6 The representations in support have made the following comments:

- Excellent development, aesthetically pleasing, great use of land
- Provide much needed housing/affordable accommodation
- Parking objection is hollow and meaningless
- 67 parking spaces available in Station Road to serve 22 homes, which is adequate
- Presumption for development
- Number of businesses being run on Station Road [*Officer comment: None have been specified*]
- Surrounded by industrial development so no loss of amenity
- This is not a sleepy Surrey neighbourhood
- Most of objections are around parking wishing to preserve a way of life and make the Council and public pay for it
- Close to amenities – including Frimley Park Hospital, doctors' surgery, rail station
- Safer access and much needed turning point for Station Road

## **7.0 PLANNING CONSIDERATION**

7.1 The site falls within the settlement of Frimley. The proposal is to be assessed against the National Planning Policy Framework (NPPF) and its associated Planning Practice Guidance (PPG); as well as Policies CP1, CP2, CP5, CP6, CP8, CP9, CP11, CP12, CP14, DM9, DM10, DM11, DM13 and DM17 of the Surrey Heath Core Strategy and Development Management Policies 2012 (CSDMP); and Policy NRM6 of the South East Plan 2009 (as saved) (SEP). In addition, advice in the Residential Design Guide SPD 2017 (RDG); the Western Urban Area Character SPD 2012 (WUAC); the Thames Basin Heaths Special Protection Area Avoidance Strategy SPD 2019 (TBHSPA) and the Planning Practice Guidance (PPG) are also material.

7.2 The main issues in the consideration of this application/non-determination appeal are:

- Principle of the development;
- Impact on the character and appearance of the area;
- Impact on highway safety;
- Impact on residential amenity;
- Impact on the Thames Basin Heaths Special Protection Area;
- Impact on flooding and drainage; and
- Impact on housing mix and affordable housing provision.

Other matters include:

- Impact on local infrastructure;
- Impact on land contamination; and
- Impact on energy sustainability.

### **7.3 Principle of the development**

7.3.1 Policy CP1 of the CSDMP states that new development will be directed in accordance with the spatial strategy which provides the most sustainable approach to accommodating growth within the borough, that new development will come forward largely through the redevelopment of previously developed sites in the western part of the borough. Frimley is acknowledged as being a sustainable location but notes that it has limited potential for housing growth. In this regard it is noted that in the glossary to the NPPF, residential gardens are excluded from the definition of previously developed land.

7.3.2 It is acknowledged that this Council can only demonstrate 4.85 years supply of housing (i.e. below the 5 year (plus buffer) requirement). Whilst the Council cannot currently demonstrate a 5 year housing land supply, and recognising that the site is in a sustainable location, the release of this site for housing should not automatically be accepted, nor be at the expense of the established residential context; the impacts of which are fully considered below.

### **7.4 Impact on the character and appearance of the area**

7.4.1 Paragraph 130 of the NPPF indicates that planning decisions should ensure that developments will function well and add to the overall quality of the area, not just in the short term but over the lifetime of the development; and are visually attractive as a result of good architecture, layout and appropriate and effective landscaping. Decisions should avoid homes being built at low densities and ensure that developments make optimal use of the potential of each site. Paragraph 119 of the NPPF indicates that planning decisions should promote an efficient use of land in meeting the need for homes and other uses. Paragraph 126 of the NPPF indicates that the creation of high quality, beautiful and sustainable buildings and places is fundamental to what planning and development processes should achieve. Good design is a key aspect of sustainable development, creates better places in which to live. Paragraph 131 of the NPPF indicates that trees make an important contribution to the character and quality of urban environments.

- 7.4.2 Policy CP2 of the CSDMP states that new development should be ensure that all land is used efficiently within the context of its surroundings and respect and enhance the quality of the urban, rural, natural and historic environments. Policy DM9 of the CSDMP indicates that development will be acceptable where they respect and enhance the local or natural character of the environment be it in an urban or rural setting, paying regard to scale, materials, massing, bulk and density. Policy DM9 also indicates that development will be acceptable where it protects trees and other vegetation worthy of retention and provides high quality hard and soft landscaping schemes.
- 7.4.3 The WUAC and RDG also emphasise the need for new development to respect, enhance and have regard to distinctive patterns of development and take opportunities to add to the positive features of the area. Principle 6.6 of the RDG states:
- “New residential development will be expected to respond to the size and rhythm of surrounding plot layouts*
- Fine residential plot divisions will be supported and encouraged particularly in intensifying urban areas. Loss of fine grain plots layouts will generally be resisted.*
- Plot boundaries to the front, side and rear will be expected to be clearly and strongly defined. Proposals with weak or absent plot definition and plot layouts that are out of context with the surrounding character will be resisted”*
- 7.4.4 The Guiding Principles of the Victorian/Edwardian subdivisions sub area of the Historic Routes Character Area state that new development should pay particular regard to the need to reflect historic plot divisions, architectural detailing and scale and massing in all development. It also states that buildings with large footprints that include large areas of flat roof will be resisted with the massing of building and roof elevation being broken down to avoid this problem. Positive features of the character area include the retention of many properties from the Victorian/Edwardian era, concentrations of buildings with original Victorian/Edwardian architectural features, plot layouts and building scale and massing and attractive streetscenes with strong enclosure and repetitive rhythms of building proportions, materials and colours. The RDG also sets out standards for new development including guidance on architectural detailing, use of natural light, window design, internal space standards, density and layout.
- 7.4.6 The Station Road streetscene in the vicinity of the site is generally characterised by detached houses with regular spacing and similar building relationships to the street. There are significant separation distances between the dwellings and the Lyon Way Core Employment Area, located to the west and east, of these properties, which is provided by long rear gardens. This gives a feeling of openness and a defined visual break between residential and commercial development which are defining features of this part of Station Road. There is minimal development beyond the rear house elevations. This together with the frontage relationship to Station Road result in strong front and rear building lines which are typical of this part of Station Road.
- 7.4.7 The schematic proposal would be provided in a backland position, set close to the rear of the site, and would provide development across three back gardens. The proposal would provide an access and parking to the front of the site which would dominate the frontage to the street. This does not reflect the frontage development which is characteristic of Station Road, nor the size, shape and rhythm of surrounding plot layouts. The rear position of the development fails to reflect or respect the strong front and rear building lines typical of this area. In addition, the shorter rear garden (and plot) depth for 43 Station Road that would be created by this development would also out of character. The proposal would be completely out of character with the established pattern of development and would result in an incongruous form of development.

- 7.4.8 The proposal would provide a density of development of 280 dwellings per hectare which compares with the prevailing density in the area of 15-20 dwellings per hectare. This uplift in density, even taking into account that the proposal relates to flats, is a good indicator that the proposal would provide an overdevelopment of the site.
- 7.4.9 Whilst the proposed building would be set further back on the plot, it would be visible from the street between the retained houses, 43 and 47 Station Road. The width and depth of this block would be far larger than any of the residential properties in Station Road. In addition, it would appear as a three storey block, which would be one storey higher than the more modestly scaled dwellings on Station Road. The schematic layout plan would indicate that the roof form would include a mix of ridged roofs and crown roofs. The crown roofs would be needed to span the widths of the proposed building, which will add to the massing of development form. The proposal would be likely to over-dominate, and introduce a form of development which is out of character with this streetscene.
- 7.4.10 The proposal has not been supported by a tree report and there would be trees close to the siting of the proposed building, close to the rear boundary and northern flank boundary of the site. These trees, especially to the north of the site, whilst not being protected through a Tree Preservation Order, are visible from a number of locations and positively contribute to the local character, and act as a physical buffer between the residential properties in Station Road and the business park to the north. It is difficult to understand how the development could be built without the loss of some significant trees and is likely to lead to future pressure to reduce/remove further trees where many flats would face these trees and have limited views, if any, beyond. Without details of how the proposal could be provided without harm to retained trees, it is considered that an understanding of such impacts and how this can be mitigated cannot be made. There also appears to be very little space available to plant any replacements. The Council's Arboricultural Officer has raised an objection on these grounds.
- 7.4.11 Noting the location, size and density of the development, it is considered that it would lead to a proposal which would have an adverse visual impact on the character of the area and streetscene. The proposal is considered to be unacceptable and an objection raised on its impact on local character and trees failing to comply with Policies CP2 and DM9 of the Surrey Heath Core Strategy and Development Management Policies 2012.

## **7.5 Impact on residential amenity**

- 7.5.1 Paragraph 127 of the NPPF states that planning decisions should always seek to secure high quality design and a good standard of amenity for all existing and future occupants of land and buildings. Policy DM9 states that development will be acceptable where it respects the amenities of the occupiers of neighbouring properties and uses. It is necessary to take into account matters such as overlooking, overshadowing, loss of light and an overbearing or unneighbourly built form. Principle 8.3 of the RDG states that the occupants of new dwellings should be provided with good quality daylight and sun access, and that developments should not result in occupants of neighbouring dwellings suffering from a material loss of daylight and sun access. Principle 8.1 states that new development should have a degree of privacy and should not have a significant adverse effect on the privacy of neighbouring properties. Principle 8.4 sets out the minimum garden space standards.
- 7.5.2 The proposal would provide a three storey form which would face the rear of the retained dwellings, 43 and 47 Station Road, and be close, for its maximum depth, to the flank boundary with 41 Station Road. The likely form would lead to an overbearing and overshadowing impact on the gardens of these properties and, with all of the required habitable room windows in all elevations, result in an overlooking of, and loss of privacy to, these gardens.

- 7.5.3 The proposal would provide a large proportion of habitable rooms with principal (or only) windows being located close to and facing the flank and/or rear site boundaries of the application site. This would provide a poor outlook for future residents, with ground floor windows being located to boundary fencing and upper floor windows facing, in the rear and north flank, elevations facing the rear of a business unit and trees.
- 7.5.4 The schematic layout would indicate that an area of amenity space would be provided for future residents of the scheme. This area would have an area of about 92 square metres in area. However, this level of provision may not meet the requirements of the RDG, particularly in that it would not represent private amenity being at the front of the development, and also whether it would allow sufficient accommodation to allow, in addition, private, separate outside space for ground floor flats.
- 7.5.5 The background noise level at the site is raised due to the proximity of the M3 Motorway, A322 Blackwater Relief Road, Frimley flyover and business park, but the Council's Environmental Health Officer considers that the use of standard double glazing units would minimise noise impacts from within the proposed units. However, the schematic internal layout would include providing windows in the flank and rear elevations with a poor outlook from a large number of habitable rooms (with views towards trees or the business park) which would provide poor living conditions for any future occupants.
- 7.5.6 The proposal would include the provision of an access road and parking close to the flank walls of the retained dwellings, 43 and 47 Station Road. The schematic layout indicates parking and the access road provided close to the flank walls of these retained dwellings. It is noted that there are no windows in the flank wall of 43 Station Road facing the proposal and the flank wall of 47 Station Road is set-in from the flank boundary. Noting the higher background noise levels, and with landscaping shown on the schematic layout, it is not considered that this would, in itself, result in adverse amenity conditions to the occupiers of 43 and 47 Station Road.
- 7.5.7 An objection is therefore raised to the impact of the proposal on residential amenity grounds, with the proposal failing to comply with Policy DM9 of the CSDMP and the NPPF.

## **7.6 Impact on highway safety**

- 7.6.1 Policy DM11 of the CSDMP indicates that development which would adversely impact the safe and efficient flow of the highway network will not be permitted unless it can be demonstrated that measures to reduce or mitigate such impacts to more acceptable levels can be implemented. All development should ensure that safe and well-designed vehicular access and egress is provided. Policy CP11 of the CSDMP indicates that development shall comply with parking standards. The County Highway Authority has raised an objection to the proposal and their comments are set out in Annex A.
- 7.6.2 The proposal would access onto Station Road. This road has a carriageway width of 7.8 metres but suffers from high levels of car parking, due to a lack of off-street parking within the residential plots on Station Road. It is also a cul-de-sac without a turning head which exacerbates traffic issues with this site. The parking provision of this development is 16 parking spaces which provides about one space per two flats. The site is in a sustainable location, being 300 metres from the nearest public car park, and the Frimley centre, and the 400 metres from Frimley rail station.
- 7.6.3 The SCC parking guidelines sets the minimum level of parking for one and two bed flats at one parking space, in all locations. As such, the proposal would provide insufficient levels of parking which would lead to increased pressure on Station Road, prejudicial to highway safety.

- 7.6.4 The County Highway Authority has confirmed that they accept that the site is in a sustainable location that may allow future residents, if the development is allowed and built, to walk to local facilities and may reduce the need for residents to travel by car. However, Frimley is not a major centre and it is likely that future residents would still have ownership of a private vehicle and undertake a proportion of journeys by car.
- 7.6.5 Due to the narrowness of Station Road and the high levels of on-street parking, the parked cars effectively reduce the carriageway to a single lane and there are few spaces to allow vehicles travelling in the opposite direction to pass. Much of the on-street parking is partly on the footway, reducing the footway width and causing a hazard to pedestrians. The proposed development is likely to exacerbate these existing road conditions and increase traffic generation which could interfere with the free flow of traffic along Station Road, and the low level of parking could result in injudicious parking on the adjacent highway and footway, potentially causing danger and inconvenience to pedestrians and other highway users.
- 7.6.6 As such, an objections is raised to the proposal on these grounds with the proposal failing to comply with Policies CP11 and DM11 of the CSDMP and the NPPF.

## **7.7 Impact on the Thames Basin Heaths Special Protection Area and ecology**

- 7.7.1 Policy CP14 of the CSDMP indicates that the Council will only permit development where it is satisfied that this does not give rise to likely significant adverse effect on the Thames Basin Heaths Special Protection Area (SPA). All net residential development within 5 kilometres of the SPA is considered to give rise to the possibility of likely significant effect. No (net) residential development will be permitted within 400 metres of the SPA and proposals for development between 400 metres and 5 kilometres will be required to provide appropriate measures to avoid adverse effects on the SPA, in accordance with the THBSPA. The site lies about 540 metres from the SPA. Policy CP14 confirms that appropriate measures include contributions towards the provision of Suitable Alternative Natural Greenspaces (SANGs) and Strategic Access Management and Monitoring (SAMM) measures. Policy NRM6 of the SEP and the NPPF reflects this policy.
- 7.7.2 Contributions towards SANG are normally delivered through CIL and it is noted that there is a limited SANG capacity available in this part of the Borough. However, with SANG capacity available, no objections on these grounds are raised.
- 7.7.3 SAMM provision falls outside of CIL and therefore has to be provided by an upfront payment or secured through a legal agreement. In this case, SAMM contribution would be £9,933. However, the SAMM contribution has not been secured to date. An objection is raised to the proposal on SPA grounds with the proposal failing to comply with Policy CP14 of the CSDMP; Policy NRM6 of the SEP; the NPPF and guidance within the TBHSPA.
- 7.7.5 Policy CP14 of the CSDMP indicates that the Council will seek to conserve and enhance biodiversity within the Borough and developments that result in harm to or loss of features of interest for biodiversity will not be permitted. Development will where appropriate be required to contribute to the protection, management and enhancement of biodiversity. The site lies close to a wooded area and watercourse.
- 7.7.6 The ecological report provided with the application confirms that there was no evidence of suitable habitat for protected species. The Surrey Wildlife Trust has indicated that the report does not disclose who conducted the surveys, when the survey was undertaken, and the level of experience of the surveyor in conducting ecological surveys. As such, insufficient evidence has been provided to be able to conclude that there would be no harm to ecology from the proposal and an objection is raised on this ground.
- 7.7.7 An objection is raised on biodiversity grounds with the proposal failing to comply with Policy CP14 of the CSDMP and the NPPF.

## **7.8 Impact on flooding and drainage**

- 7.8.1 Policy DM10 of the CSDMP indicates that in order to manage flood risk, a sequential approach to determining planning applications and that development will be expected to reduce the volume and rate of surface water run-off through the incorporation of appropriately designed Sustainable Drainage Systems (SuDS) at a level appropriate to the scale and type of development.
- 7.8.2 The site falls within an area of medium and high flood risk (Zones 2 and 3). In terms of flood risk vulnerability classification in the PPG [Paragraph: 065, Ref Id: 7-065-20140306], residential dwellings are classified as “more vulnerable.” This means that whilst, in principle, residential properties can be located within Zone 2, these are not accepted in Zone 3 under the sequential test set out in the PPG. It is not considered that, if a sequential test were to be applied, that this site should be developed because other less vulnerable sites would be available. It certainly has not been demonstrated that such less vulnerable sites are not available to warrant supporting this scheme on this ground.
- 7.8.3 The Flood Risk Assessment has not taken into consideration its position in the floodplain including its proximity to the brook, which is defined as a main river, and in an area of a high risk of surface water flooding. As such, the groundwater is likely to be shallow in this location, so close to the brook. The Local Lead Flood Authority has advised that the proposal has, in addition and noting the siting within the floodplain, not provided sufficient drainage details, to suggest that a drainage strategy that would not lead to increased flood risk on the site or elsewhere can be achieved at the site.
- 7.8.4 As such, objections to the proposal are raised on these grounds with the proposal failing to comply with Policy DM10 of the CSDMP and the NPPF.

## **7.9 Impact on housing mix and affordable housing provision**

- 7.9.1 Policy CP6 of the CSDMP requires developments should be provided with a range of housing which reflect the demand for market housing, across the Borough. The proposed housing mix provides 76% one bedroom and 24% two bedroom units which compares with 10% one bedroom, 40% two bedroom, 40% three bedroom and 10% four bedroom units required across the Borough, as set out in the table which supports Policy CP6. Noting the site location, the proposed mix is considered to be acceptable.
- 7.9.2 Policy CP5 of the CSDMP requires developments of this scale to provide 40% affordable housing. This level of provision has not been secured and as such an objection on these grounds is raised.
- 7.9.3 With no securing of the required on-site affordable housing provision, an objection is raised with the proposal failing to comply with Policy CP5 of the CSDMP and the NPPF.

## **7.10 Other matters**

- 7.10.1 Policy CP12 of the CSDMP indicates that sufficient infrastructure will be provided to support the development proposal. Where funding gaps for infrastructure have been identified, the Council will require developers to make a contribution towards the shortfall in funding. Most of this to be provided through the Council's CIL scheme. This is funded through a levy system and is secured outside of the application process. The current proposal is CIL liable and a charge is to be provided outside of the application process.
- 7.10.2 Policy CP2 of the CSDMP indicates that development will be required to provide measures to improve energy efficiencies and sustainability. The application is at an outline stage and no such details have been provided. As such and if the scheme is allowed, these details can be requested by condition.

- 7.10.3 Paragraphs 183 and 184 of the NPPF indicates that planning decisions should ensure that account is taken of ground conditions and any risks arising from contamination and where a site is affected by contamination, responsibility for securing a safe development rests with the developer and/or land owner. The Senior Environmental Health Officer that, notwithstanding the historic business uses on the adjoining site, there are no land contamination issues with the application site.
- 7.10.4 As indicated in Paragraph 7.3.2 above, the Council cannot currently demonstrate a five year (plus buffer) supply of housing for the Borough. The provision of 25 (net 24) dwellings, in assisting to improve the housing supply, would be seen as a benefit of the proposal. However, to provide such accommodation which is unacceptable for a number of reasons would not, in the planning balance, outweigh the identified harm.
- 7.10.5 This relates to a non-determination appeal for which the decision is to be made by the Planning Inspectorate. The recommendation set out below relates to the decision that would have been made if the Council had been the determining authority.

## **8.0 POSITIVE/PROACTIVE WORKING**

- 8.1 In assessing this application, officers have worked with the applicant in a positive, creative and proactive manner consistent with the requirements of paragraphs 38-41 of the NPPF. This included the following:-
- a) Provided or made available pre-application advice to seek to resolve problems before the application was submitted and to foster the delivery of sustainable development.
  - b) Provided feedback through the validation process including information on the website, to correct identified problems to ensure that the application was correct and could be registered.
  - c) Have suggested/accepted/negotiated amendments to the scheme to resolve identified problems with the proposal and to seek to foster sustainable development.
  - d) Have proactively communicated with the applicant through the process to advise progress, timescale or recommendation.
- 8.2 Under the Equalities Act 2010, the Council must have due regard to the need to eliminate discrimination, harassment or victimisation of persons by reason of age, disability, pregnancy, race, religion, sex and sexual orientation. This planning application has been processed and assessed with due regard to the Public Sector Equality Duty. The proposal is not considered to conflict with this Duty.

## **9.0 CONCLUSION**

- 9.1 The current proposal is considered to be unacceptable in terms of its impact on character, residential amenity and highway safety, with acceptable levels of SAMM and affordable housing not secured to date. In addition, insufficient information has been provided in relation to trees, drainage, flood risk and ecology. It is considered that the proposal is unacceptable and an objection to the non-determination appeal be raised to it.

## **10.0 RECOMMENDATION**

WOULD HAVE REFUSED on the basis of the following reasons:

1. This part of Station Road is characterised by a sense of spaciousness and a linear pattern of development with typically detached dwellings, deep, narrow rear gardens and strong front and rear building lines. The proposed erection of a building with associated amenity spaces in a backland location across the rear of three former gardens having regard to the resulting plot subdivision, likely siting, quantum/density, massing, depth and height of development would result in a harsh and incongruous pattern and form of development, being intrusive, imposing and forming poor



relationships with the neighbouring properties. As such, the proposal would fail to respect and enhance the character, appearance and quality of the area including the Victorian/Edwardian subdivisions of the Historic Routes Character Area, contrary to Policies CP2 and DM9 of the Surrey Heath Core Strategy and Development Management Policies 2012, Guiding Principles VS1 and VS3 of the Western Urban Area Character Supplementary Planning Document 2012, Principles 4.1, 6.2, 6.6, 7.1, 7.4, 7.5, 7.8 and 7.9 within the Residential Design Guide Supplementary Planning Document 2017 and the National Planning Policy Framework

2. By virtue of its siting, proximity, depth, height, massing and orientation the proposed building is considered to have a likely unacceptable overbearing and overshadowing impacts on the rear gardens of 41, 43 and 47 Station Road. Furthermore, the proposed windows in the side elevation facing 41 Station Road and the first and second floor windows in the front elevation facing 47 Station Road are considered to give rise to a sense of overlooking and loss of privacy to the residents of these properties. In addition, the likely layout including habitable room windows on all floors located close to site boundaries would lead to a poor outlook for future residents. The schematic layout would provide no meaningful private amenity space for future residents which would lead to unacceptable conditions for future residents. As such, the proposal would result in a material loss of amenity to adjoining residents and would result in unacceptable conditions for future residents that they may reasonably expect to enjoy. The proposal is therefore considered to conflict with Policy DM9 of the Surrey Heath Core Strategy and Development Management Policies 2012 and the Residential Design Guide SPD 2017.
3. It has not been demonstrated how the proposal could be provided without harm to, or loss of, major trees close to the flank and rear boundaries of the site, and how any loss of trees could be mitigated through this development. In addition, noting the likely proximity of a large number of habitable rooms within the development to these trees, it is likely that pressure to reduce/remove further trees will be required in the future. As such, the proposal would be unacceptable due to its likely to harm to trees failing to comply with Policy DM9 of the Surrey Heath Core Strategy and development Management Policies 2012 and the National Planning Policy Framework.
4. It has not been demonstrated that the proposed development would not lead to overspill parking on Station Road adding to existing parking stress and causing conflict with highway users, including pedestrians. The proposed development could therefore prejudice highway safety contrary to Policies CP11 and DM11 of the Surrey Heath Core Strategy and Development Management Policies 2012 and the National Planning Policy Framework.
5. It has not been demonstrated that the proposed development would allow for safe vehicular access to and from the site particularly for emergency and refuse vehicle collection vehicles. The proposed development would therefore prejudice highway safety contrary to Policies CP11 and DM11 of the Surrey Heath Core Strategy and Development Management Policies 2012 and the National Planning Policy Framework.
6. It has not been demonstrated that the proposal has not taken into consideration any potential impact of the development on biodiversity and how any such impacts can be mitigated. As such, the proposal fails to comply with Policy CP14 of the Surrey Heath Core Strategy and Development Management Policies 2012, the National Planning Policy Framework and the ODPM Circular 01/2005: Biodiversity and Geological Conservation - Statutory Obligations and their Impact within the Planning System.
7. The site is located within Flood Zones 2 and 3. In the absence of an acceptable detailed drainage proposal and flood mitigation scheme, it has not been adequately demonstrated that the proposal would be acceptable in flood risk terms in relation to the site and neighbouring properties. It has not been demonstrated that the proposal

has not taken into consideration any potential impact of the development on flood risk, including fluvial risk and risk from surface water and how any such impacts can be mitigated. As such, the proposal fails to comply with Policy DM10 of the Surrey Heath Core Strategy and Development Management Policies 2012 and the National Planning Policy Framework.

8. The Local Planning Authority, following an Appropriate Assessment and in the light of available information, is unable to satisfy itself that the proposal (in combination with other projects) would not have an adverse effect on the integrity of the Thames Basin Heaths Special Protection Area (SPA) and the relevant Site of Specific Scientific Interest (SSSI). In this respect significant concerns remain with regard to the adverse effect on the integrity of the SPA in that there is likely to be an increase in dog walking, general recreational use and damage to the habitat and the protected species within the protected areas. Accordingly, since the Local Planning Authority is not satisfied that Regulation 62 (of the Conservation of Habitats and Species Regulations 2010 (Habitats Regulations) applies in this case then it must refuse the application in accordance with Regulation 61(5) of the Habitats Regulations and Article 6(3) of Directive 92/43/EE. For the same reason the proposal conflicts with the guidance contained within the National Planning Policy Framework and Policy CP14 of the Surrey Heath Core Strategy and Development Management Policies 2012 and Policy NRM6 of the South East Plan 2009 (as saved) and the Thames Basin Heaths Special Protection Area Avoidance Strategy SPD 2019.
9. In the absence of a completed legal agreement under Section 106 of the Town and Country Planning Act 1990, the proposal fails to provide an adequate provision for affordable housing. The application is therefore contrary to the aims and objectives of Policy CP5 of the Surrey Heath Core Strategy and Development Management Policies 2012 and the National Planning Policy Framework.

<b>APPLICATION NUMBER</b>	<b>SU/20/0913</b>
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**DEVELOPMENT AFFECTING ROADS**  
**TOWN AND COUNTRY PLANNING GENERAL DEVELOPMENT ORDER 1992**

**Applicant:** C/O Jonathan Barlow

**Location:** 45 And Land To Rear Of 43 And 47 Station Road, Frimley, Camberley,

**Development:** Outline application for the erection of a three storey building to provide 19 no one and 6 no two bedroom flats together with associated parking and access, following the demolition of the existing house.

<b>Contact Officer</b>	Richard Peplow	<b>Consultation Date</b>	15 February 2021	<b>Response Date</b>	22 April 2021
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The proposed development has been considered by THE COUNTY HIGHWAY AUTHORITY who has assessed the application on safety, capacity and policy grounds and recommends the proposal be refused on the grounds that:

Refusal Reasons

- 1) It has not yet been demonstrated to the satisfaction of the County Highway Authority that the proposed development would not lead to overspill parking on Station Road adding to existing parking stress and causing potential conflict with highway users, including pedestrians. The proposed development could therefore prejudice highway safety, contrary to Policies CP11 and DM11 of the Surrey Heath Core Strategy 2012 and Section 9 of the National Planning Policy Framework 2019.
- 2) It has not yet been demonstrated to the satisfaction of the County Highway Authority that the proposed development would allow for safe vehicular access to and from the site particularly for emergency services and refuse collection vehicles. The proposed development could therefore prejudice highway safety, contrary to Policies CP11 and DM11 of the Surrey Heath Core Strategy 2012 and Section 9 of the National Planning Policy Framework 2019.

POLICY

Policies CP11 and DM11 of the Surrey Heath Core Strategy 2012 and the National Planning Policy Framework 2019.

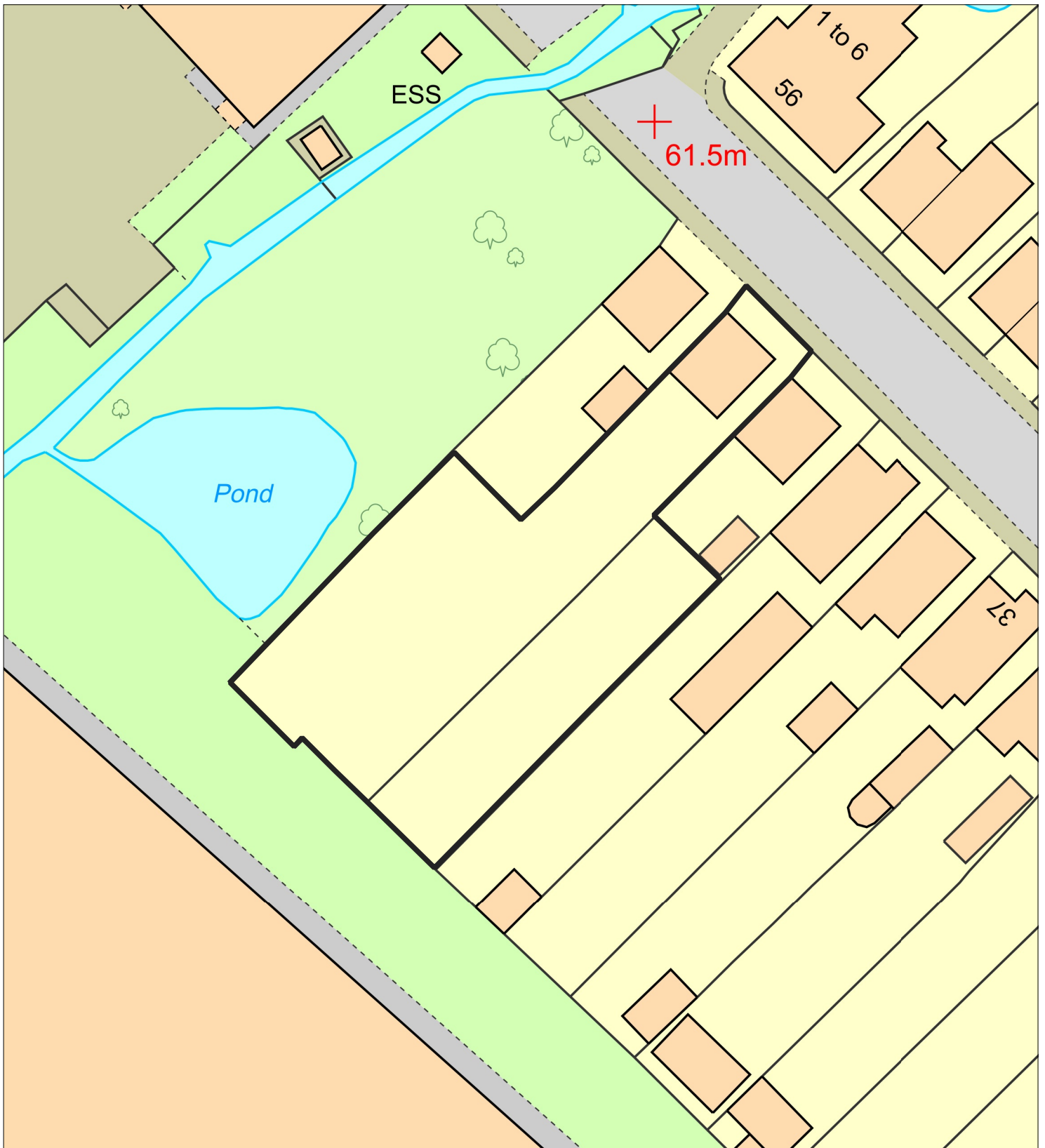
NOTE TO PLANNING OFFICER

The application is an outline proposal with all matters reserved including access. However, the County Highway Authority needs to be satisfied at this stage that the principle of safe access to the site has been demonstrated. The CHA accepts that the development is in a sustainable location that may allow residents to walk to local facilities, including the railway station and bus stops. This may therefore reduce the need for residents to travel by car. However, given that Frimley is not a major town centre the CHA considers it likely that residents would still have ownership of a private vehicle and undertake a proportion of journeys by car. To be in accordance with Surrey County Council's parking standards the proposed development would need to provide one parking space per unit. The submitted proposal provides for 14 spaces for the proposed 25 units representing a shortfall of 11 spaces. There is no provision for visitor parking. It is likely therefore that the proposal would lead to overspill parking onto Station Road.

Station Road appears to be a road with significant existing parking pressure. Many of the properties have no off-street parking facilities. From visiting the site the CHA observed that vehicles were parked on both sides of the road for almost the entire length of Station Road. Some vehicles were parked partly on the footway, reducing the footway width and causing a safety hazard to pedestrians. Due to the narrowness of the road the parked vehicles effectively reduced the carriageway to a single lane and there were very few spaces available to allow vehicles travelling in opposite directions to pass. The proposed development is likely to exacerbate these existing issues, as the increase in traffic generation could interfere with the free flow of traffic along Station Road, and the low level of parking could result in further injudicious parking on the adjacent highway and footway, potentially causing danger and inconvenience to pedestrians and other highway users.

The above parking situation and narrowness of the road may also impact the ability of larger vehicles including fire tenders and refuse collection vehicles to reach the site and turn in and out of the proposed access. Swept path drawings would need to be provided to demonstrate that it is viable for a fire tender to enter and to turn within the site in order to access and egress in forward gear. Similarly plans for refuse collection would need to be provided and if it were proposed for refuse collection to take place within the site this would need to be accompanied by swept path drawings.

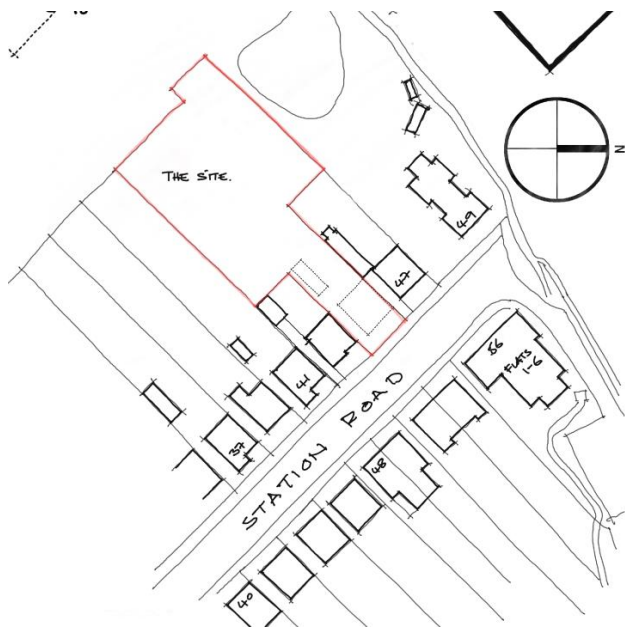
Although a Transport Assessment or Transport Statement would not normally be required for this size of development, given the above issues at this location the CHA recommends that any future proposal be accompanied with a detailed assessment of the traffic and parking impacts to include a parking stress survey on Station Road.



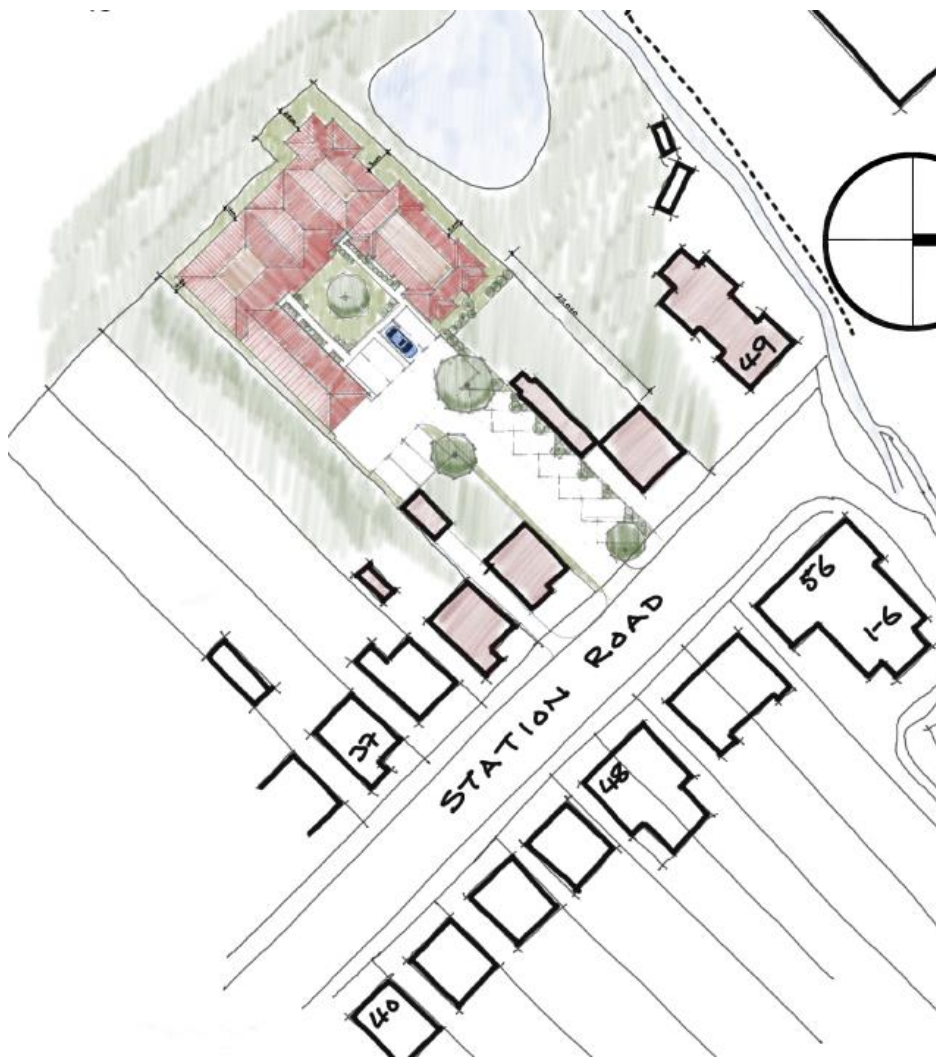
<b>Title</b>	Planning Applications		
<b>Application number</b>	20/0913/00U		<b>Scale @ A4</b> 1:500
<b>Address</b>	45 And Land To The Rear Of 43 And 47 Station Road Frimley Camberley Surrey GU16 7HE		<b>Date</b> 04 Oct 2021
<b>Proposal</b>	Outline application for the erection of a three storey building to provide 19 no one and 6 no two bedroom flats together with associated parking and access, following the demolition of the existing house.		
Page 193		Version 5	
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Site Location



Proposed Layout





Site photos

Application site



Rear of site





Station Road



View from Lyon Way





21/0555/FFU

**Reg. Date** 14 May 2021

Lightwater

<b>LOCATION:</b>	1 Gorse Bank, Lightwater, Surrey, GU18 5QX,
<b>PROPOSAL:</b>	Erection of a single storey side/front extension and conversion of store.
<b>TYPE:</b>	Full Planning Application
<b>APPLICANT:</b>	Ms A Organ
<b>OFFICER:</b>	Miss Shannon Kimber

This application would normally be determined under the Council's Scheme of Delegation. However, it has been reported to the Planning Applications Committee at the request of Councillor Galliford due to concerns that the development would be overbearing in size and be overdevelopment in Gorse Bank. Councillor Barnett also raised the following concerns: impact on trees; overshadowing; loss of privacy; and, out of character in terms of appearance, resulting in a negative effect on the surrounding area.

**RECOMMENDATION: GRANT subject to conditions**

**1.0 SUMMARY**

- 1.1 The application is for a householder development, to extend to the side/front of the existing dwelling, at ground floor level only, to provide additional space. It is considered that the proposal is acceptable in principle; would result in no adverse impact on the character of the surrounding area or the host dwelling; the residential amenities of the occupiers of the neighbouring dwellings; or, the safe operation of the highway network. The application is therefore recommended for approval.

**2.0 SITE DESCRIPTION**

- 2.1 The application site is a two storey, semi-detached dwelling. It is located to the south-east of the highway, within a cul-de-sac. The surrounding area is predominantly residential.

**3.0 RELEVANT HISTORY**

- 3.1 81/1045 Phased and comprehensive development for residential purposes with erection of detached, semi-detached and terraced housing, provision of spine road from Red Road, access roads and courts, footways, amenity areas, school site, and services at land north of Red Road, Lightwater.  
Approved - 11.11.1983

**4.0 THE PROPOSAL**

- 4.1 Full planning permission is sought for the erection of a single storey side/front extension. This would be a dual pitched structure with a gable to the side. Further development includes the conversion of the store. The development will provide an enlarged study and a dining room.

- 4.2 The proposed extension will have a width of 2.5 metres, a depth of 3.7 metres, and a maximum height of 5.2 metres, with an eaves height of 2.5 metres.

## 5.0 CONSULTATION RESPONSES

Environmental Health	Advice provided regarding asbestos disposal. <i>[Officer comment: Whilst this is not a material planning consideration, this information will be added to the decision notice by way of an informative].</i>
Windlesham Parish Council	No objections.

## 6.0 REPRESENTATION

- 6.1 A total of 8 individual letters of notification were sent out on 21<sup>st</sup> May 2021 to properties in Gorse Bank and Broom Field. At the time of preparation of this report five representations of objections have been received (representing two addresses). No letters of support have been received. The letters of objection raise the following concerns:

- Close to adjoining properties *[Officer comment: See sections 7.3 and 7.4 of the assessment below].*
- Conflict with local plan *[Officer comment: The relevant sections of the local and national plan are included at the start of sections 7.3, 7.4 and 7.5 of the assessment below].*
- Information missing from plans *[Officer comment: Two comments were received from one address, the first with objection points and a query regarding the plans, the second confirmed that the query had been answered].*
- The existing dwelling extends the full width of the plot and the owner has no access to the side, which borders the rear garden of a neighbouring property *[Officer comment: The existing property at 1 Gorse Bank has no external pedestrian access to the rear, this will not be altered by the proposed development].*
- The boundary wall to the side of the application site may need to be removed to accommodate the extension, this would leave neighbour's rear garden exposed and vulnerable, with open access from street level. If the wall does not need to be removed, building footings may weaken by the development *[Officer comment: The boundary wall is not proposed to be removed. It has also been confirmed via email (received 8<sup>th</sup> July) that the application is happy to enter into a Party Wall agreement].*
- Works would overhang the boundary and unavoidable builders waste and general debris would fall into the neighbour's garden, causing damage and mess *[Officer comment: Ownership certificate A has been completed for this application. It has also been confirmed via email (received 8<sup>th</sup> July) that there will be no encroachment. This email also confirms the method of waste removal and that the buildings works can be undertaken with barriers to the scaffolding].*
- There are concerns that the materials under the soffit boards are asbestos *[Officer comment: See section 5.1 and informatives].*

- The development would result in a larger wall (in both height and length) on the boundary which would span the entire width of the neighbour's rear garden. This would be overbearing, overshadow and severely restrict views [*Officer comment: loss of views is not a material planning consideration, see section 7.4 for the overbearing and overshadowing assessment*].
- Loss of privacy during the construction phase, if approved, due to the building being situated in close proximity to bedrooms, with a view that looks directly into them [*Officer comment: See section 7.4*].

## **7.0 PLANNING CONSIDERATION**

7.1 The application site is located within the defined settlement boundary, as set out in the proposals map included in the Core Strategy and Development Management Policies document 2012 (CSDMP). For this proposed development, consideration is given to policies DM9 and DM11 of the CSDMP and the National Planning Policy Framework (NPPF). The Residential Design Guide (RDG) Supplementary Planning Document 2017 as well as the Lightwater Village Design Statement (LVDS) Supplementary Planning Document 2007 also offer relevant advice.

7.2 The main issues to be considered within this application are:

- Impact on character and appearance of the surrounding area and host dwelling; and,
- Impact on residential amenity of neighbouring properties

### **7.3 Impact on character and appearance of the surrounding area and host dwelling**

7.3.1 Para 130 of the National Planning Policy Framework (NPPF) requires good design principles; subparagraphs b and c clarify that a visually attractive extension which is sympathetic to local character should be acceptable. Policy DM9 of the CSDMP states that development will be acceptable where it achieves a high-quality design which respects and enhances the local character in its urban setting, paying particular regard to scale, materials, massing and bulk. Policy DM9 also seeks to protect trees and soft vegetation worthy of protection.

7.3.2 Principle 7.8 of the RDG sets out guidelines for designers detailing that design which positively contributes to the character and quality of the area will be supported. Principles 10.1, 10.2 and 10.3 focus on developments to the front and side of dwellings, and as such, are relevant.

7.3.3 Principle B3 in the LVDS states that extensions should maintain the style, balance and character of the existing building, and be sympathetic to the scale and character of adjoining properties and the streetscene.

7.3.4 The proposed development will appear as a continuation of the existing single storey porch and store to the front of the property. There will be a minimum set back of 4.2 metres from the near-side-edge of the highway. In addition, due to the layout of Gorse Bank, the application site is partially behind communal parking bays and the site is not prominent in the street scene. Whilst it is noted that the proposed development will be visible from the public realm it is not considered to have a significant impact on the street scene or the character of the surrounding residential area.

7.3.5 The application site is a two storey dwelling. The proposed extension will be single storey in nature and is not considered over development of the site. In addition, as the proposal will maintain the pitch of the roof, for both the existing garage and the roof over the main dwelling it is considered sympathetic to the host dwelling. It has been confirmed in the submitted application form that the extension would be finished in external materials

which would match in appearance those used in the existing dwelling. It is not considered that the proposed development would have an unduly dominant impact on the host dwelling.

- 7.3.6 It is noted that there is soft vegetation in close proximity to the application site. There is a mixed hedge in the rear garden of 94 Broom Field. Whilst these plants are visible from the streetscene and make a positive contribution to the character of the area, they are separated from the application site by a 2 metre high boundary wall. As such, it is not considered that the proposed development will result in an adverse impact on the health of plants in neighbouring properties.
- 7.3.7 The proposal will not be considered contrary to the NPPF, Policy DM9 of the CSDMP, principles 7.8, 10.1, 10.2 and 10.3 of the RDG or principle B3 of the LVDS.

#### **7.4 Impact on residential amenity of neighbouring properties**

- 7.4.1 Policy DM9 of the CSDMP states that development will be acceptable where the proposal respects the amenities of the occupiers of neighbouring properties and uses. This is supported by para 130(f) of the NPPF, which seeks to create a high standard of amenity for existing and future users. The importance of appropriate design for extensions, so as not to result in a material loss of amenity for the occupiers of neighbouring properties, is set out in principles 8.1 and 10.1 of the RDG.
- 7.4.2 The north-eastern side of the application site shares boundaries with 92, 93 and 94 Broom Field. These dwellings all have a rear to side relationship with the application site. The proposed extension would be sited a minimum of 13 metres from the built form of number 94 and 17.9 metres from the built form of number 92. In addition to these separation distances, the proposed extension would be at an obtuse angle to these two neighbouring properties. As such, it is not considered that the proposal will have an adverse impact on the residential amenities of 92 or 94 Broom Field.
- 7.4.3 To the north-east of the application site is the bungalow of no. 93 Broom Field. This neighbouring property would be most directly affected by the proposed development. An officer site visit was undertaken to this neighbouring property. Both windows on the rear elevation of this bungalow serve habitable rooms (currently used as bedrooms).
- 7.4.4 It is acknowledged that the proposed development would result in an increase in built form up to this neighbour's boundary, with the proposal resulting in an additional 3.7 metres single storey projection along the rear boundary of number 93 and an increase in the height of the roof (from 4 metres to 5.2 metres), with its associated bulk and massing. However, the existing separation distance of 12.6 metres between the built form of this addition and the neighbour's rear wall would be retained and the proposed extension would appear as a subservient addition to the host dwelling being 2.4 metres lower than the dwelling's main ridge. Viewed alongside the main gable end of the dwelling the proposal would therefore not appear dominant or oppressive. For these reasons, the proposal would not result in an adverse overbearing impact on the occupiers of number 93.
- 7.4.5 A loss of light assessment has been conducted for number 93's rear bedroom windows in accordance with figure 8.6 of the RDG. The 25 degrees line, drawn from the mid-point of the two affected windows towards the proposed extension, does not intersect the proposed development. There would therefore be no adverse loss of light to the rear windows of number 93. There is also considered to be no adverse impact upon the light level to this neighbour's garden given the orientation of the dwellings and given the single storey nature of the proposal.

- 7.4.6 Having regard to the overlooking impact to 93 Broom Field there are no windows proposed to the side elevation. In addition, the existing window on the side elevation at first floor level would be removed. As such, it is not considered that the development would lead to an adverse overlooking impact.
- 7.4.7 It is noted that one of the concerns raised by a neighbouring property is overlooking during the construction phase from the scaffolding. Whilst it is acknowledged that there would be some level of disruption and overlooking from scaffolding, this would be a temporary and short-term impact. It is also noted that barriers are proposed by the applicant to the scaffolding to contain builders' waste. These would also screen neighbouring properties during the construction phase. The applicant's mitigation measures to mitigate noise and disturbance are welcomed. Whilst a construction management plan condition would be disproportionate and unreasonable for a householder extension of this size it is, nevertheless, considered appropriate to include advisory informatives relating to working hours and practices.
- 7.4.8 The majority of the proposed development would be screened to the rear by the existing single storey side projection. As this structure would be increasing in height by 1.2 metres, the proposal will be visible from the rear. However, there would be a separation distance of 13.6 metres between the development and the rear boundary of the site. This distance is considered sufficient to avoid any adverse impacts on the residential amenities of the occupiers of the dwelling to the rear.
- 7.4.9 The proposed development will be screened to the south-west by the existing dwelling, as such it will not have a significant impact in this direction. There is no residential dwelling directly to the front of the application site, therefore, there will be no significant impact in this direction either.
- 7.4.10 Subject to the proposed conditions, the proposal will comply with the NPPF, Policy DM9 of the CSDMP, and the RDG.

## **7.5 Transport and highways considerations**

- 7.5.1 Policy DM11 of the CSDMP states that development will be not acceptable were the proposal adversely impacts safe and efficient flow of traffic. All development should ensure safe and well-designed vehicular access, egress and layouts which consider the needs and accessibility of all highway users including cyclists and pedestrians. Principles 6.7 and 6.8 of the RDG sets out the importance of well-designed parking arrangements, without parking visually dominating the streetscene. Surrey County Council recommends 1.5 vehicle parking spaces for a two bedroomed dwelling in a village environment.
- 7.5.2 The proposed development will be erected on part of the existing driveway. However, there is a distance of 2.2 metres between the side elevation of the original dwelling and the boundary wall to the north-east. This width is not considered sufficient for the space to be a usable parking space. Therefore, the proposal will not result in the loss of a vehicle parking space and the existing parking situation will not be altered by this development.
- 7.5.3 It is not considered that the proposed development would have a negative impact on highway safety. The proposal would comply with the NPPF, Policy DM11 of the CSDMP, and the Surrey County Council Vehicular and Cycle Parking Guidance 2012.

## **7.6 Community Infrastructure Levy**

- 7.6.1 The proposed development is not for a net increase in dwellings, nor is it for a residential extension of over 100 square metres, as such the proposal will not be CIL liable.

## **8.0 POSITIVE/PROACTIVE WORKING AND PUBLIC SECTOR EQUALITY DUTY**

- 8.1 In assessing this application, officers have worked with the applicant in a positive, creative and proactive manner consistent with the requirements of paragraphs 38-41 of the NPPF. This included the following:-
- a) Provided or made available pre application advice to seek to resolve problems before the application was submitted and to foster the delivery of sustainable development.
  - b) Provided feedback through the validation process including information on the website, to correct identified problems to ensure that the application was correct and could be registered.
  - c) Have suggested/accepted/negotiated amendments to the scheme to resolve identified problems with the proposal and to seek to foster sustainable development.
  - d) Have proactively communicated with the applicant through the process to advise progress, timescale or recommendation.
- 8.2 Under the Equalities Act 2010, the Council must have due regard to the need to eliminate discrimination, harassment or victimisation of persons by reason of age, disability, pregnancy, race, religion, sex and sexual orientation. This planning application has been processed and assessed with due regard to the Public Sector Equality Duty. The proposal is not considered to conflict with this Duty.

## **9.0 CONCLUSION**

- 9.1 The proposed development is acceptable in principle. It is not considered to result in an adverse impact on the character of the area, host dwelling or residential amenities of the occupiers of the neighbouring dwellings. The proposal will not have a detrimental impact on highway safety. The proposed development will comply with the NPPF, policies DM9 and DM11 of the CSDMP, the RDG and the LVDS. The application is therefore recommended for conditional approval.

## **10.0 RECOMMENDATION**

GRANT subject to the following conditions:

1. The development hereby permitted shall be begun within three years of the date of this permission.

Reason: To prevent an accumulation of unimplemented planning permissions and in accordance with Section 91 of the Town and Country Planning Act 1990 as amended by Section 51(1) of the Planning and Compulsory Purchase Act 2004.

2. The proposed development shall be built in accordance with the following approved plans:  
Site Location Plan, Drawing reference: AD4524 Sheet 1, Received: 14.05.2021  
Proposed Block Plan, Floor Plans and Elevations, Drawing reference: AD4524 Sheet 2 Rev B, Received: 08.07.2021  
Unless the prior written approval has been obtained from the Local Planning Authority.

Reason: For the avoidance of doubt and in the interest of proper planning and as advised in ID.17a of the Planning Practice Guidance.

3. The building works, hereby approved, shall be constructed in external fascia materials to match those of the existing building.

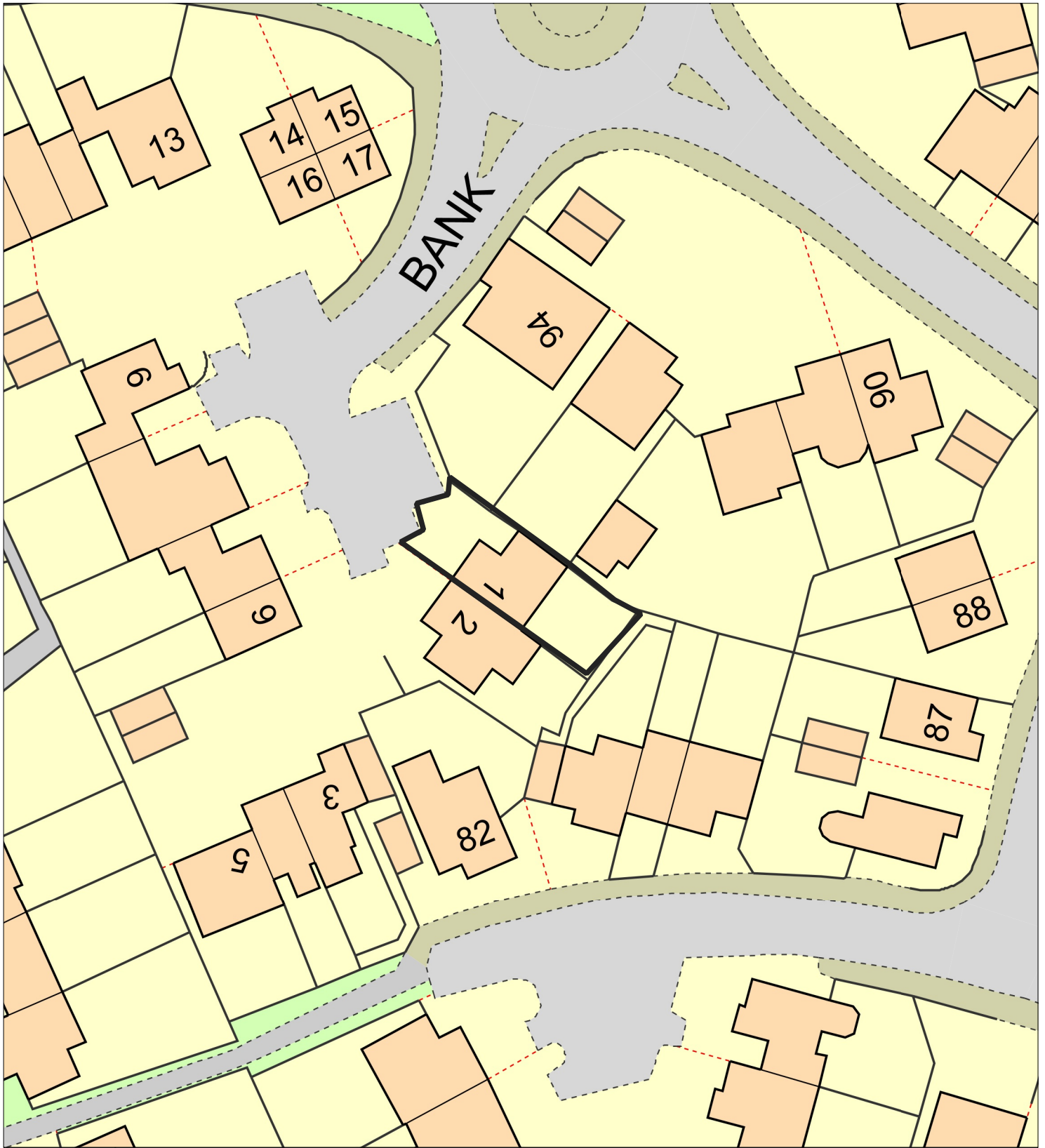
Reason: In the interests of the visual amenities of the area and to accord with Policy DM9 of the Surrey Heath Core Strategy and Development Management Policies 2012.

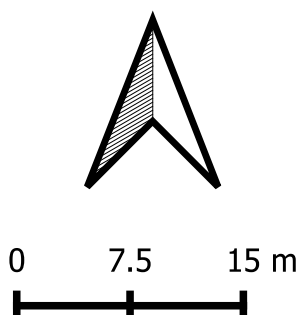



## Informative(s)

1. This Decision Notice is a legal document and therefore should be kept in a safe place as it may be required if or when selling your home. A replacement copy can be obtained, however, there is a charge for this service.
2. The applicant is advised that this permission is only pursuant to the Town and Country Planning Act 1990 and is advised to contact Building Control with regard to the necessary consents applicable under the Building Regulations and the effects of legislation under the Building Act 1984.
3. The decision has been taken in compliance with paragraphs 38-41 of the NPPF to work with the applicant in a positive and proactive manner. Further information on how this was done can be obtained from the officer's report.
4. Under The Control of Pollution Act 1974 noisy construction working practices should be limited to:
  - Monday to Friday: 8am to 6pm
  - Saturday: 8am to 1pm
  - At no time on a Sunday or Bank Holiday
5. Removing asbestos is covered by the Special Waste Regulations 1996. Further guidance is provided on removing asbestos cement (PDF) on HSE website and asbestos health and safety on the HSE website.
6. Whilst it would appear from the application that the proposed development is to be entirely within the curtilage of the application site, care should be taken upon commencement and during the course of building operations to ensure that no part of the development, including the foundations, eaves and roof overhang will encroach on, under or over adjoining land.
7. The applicant's attention is drawn to the Party Walls (etc) Act 1996.
8. The applicant is advised that debris netting should be used along the north-eastern edge of any scaffolding erected along the north-eastern boundary of the application site.

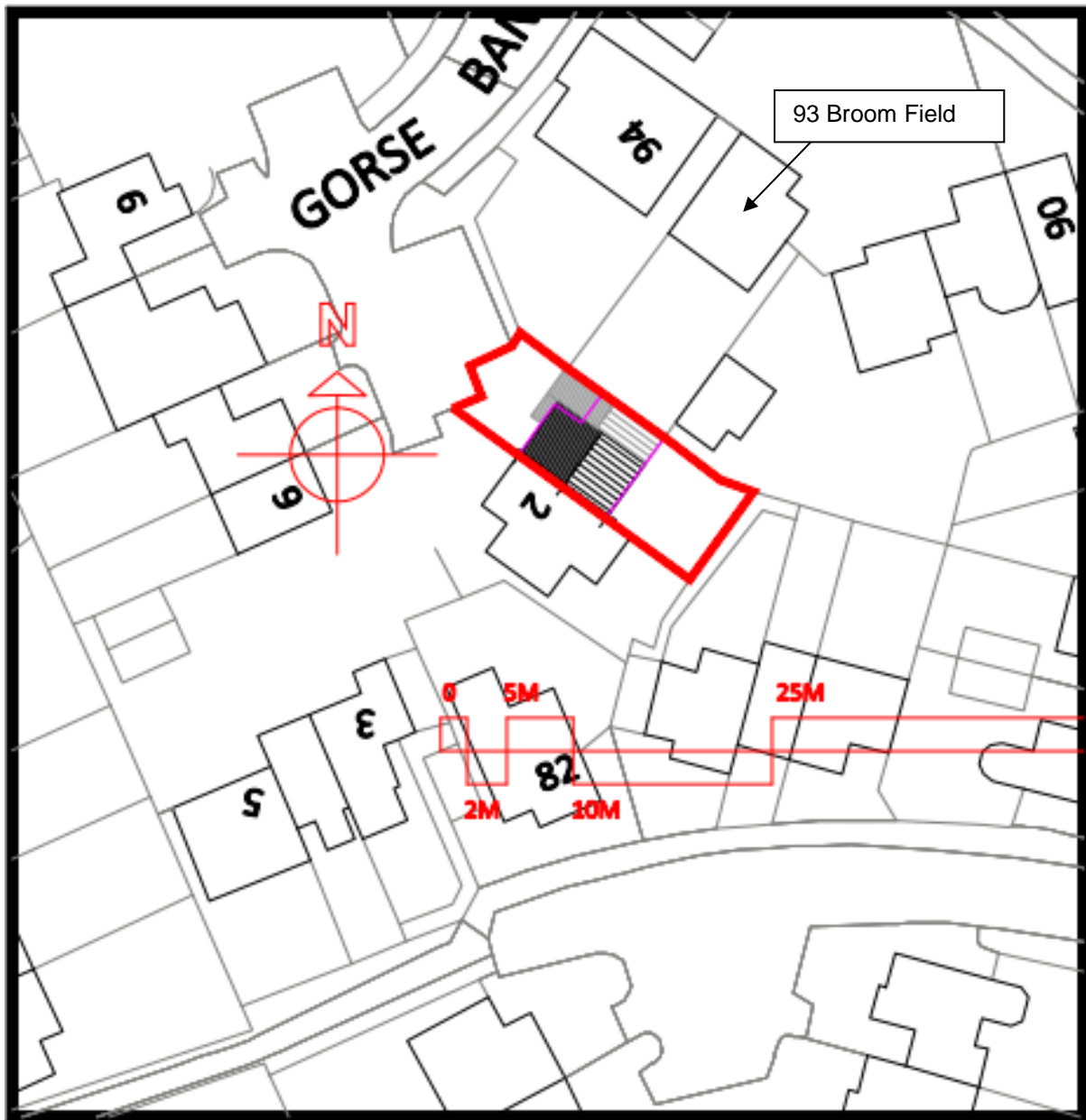
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<b>Title</b>	Planning Applications		
<b>Application number</b>	21/0555/FFU		<b>Scale @ A4</b> 1:500
<b>Address</b>	1 Gorse Bank Lightwater Surrey GU18 5QX		<b>Date</b> 04 Oct 2021
<b>Proposal</b>	Erection of a single storey side/front extension and conversion of store		
<p>Page 207</p> <p>Version 5      © Crown Copyright. All rights reserved. Surrey Heath Borough Council 100018679 2021      Author: DE</p>			

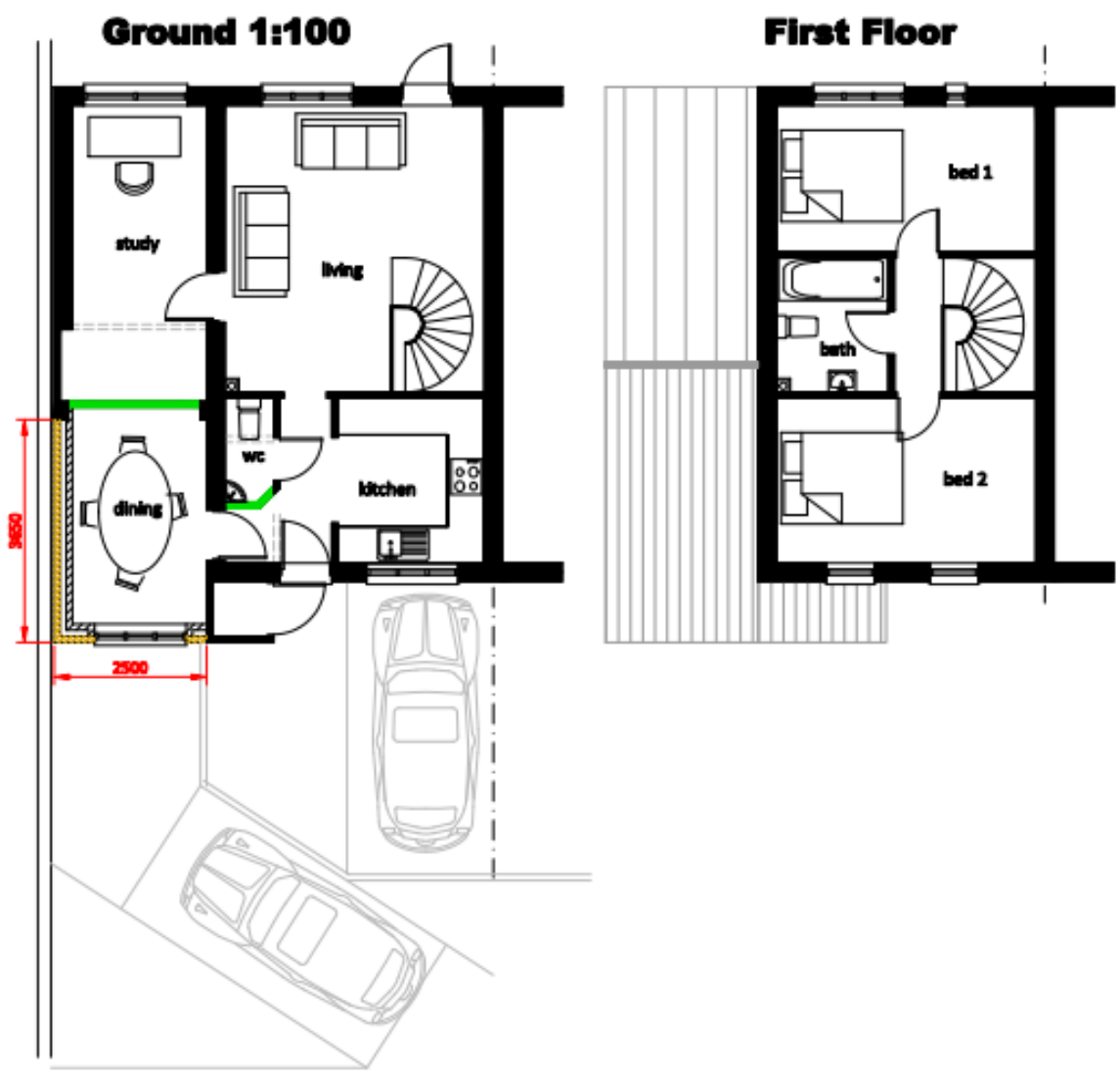
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Proposed block plan:



**Site plan 1:500**

Proposed floor plans:



Proposed elevations:

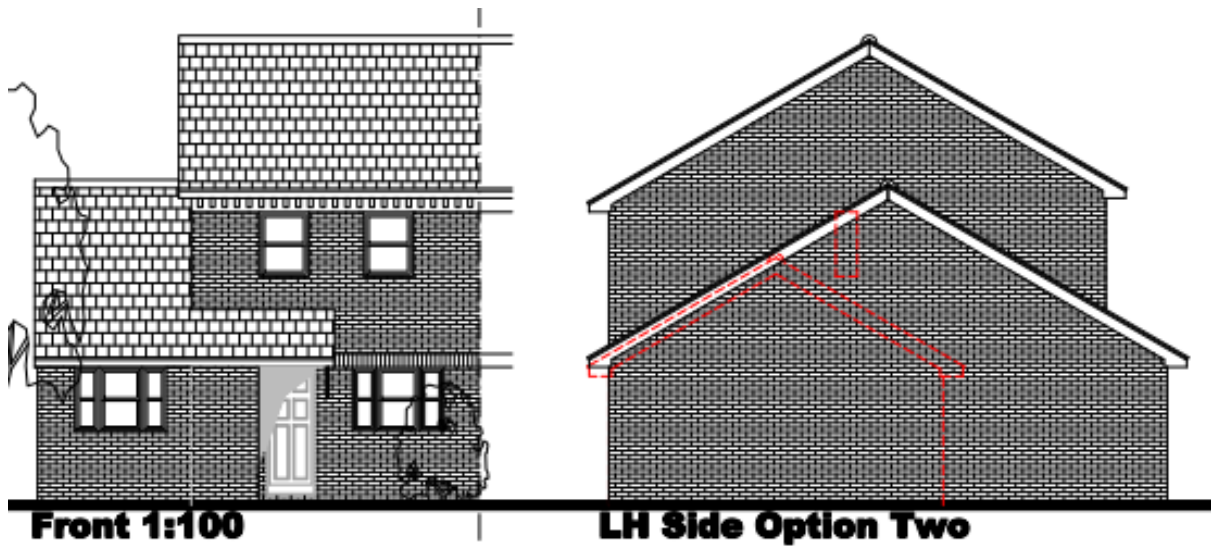




Image of front of application site (left side)



Image of side/front, area to be built on





Image of side of application site from rear of 93 Broom Field



Image of rear of application site



Image of rear of neighbour at 93 Broom Field



21/0836/FFU

**Reg. Date** 27 July 2021

Frimley Green

**LOCATION:** 13 Parsonage Way, Frimley, Camberley, Surrey, GU16 8HZ,  
**PROPOSAL:** Erection of single storey front/side extension and single storey rear extension.  
**TYPE:** Full Planning Application  
**APPLICANT:** Terry Drew  
**OFFICER:** Miss Patricia Terceiro

**This application would normally be determined under the Council's Scheme of Delegation. However, it is being reported to the Planning Applications Committee at the request of Cllr Mylvaganam due to concerns in respect of the loss neighbour's amenity and the size of the proposed development, which would create a large building out of keeping with the street scene in Parsonage Close.**

**RECOMMENDATION: GRANT subject to conditions**

**1.0 SUMMARY**

- 1.1 The application site comprises a detached dwelling located within a residential area that falls within the Post War Open Estates Character Area. The property is located at the end of a cul-de-sac and is not prominent within the road. The closest residential property is no 11 to the south and the land adjacent to the site's northern and eastern boundaries is designated as Green Space and is occupied by the Churchyard of St Peters Church and allotment gardens. The proposal comprises the erection of a single storey side/front extension and a single storey rear extension. The current proposal would not have an adverse impact on local character and residential amenity and is therefore recommended for approval.

**2.0 SITE DESCRIPTION**

- 2.1 13 Parsonage Way is a two storey detached dwelling located in a residential area. The property sits at the end of a cul-de-sac and is adjacent to a designated Green Space to the east and north. The plot contains an enclosed garden to the rear and parking is provided at the front in a detached garage and driveway laid to block paving.
- 2.2 The application site lies within the Post War Open Estate as defined within the Western Urban Area Character Assessment.

**3.0 RELEVANT PLANNING HISTORY**

- 3.1 99/1107 Erection of a single storey side extension. Approved, 1999. Implemented.
- 3.2 1985/0086 Erection of six detached houses and garages. Erection of ten 1-bed dwellings for elderly persons and one 2-bed warden's dwelling and provision of 10 parking spaces; erection of new Church Hall with ancillary accommodation and caretakers flat and provision of 30 parking spaces, following demolition of existing Rectory and Church Hall at St Peter's Rectory and Church Hall,



Frimley Green Road, Frimley. Approved, 1986. Condition 13 of this planning permission removed the property's permitted development rights in respect of householder extensions.

#### **4.0 THE PROPOSAL**

- 4.1 Full planning permission is sought for the erection of a single storey front/side extension and of a single storey rear extension.
- 4.2 The proposed single storey front/side extension would have a pitched roof projecting into a canopy and measure 2.4m in width, 2.3m in depth, 2.7m in height to the eaves and 3.5m in ridge height.
- 4.3 The proposed single storey rear extension would have a mono-pitched roof and measure with 3 no rooflights and measure 4m in depth, 9m in width, and 3.8m in maximum height with eaves at 2.7m. The proposal would extend the dwelling's kitchen and dining area.
- 4.4 As stated in the application form, the proposal would be externally finished in brick, tiles and UPVC to match the host dwelling.

#### **5.0 CONSULTATION RESPONSES**

- 5.1 At the time of preparation of this report no consultation response have been received.

#### **6.0 REPRESENTATION**

- 6.1 There were 3 no letters of notification letters originally sent to neighbouring properties on 3 August 2021. At the time of preparation of this report two letters of objection have been received which raise the following issues:
  - The proposal would be out of keeping with the character of the street;
  - Together with existing extensions the proposal would double the footprint of the original house;
  - The proposal would cause loss of light and be overbearing to the residents at no 11;
  - St Peters Church requested that the appointed contractors seek to limit their impact on the churchyard, its visitors and neighbours *[Officer comment: the proposed development is modest in scale and therefore the construction period will likely be limited. For such a small scale development, it would not be reasonable to request the submission of a Construction Method Statement. In addition, any undue noise would be dealt with under Environmental Health. In any event, an informative has been added to this recommendation advising the applicant of this matter].*
- 6.2 The following matters have also been raised, however they do not constitute material planning considerations and weight has not been afforded to the following:
  - Property devaluation;
  - The proposal would spoil the view from no 11;
  - The applicants have not notified their neighbours of the planning application;
  - The extension is not necessary as only two people live in the house;
  - Matters related to party walls *[Officer comment: the applicant has signed Certificate A of the application form and the proposal is shown to be away from the common boundary with no 11. The LPA is therefore satisfied that the proposal would not encroach onto land located outside the applicant's ownership. This would therefore be a civil matter between the applicant and the neighbours].*

## **7.0 PLANNING CONSIDERATIONS**

7.1 The application site is located in a residential area within a defined settlement, as set out in the Proposals Map of the Surrey Heath Core Strategy and Development Management Policies 2012 (CSDMP). In this case, consideration is given to Policy DM9 and DM11 of the CSDMP. The Residential Design Guide (RDG) SPD 2017 as well as the Western Urban Area Character (WUAC) SPD 2012 also constitute material planning considerations.

7.2 The main issues to be considered within this application are:

- Impact on character and appearance of the surrounding area
- Residential amenity

### **7.3 Impact on character of area**

7.3.1 Policy DM9 of the Surrey Heath Core Strategy and Development Management Policies Document (CSDMP) 2012 promotes high quality design. Development should respect and enhance the character of the local environment and be appropriate in scale, materials, massing, bulk and density. The RDG provides further guidance on extensions and alterations to a dwellinghouse. In particular, Principle 10.4 states that rear extensions should be sympathetic and subservient to the design of the main building. Principle 10.2 goes on to say that front extensions should not protrude too far forward from the main building line.

7.3.2 The application site lies within the Post War Open Estate as defined within the WUAC SPD. Guiding Principle P01 states that new development should maintain the space between and around buildings and continue to use designs that reflect the post war architecture. Guiding Principle PC2 advises against developments that result in the creation of a terracing effect and Guiding Principle PC3 goes on to say that development that erodes the integrity of the post war architectural style will be resisted.

7.3.3 The streetscene of Parsonage Way contains detached dwellings on the northern side whereas to the south there are block of flats and Scout Hut, which is occupied by the 2<sup>nd</sup> Frimley (St Peters) Scout Group. As such, there is some variety in terms of built form within the road. The application site is located at the end of the cul-de-sac and, as such, it does not occupy a prominent position in the streetscene.

7.3.4 The proposed single storey front/side extension would be visible from public vantage points. However, owing to its modest size and set back from the main road, this element of the proposal would not be considered harmful to the character of the area. The host dwelling is set back from no 11 and, as such, the proposal would not protrude beyond the prevailing building line. This extension would retain sufficient space around itself, in keeping with the spacious character of the road. This element of the proposal, by virtue of its modest scale, design and materials would be considered in keeping with the character of the host dwelling.

7.3.5 The proposed single storey rear extension would not be visible from public vantage points and, as such, it would not be harmful to the character of the area. It is considered that its single storey height would provide a degree of subservience when seen against the host dwelling. The proposed design and materials would form a sympathetic addition to this post war building.

7.3.6 As such, the proposal would not adversely affect the character and appearance of the surrounding area and would be in accordance with Policy DM9 of the CSDMP, the RDG and the WUACSPD.

### **7.4 Impact on residential amenity**

7.4.1 Policy DM9 CSDMP 2012 states that development should respect the amenities of the adjoining properties and uses. Principle 10.1 of the RDG indicates that householder extensions should not materially erode neighbour amenities.

- 7.4.2 The proposed front/side extension would retain a gap of approximately 2.8m to the common boundary with no 11 to the south. Due to the staggered relationship between both dwellings, the proposal would face no 11's side wall. Although no 11 contains a ground floor side window facing the application site, this would not directly face the proposal and, in addition, it is a secondary source of light to the room it serves. Given the proposal's modest size, together with the distance to the common boundary with no 11 (which would increase to approximately 4.1m to its flank wall) it is not considered that the proposal would give rise to overbearing or overshadowing impacts. The boundary treatment between both properties in this location (i.e. a 1.8m close boarded fence) would block views from the extension's side window. As such, the proposal would be considered acceptable in terms of privacy.
- 7.4.3 The proposed single storey rear extension would retain a separation distance of approximately 0.9m to the common boundary with no 11. Both properties sit in a staggered relationship with the application dwelling already projecting well beyond no 11's rear elevation as existing. Although the proposal would add to this projection, it is noted it would be at single storey height. In addition, the extension would be sited further away from no 11's rear windows and primary amenity area. For these reasons, it is not considered that the proposal would be so unduly overbearing as to warrant a refusal of this application.
- 7.4.4 A loss of light assessment has been undertaken in accordance with para 8.12 of the RDG and concluded that the centre of no 11's rear patio doors would fall within 60 degrees of a line drawn from the edge of the proposed rear extension and, as such, the proposal would obstruct the light received by these doors. However, this same para advises that this is only an indicator and the acceptability of a development proposal will also be dependent on ground levels on site and the orientation of buildings. In this case, the levels are flat. The proposal would however be sited to the north of no 11 and, given this orientation, the proposal would not block the light received by these neighbours. In addition, due to the staggered relationship, no 11 is already partly affected by the application dwelling. As such, this element of the proposal would be considered acceptable in this regard.
- 7.4.5 The proposed rear extension would not contain any windows facing these neighbours and, as such, would not give rise to loss of privacy.
- 7.4.6 The application site is adjacent to a green space to the north and east which does not contain residential properties. On this basis, there would be no concerns in terms of residential amenity.
- 7.4.7 As such, the proposal would not be considered to affect the residential amenities of the neighbouring properties and would be in accordance with Policy DM9 of the CSDMP and the RDG.

## **7.5 Other matters**

- 7.5.1 Surrey Heath's Community Infrastructure Levy (CIL) Charging Schedule was adopted by Full Council on the 16<sup>th</sup> July 2014 and the CIL Charging Schedule came into effect on the 1<sup>st</sup> December 2014. Surrey Heath charges CIL on residential and retail developments where there is a net increase in floor area, however, as the proposal relates to a net increase in residential floor area less than 100 square metres the development is not CIL liable.

## **8.0 WORKING IN A POSITIVE/PROACTIVE MANNER AND PUBLIC SECTOR EQUALITY DUTY**

- 8.1 In assessing this application, officers have worked with the applicant in a positive, creative and proactive manner consistent with the requirements of paragraphs 38 to 41 of the NPPF. This included 1 or more of the following:
- a) Provided or made available pre application advice to seek to resolve problems before the application was submitted and to foster the delivery of sustainable development.

b) Provided feedback through the validation process including information on the website, to correct identified problems to ensure that the application was correct and could be registered.

c) Have suggested/accepted/negotiated amendments to the scheme to resolve identified problems with the proposal and to seek to foster sustainable development.

d) Have proactively communicated with the applicant through the process to advise progress, timescale or recommendation.

8.2 Under the Equalities Act 2010, the Council must have due regard to the need to eliminate discrimination, harassment or victimisation of persons by reason of age, disability, pregnancy, race, religion, sex and sexual orientation. This planning application has been processed and assessed with due regard to the Public Sector Equality Duty. The proposal is not considered to conflict with this Duty.

## 9.0 CONCLUSION

9.1 It is considered that the proposed development would not result in an adverse impact on the character and appearance of the host dwelling or surrounding area, nor on the residential amenities. Therefore, the proposal complies with Policy DM9 of the CSDMP, the RDG and the WUACSPD and is recommended for approval, subject to conditions.

## 10.0 RECOMMENDATION

GRANT subject to the following conditions:

1. The development hereby permitted shall be begun within three years of the date of this permission.

Reason: To prevent an accumulation of unimplemented planning permissions and in accordance with Section 91 of the Town and Country Planning Act 1990 as amended by Section 51(1) of the Planning and Compulsory Purchase Act 2004.

2. The proposed development shall be built in accordance with the following approved plans, unless the prior written approval has been obtained from the Local Planning Authority.

- Drawing no AD4563 sheet 2 rev B - proposed plans and elevations, received 27 July 2021

Reason: For the avoidance of doubt and in the interest of proper planning and as advised in ID.17a of the Planning Practice Guidance.

3. The building works, hereby approved, shall be constructed in external fascia materials to match those of the existing building.

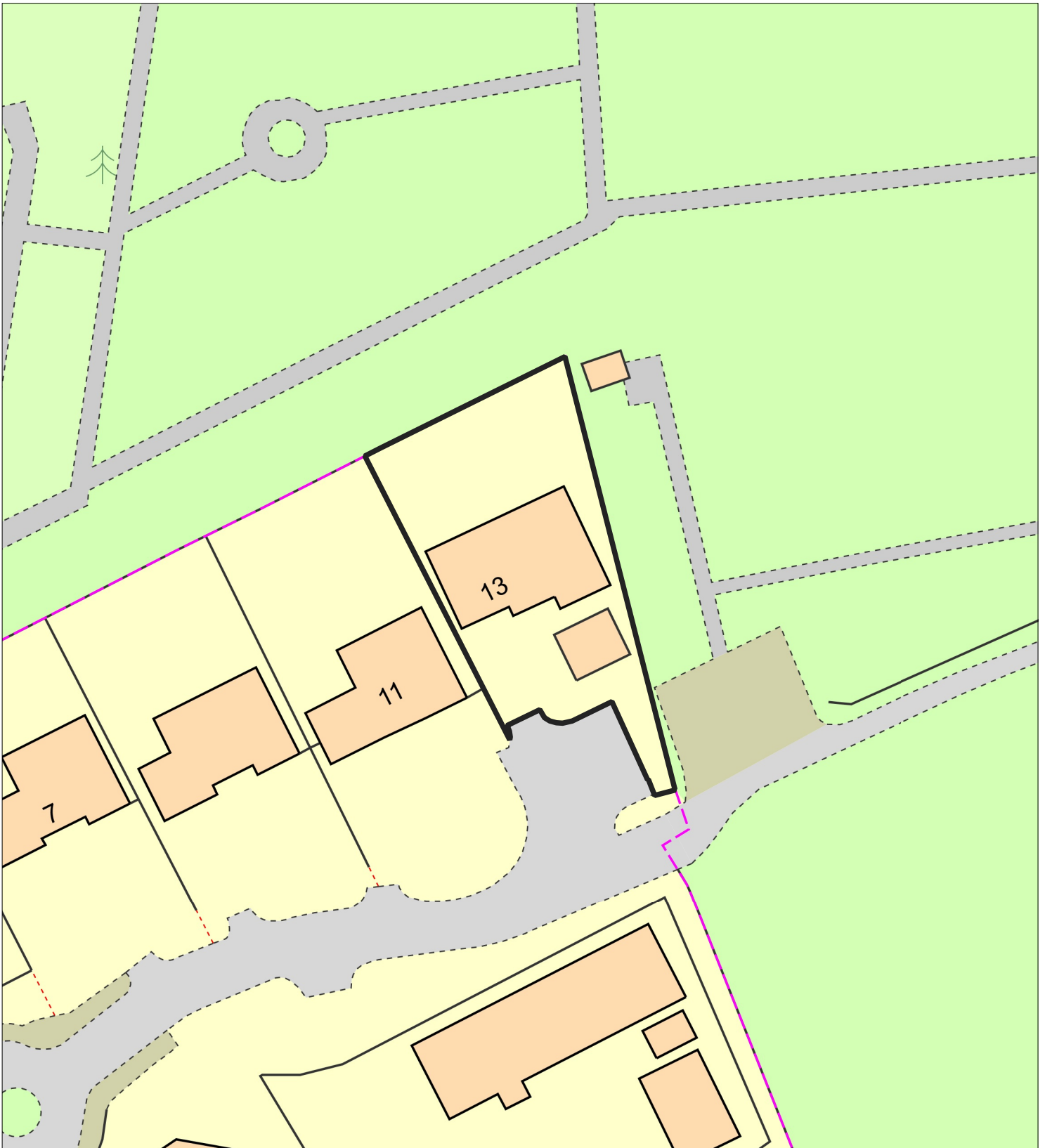
Reason: In the interests of the visual amenities of the area and to accord with Policy DM9 of the Surrey Heath Core Strategy and Development Management Policies 2012.

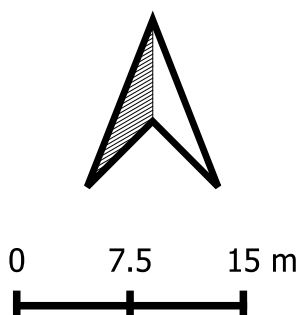

### Informative(s)

1. This Decision Notice is a legal document and therefore should be kept in a safe place as it may be required if or when selling your home. A replacement copy can be obtained, however, there is a charge for this service.

2. Whilst it would appear from the application that the proposed development is to be entirely within the curtilage of the application site, care should be taken upon commencement and during the course of building operations to ensure that no part of the development, including the foundations, eaves and roof overhang will encroach on, under or over adjoining land.
3. The applicant's attention is drawn to the Party Walls (etc) Act 1996.
4. The applicant is advised that this permission is only pursuant to the Town and Country Planning Act 1990 and is advised to contact Building Control with regard to the necessary consents applicable under the Building Regulations and the effects of legislation under the Building Act 1984.
5. The decision has been taken in compliance with paragraphs 38-41 of the NPPF to work with the applicant in a positive and proactive manner.
6. The applicant is advised to carry out the construction works in such a manner to limit their impact the churchyard, its visitors and neighbours.

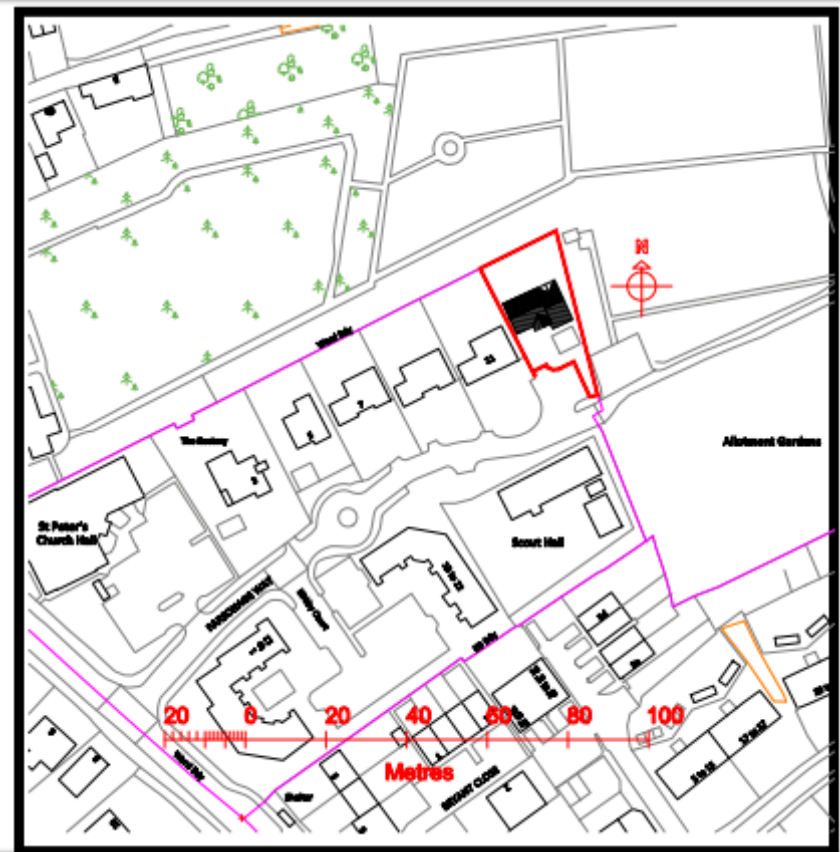




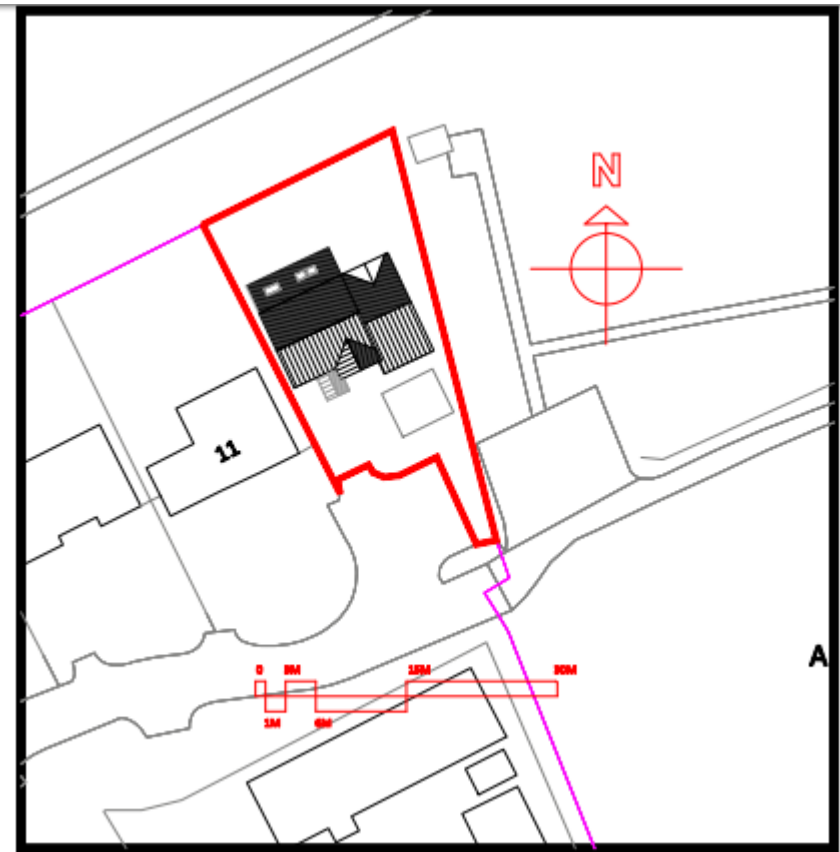
<b>Title</b>	Planning Applications		
<b>Application number</b>	21/0836/FFU		<b>Scale @ A4</b> 1:500
<b>Address</b>	13 Parsonage Way Frimley Camberley Surrey GU16 8HZ		<b>Date</b> 04 Oct 2021
<b>Proposal</b>	Erection of single storey front extension and single storey rear extension.		
<p>Page 221</p> <p>Version 5 © Crown Copyright. All rights reserved. Surrey Heath Borough Council 100018679 2021 Author: DE</p>			

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Site Location Plan



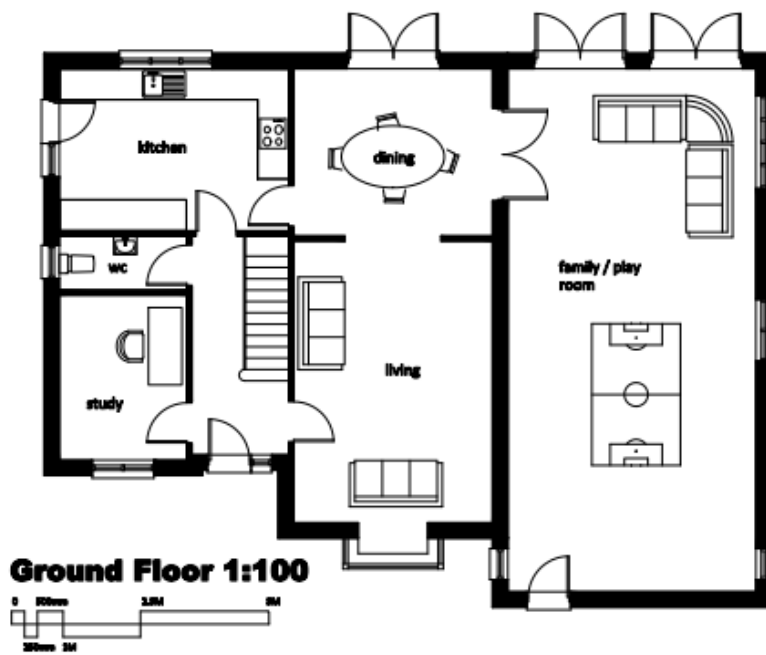
Proposed block plan



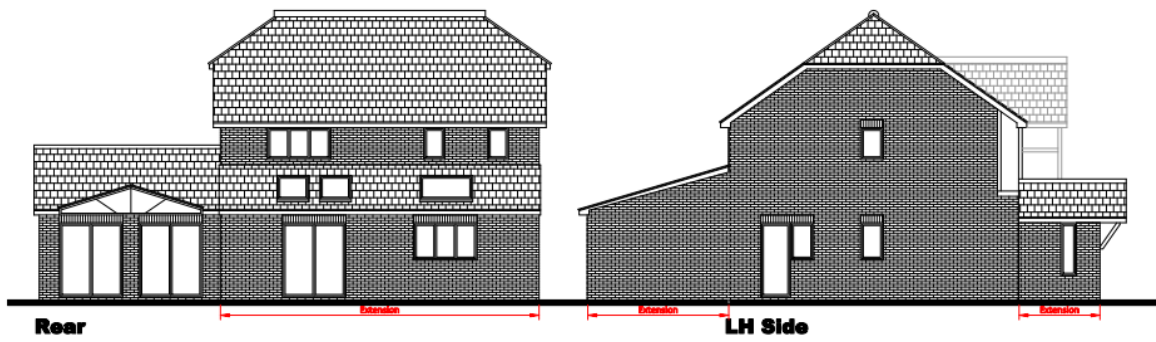
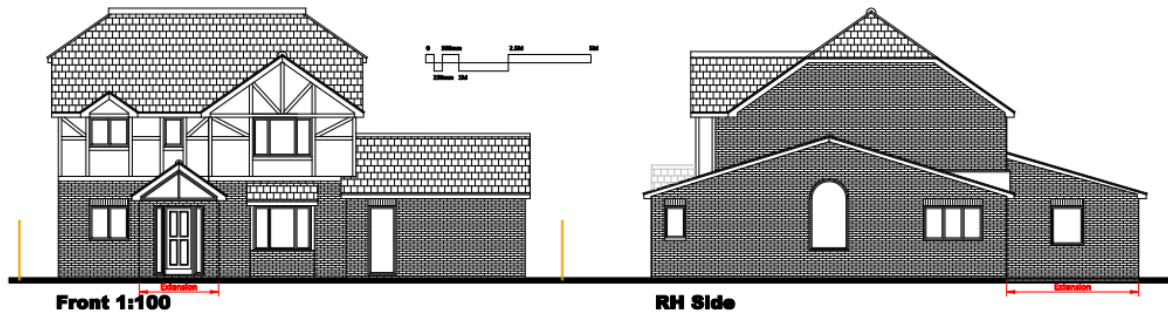
Existing elevations



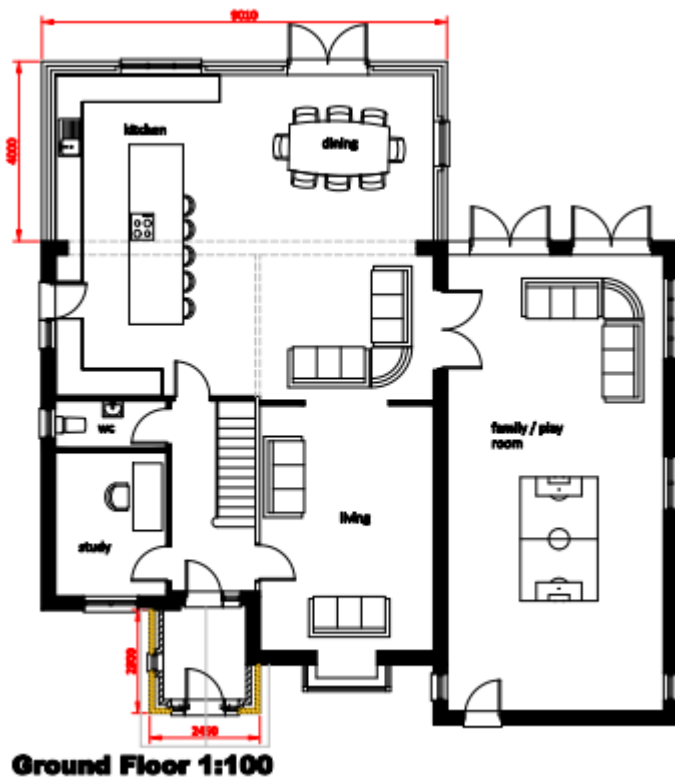
Existing floor plans



Proposed elevations



Proposed floor plans





Site photos

Front of the application site:



Streetscene, facing east



Streetscene, facing west



Rear of site, view towards no 11



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