London Borough of Richmond Upon Thames
Viability Appraisal or Commuted Sum Calculation
Annex B Schedule of inputs and Sources of Information

Ref	Item	Inputs	Information Source
1	Gross Development Value	• Residential sales values and ground rents (net of incentives) • Rental values • Yields for the commercial elements (including details of rent-free periods or voids) • Sales rates (per month) • Any existing income that will continue to be received during the development period • Anticipated grant funding to be offered to the Registered Provider to assist in the purchasing of affordable housing • Value of affordable housing units	• RICS local valuer • Internet research, such as Land Registry open data • Local Estate agents • Local Commercial Agents • Other comparable developments • Registered Providers • GLA Housing Team • Council Housing Dept, including Housing Capital programme.
2	Build Costs	• Building costs for each type of building exclusive of abnormal costs. • Build costs should be expressed as value per square metre and should reflect the specific proposal.	• RICS Build Costs Information Service (BCIS). The selection of BCIS values must correctly reflect the specific nature, location and size of the proposal. • Quantity Surveyor's Cost Plan
3	Abnormal Costs	Those costs over and above the normal costs allowed in the assessment of the base build, such as contamination, flood risk, substructure, listed buildings etc.	Quantity Surveyor's Cost Plan supported by evidence from appropriate surveys and engineer's reports.

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4	Enabling Works	Cost of roads, sewers, utilities and engineering works to service the land.	Quantity Surveyor's Cost Plan supported by evidence from appropriate surveys and engineer's reports.
5	Other Forms of Funding	• GLA Grants for Infrastructure • National government funding or any other funding from an appropriate body.	Appropriate funding body. Full details of the funding should be disclosed where possible.
6	Planning Obligations/Community Infrastructure Levy (CIL)	Capital sums included in the S.106 agreement and any CIL liability.	To be agreed with the Council/planning officer.
7	Finance	• Arrangement fees • Intertest rates • Exit fees	Finance costs should be included at a level which is evidenced by reference to the prevailing market rate
8	Marketing Costs	Estate agent fees or other marketing costs such as sales suite.	The figures should be clearly justified with reference to local market rates.
9	Legal Fees for Sales	Legal fees relating to the disposal of residential or commercial units.	Evidence from a specific legal firm or prevailing rates within the local market.
10	Acquisition Costs	Costs related to the acquisition of the land.	• Solicitor's Quotation; • HMRC; • Contract information; • Agent's Quotation
11	Profit	The level of profit on cost or value the developer requires to bring the scheme forward.	The appropriate level of developer profit will vary from scheme to scheme. This is determined by a range of factors including property market conditions, individual characteristics of the scheme, comparable schemes and the development's risk profile.
12	Professional Fees	Fees for the professional team such as architects, planning consultants and engineers.	The level of professional fees should be stated separately for

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			each discipline. Evidence should be provided from similar schemes or prevailing market rates to justify the levels.
13	Build Contingencies	An appropriate allowance dealing with the status of design information at the time of the appraisal.	Contingency allowances should be accompanied by an explanation as to what they relate to, be clearly identified and show how they were calculated.
14	Residential Units Mix	- Building type, - Unit type (by number of bedrooms) - Quantity of each unit - Net Internal Area and Gross Internal Area of the units and building	- Architect drawings - Developer's accommodation schedule.
15	Appraisal Software	The software used to perform the appraisal, together with the cash flow	- Argus - Proval - HCA DAT - or any other software that is industry standard.