



Independent Expert Witness Report

of

Graham Oldrieve BSc MRICS Dip Arb

relating to

**VIABILITY APPRAISAL CRITIQUE
CRANBROOK LOCAL PLAN EXAMINATION**

instructions received from

James Brown Bsc (Hons) MA MRTPI

The Cranbrook Team
East Devon District Council
Blackdown House, Border Road,
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Honiton, EX14 1EJ

Our Reference: GO/105579

Date: 27 May 2021

Expert Knowledge
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Appendix I Terms of Engagement



1.0 INSTRUCTIONS AND BACKGROUND

- 1.1 I have received instructions from James Brown, Cranbrook New Community Officer, East Devon District Council (the Council), to undertake a critique of a Viability Appraisal (FVA).
- 1.2 The FVA was prepared by the Three Dragons consultancy (3D's) and Ward Williams Associates, Quantity Surveyors, as evidence to the Cranbrook Local Plan (the plan) Examination. Following initial hearings, the Inspector adjourned the examination, at the request of the Council, to enable it to correct land budget errors and undertake a resulting revised viability appraisal. After further hearing sessions in November 2020 and as a result of the substantial gap that still existed between parties, a secondment adjournment was made to allow an opportunity for further engagement between the Council and participants as well as the preparation of additional scenario testing.
- 1.3 The Inspector wrote to the Council on 20 January 2021 expressing concern at the fundamental differences between the Council, site promoters and other representers, stating -
(there is) "some distance...on a number of inputs into the viability report and this has led to significant concerns that the extent of the requirements of the plan would lead to the development of the expansion area being unviable and thus undeliverable".
- 1.4 The Inspector summarised the main points of difference as: -
- (a) Value of SANGS land
 - (b) Developer return on market housing
 - (c) Developer return on affordable housing
 - (d) Base build costs
 - (e) Finance costs
 - (f) Sales and marketing costs
 - (g) The implication of changes to part I and f of Building Regulations (Future Homes Standard)



1.5 Following Inspectors interim findings, the differences have been distilled to include: -

1. Developer return
2. Base line build costs
3. Finance costs
4. Sales and marketing costs

1.6 These are the subjects I am to critique.

1.7 I have reviewed background (Examination) documents including: -

- Inspector's interim letter to Council – PDS33
- Council's clarification questions to Inspector – PDS33a
- Inspector's response to Council's questions – PDS33b
- Three Dragons WWA Updated Viability Report July 2020 – PDS21a
- Updated Viability Report Appendices – PDS21b
- Land Budget – Supporting Notes – PSD22
- 3D's HCA Appraisal Spreadsheet – PSD23a
- 3D's Appraisal Spreadsheet Self-Build – PSD23d

1.8 I have had regard to: -

- the National Planning Policy Framework (NPPF)
- Planning Practice Guidance (PPG), RICS Guidance Notes – Assessing Viability and Planning under National Planning Policy Framework 2019 for England, and
- The LHDG Advice to Planning Practitioners on Viability Testing Local Plans, during 2012

Background

1.9 The FVA relates to an urban expansion development on the outskirts of Exeter City which is an extension of an existing new town development. The existing development has consent for 3,500 dwellings of which over 2,000 have been built and occupied. This expansion is intended to include: -



- 4,100 new dwellings
- 2 primary schools and special education needs school
- 2 neighbourhood centres
- Employment land
- 2 gypsy and traveller sites
- Open space and sports provision
- Suitable alternative natural green space (SANHS)

1.10 It is intended that 15% of the dwellings will be 'affordable' and 4% custom build/self-build.

1.11 Having considered the above documents and given the matter due consideration I report as follows. The report is prepared for the sole purpose of critiquing the specific areas instructed by the Council. It may be made public and presented to the Inspector for the purposes of assisting with the hearing but should not be used for other purposes without my prior consent.

1.12 I am familiar with Cranbrook but have not inspected the property in these considerations.



2.0 CREDENTIALS

- 2.1 I am Graham (Greg) Owen Frank Oldrieve of Vickery Holman Ltd, Walsingham House, Newham Quay, Truro, Cornwall, TR1 2DP.
- 2.2 I am a Registered Valuer with The Royal Institution of Chartered Surveyors, a graduate in Urban Land Administration and a senior Development Surveyor at Vickery Holman Ltd. Vickery Holman is the largest practice of commercial property surveyors in the South West of England employing over 70 staff, with offices in Exeter, Truro, Plymouth, and Bristol. I have a Diploma in Arbitration.
- 2.3 I am currently involved in providing strategic advice on a number of development projects including the development of 140 houses including 'affordable' in Redruth Cornwall, the development of 84 dwellings within the heritage environment in the South Hams, and a mixed residential and commercial scheme on 50 acres in Liskeard. In the past two years I have been directly involved in the sale of development land with a total value of over £10 million. The land included a number of strategic green field sites destined to be developed as urban extensions, with one site extending to over 300 units. This provides me with the knowledge and experience to provide the opinions sought.
- 2.4 I have worked in the property market in the South West of England for over 30 years during which time I have acquired, sold, and valued numerous commercial properties including development sites. Myself and my colleagues have been involved in valuations and appraisals of residential and commercial development sites for a variety of purposes including secured lending and planning viability assessments.
- 2.5 This experience provides me the knowledge and expertise necessary to provide the opinions sought.
- 2.6 I am unaware of any conflicts of interest in providing this advice.



3.0 DECLARATION

- 3.1 This report has been prepared in accordance with the requirements of the Royal Institution of Chartered Surveyors as set down in Surveyors Acting as Expert Witnesses, Practice Statement (4th edition).
- 3.2 I understand that my duty in providing written reports and giving evidence is to help the Inspector and this duty overrides any obligation to the party who has engaged me. I confirm that I have complied with this duty and will continue to comply with this duty.
- 3.3 I can confirm that insofar as the facts stated in my report are within my own knowledge, I have made clear which they are and I believe them to be true, and that the opinions I have expressed represent my true and complete professional opinion.
- 3.4 I have endeavoured to include in my report those matters which I have knowledge of, or of which I have been made aware that might adversely affect the validity of my opinion.
- 3.5 I have indicated the sources of all information I have used.
- 3.6 I have not, without forming an independent view, included, or excluded anything which has been suggested to me by others.
- 3.7 I will notify East Devon District Council, immediately and confirm in writing if, for any reason, the report requires any correction or qualification.
- 3.8 I understand that I may be cross-examined on my evidence and I am likely to be subject of criticism by the Inspector if they conclude that I have not taken reasonable care in trying to meet the standards set out above.



3.9 I confirm that I have not entered any arrangement where the amount of payment of my fees is in any way dependent upon the outcome of the case.



4.0 DEVELOPER'S RETURN (PROFIT)

Market Housing

- 4.1 In their financial viability appraisal, which has a base date of 1Q 2020, and which was prepared for the Plan, 3D's have adopted a return of 17.5% of gross development value (GDV) which represents the midpoint of the range of 15%-20% suggested within PPG.
- 4.2 In setting the return 3D's undertook a risk review (table 3.13 risk factors). The review is relevant, but I consider that risk must also be seen in context of market conditions. To assist with I have provided the commentary from Vickery Holman market commentary produced in January 2020.
- 4.3 The United Kingdom has just departed from the European Union and is about to commence negotiations for a new trading relationship with the EU. Until the terms of this new relationship are known and there is a period of stability it will be difficult to assess the impact on the Property Market.

Economy

- 4.4 The August 2018 review saw the Bank of England's Monetary Policy Committee decide to increase the Bank Rate by 0.25 percentage points to 0.75%, where it remains. Inflation, as of January 2020, has fallen to 1.3% (against a target of 2.00%).

Residential Market

- 4.5 The UK House Price Index (HPI), which replaces the previous house price indices, separately published by the Land Registry and the Office for National Statistics, indicates for March 2020 an average house value of £249,311. Average property prices have increased by 1% compared



to the previous month and risen by 2.6% compared to the previous year. This translates into the sub-regional and district figures for March 2020 as follows: -

AUTHORITY	MONTHLY CHANGE (%)	ANNUAL CHANGE (%)	AVERAGE PRICE (£)
Devon	0.1	2.2	266,077
Exeter	0.7	0.8	261,170
East Devon	1.4	0.7	291,159

- 4.6 Nationwide reports an annual house price growth of 1.4% in 2019. Prices increased month-on-month in December 2019 by 0.1%.
- 4.7 Halifax reports a 1.0% increase in house prices in the latest quarter (October to December) from the preceding three months (July to September to August). House prices in December were 4.0% higher than in the same month a year earlier. When looking at monthly changes, house prices have risen by 1.7% in December 2019.
- 4.8 The RICS Residential Market Survey for November 2019 highlights the outlook for prices 3 months ahead staying stable on a UK-wide basis. New buyer demand has fallen for the third consecutive month with a net balance of -9%. With activity reportedly slipping in virtually all parts of the UK, newly agreed sales have also seen a modest fall, the pace of the decline however eased in comparison to the previous two months with the latest reading moving to -8% from -18% and -27% previously. Landlord instructions continue to fall across the lettings market, extending a run of decline stretching back over the last thirteen quarters.”
- 4.9 Recognised in the above statement, house prices across East Devon and Exeter were increasing in 2020. New houses sales were averaging 13 a month in Exeter and 41.5 per month in East Devon. The initial Cranbrook development was proceeding successfully and the outlook for the housing market was favourable.



- 4.10 In 2020 developers were competing for development sites, especially where 'oven-ready'. This led to inflationary pressures on land values partly accommodated by lower profit expectations but also a belief that house values were likely to increase in the short to medium term. Despite short termed dips due to the pandemic this has generally continued and accelerated. Such an increase manifests itself as lower profit margins where appraisals reflect only existing residential values as is the expectation under the LHGDG advice. Notably in the latest RICS Guidance Notes future market expectations are matters for consideration. Whilst I do not suggest a specific provision for inflation the market trend was up, a trend that is factored into risk and return considerations.
- 4.11 The proposed development is conventional with what might be regarded as a standard mix of low to mid-range dwellings. Traditionally this is the strongest sector in the housing development market in terms of demand and volume of sales, partly fuelled by the Help-to-Buy programme. Consequently, it is the most competitive in terms of land sales therefore indicating lower risk and lower return compared to other developments or the market average.
- 4.12 As 3D's indicate in their risk review the assumptions for the FVA are that planning consent exists and consequently the development is "oven ready" and de-risked to a degree.
- 4.13 In my opinion whilst the development is large it is ideal for the volume housebuilder who can manage volume which provides opportunities for risk management. Risk mitigation is the responsibility of the developer not the plan.
- 4.14 In my opinion the market at Q1 2020, the predicted market and the nature of development, suggests the appropriate return (profit) on market housing is towards the lower end of the PPG guidance and consequently 17.5% on GDV adopted by 3D's is reasonable.



Affordable Housing

- 4.15 There appears to be an element of confusion on terminology and methodology regarding this issue.
- 4.16 Affordable housing is conventionally sold as a single lot to a Registered Provider (RP) as I understand has been the case with the existing Cranbrook development. Such sales would be in tranches programmed against the 106 Agreement(s) and generally transacted on what is known as “golden brick” contracts. These are tantamount to a build contract where the RP will acquire the plots and pay for the houses on staged payments monthly in arrears. Given the advantage of such an arrangement for the developer profit margins are considerably reduced as referred to in PPG.
- 4.17 3D’s have included a developer profit (which they refer to as contractors’ profit) within the appraisal for the affordable housing based on build cost, which itself includes a contractor’s profit.
- 4.18 My experience is that there is no common market measure of profit on affordable housing. Some developers compute on cost, but include all cost not merely base build cost, some on GDV and some of price per plot. If external costs, land, etc are added to the base build cost, the total is close to affordable housing GDV and therefore it matters little which you use.
- 4.19 Whilst I do not agree with 3D’s method of calculation, the return (£92,947,135) suggested is reasonable. It equates to 3.7% of GDV or £5,000 per unit. This is in addition to the contractors return that is included in the build costs. In my experience developer return on affordable housing is less than 6% of GDV suggested by the other parties to the hearing.



5.0 BASE BUILD COSTS

- 5.1 3D's utilises cost information provided by WWA which is based on data from BCIS updated to Q1 2020. They have chosen costs from the lower quartile whereas other parties at the hearing have suggested the cost will align with the median/higher quartile.
- 5.2 In my opinion cost estimates need to be cross-referenced to the development's aspirations on sale prices (GDV).
- 5.3 3D's have provided for an average GDV of circa. £3,064 per square metre GIA (psm), which they suggest is the average sale price for new houses in the locality. The Scott Statement suggests that the approach is agreed with by other participants at the hearing.
- 5.4 In 2020 I undertook an analysis of residential sale prices of new homes in and around the City including Cranbrook which led me to an opinion that the average current sale price for estate housing lay in the region of £3,200 psm.
- 5.5 In terms of what appears to me to be modest expectations on GDV I cannot anticipate that the base build costs would be above a similarly modest level.
- 5.6 It is not clear to me in WWA's estimate that they have taken due consideration to the volume of the development. A recent analysis carried out for me on a development on the Devon/Cornwall border by another Quantity Surveyor, based on actual build costs not BCIS, indicated an average excluding abnormal costs in the region of £1,030 psm. WWA's have adopted £1,182.78 psm including 2% contingency for the market housing.
- 5.7 I have never seen volume builders build at above lower quartile cost. I would anticipate the base build cost of this development being within the lower quartile of the BCIS evidence as suggested by WWA/3D's.



6.0 FINANCE COSTS

- 6.1 Having regard to the Inspector's comments, PSD21a paragraph 36, it appears that the differences between 3D's and other representations to the hearing relate to the provision for staged land purchases therefore limiting finance costs on land purchase cost.
- 6.2 3D's assume that the land acquired and/or paid for in two equal tranches the first one year prior to the first house being delivered and the second one five years later.
- 6.3 In my opinion the question of finance costs on the land purchased is integrated to the value/price paid for the land, which is a qualitative and quantitative consideration.
- 6.4 I understand that all parties to the hearing are agreed that the Benchmark Land Value (BLV) is £300,000 per hectare.
- 6.5 The Inspector has indicated the BLV of the SANGS land should be discounted. I agree. I prefer to look at the land in total rather than differentiate and where there is a high proportion of land that cannot be profitably developed apply a lower BLV overall.
- 6.6 In my opinion having regard to the site's abnormal costs and in particular the upfront infrastructure costs the BLV (per ha) is very high, if not excessive, and in the circumstances a staged purchase and/or payment would be the market norm as indicated by 3D's.
- 6.7 The quantity of the purchase, in excess of £60 million, is also very significant again suggesting the purchase/payment would need to be phased. I would expect the phasing to be possibly more fragmented and protracted than provided for by 3D's as a risk mitigation measure.
- 6.8 I recently transacted a site for 300 houses which was purchased in two parts and the payments were phased into two further tranches over three years. Whilst this has tax implications for the vendor for the high price agreed it would be a reasonable provision.



6.9 I also disagree with the interest rate adopted of 6%. Given the nature of the development and the interest rates that were available, borrowing could have been and can be achieved at lower percentage rates especially given the nature of the parties interested in developing the site.



7.0 SALES AND MARKETING

- 7.1 3D's have adopted a cost of 3% of GDV to cover sales and marketing costs which is defined within the Scott Statement as being 1% for agent's fees, 0.5% for legal fees and 1.5% for marketing.
- 7.2 Other representations at the hearing suggested 5% of GDV which, was referred to as the market norm.
- 7.3 In developments I am currently involved in marketing costs are considerably less than 3% of GDV.
- 7.4 I have considered each element separately.
- 7.5 The maximum I would expect to pay for selling agents would be 1.25% of GDV on the market houses and a fixed fee of say £20,000 on the affordable housing. Given the nature of the development I would not anticipate the developers would use external estate agents but would establish an onsite sales presence with their own marketing campaign which I would suggest would reduce costs further.
- 7.6 Legal fees for market houses sales are generally between £500 and £750 per house whereas 3D's suggest an average of £1,100.
- 7.7 A simple comparison on marketing costs is difficult as it is not clearly defined what is intended to be included within marketing. In my opinion this would include purchaser incentives such as contributions towards legal fees, fitting upgrade and/or welcome packs which were common in the past but in the current market are more limited.
- 7.8 I would also not apply marketing costs to the affordable housing.



7.9 3D's provision for marketing is £15.9m, £4,701 per market house which appears excessive. I would suggest £1,000 per market house is an adequate provision.



8.0 SUMMARY

- 8.1 I concur with 3D's regarding an appropriate return for developers on marketing housing but disagree with affordable housing where, in my experience a developer profit in addition to the contractor profit is achieved at 6% of GDV.
- 8.2 On base build costs I consider Ward Williams's estimate to be correct and given the modest expectations on sale prices I would anticipate build costs being within the lower quartile of the BCIS range.
- 8.3 On finance costs I agree with 3D's approach to a phasing of the land purchase costs especially as in my opinion the BLV is excessive. If any developer were required to pay that amount it would need to be phased over a longer period, possibly longer and more fragmented than that predicted by 3D's as risk mitigation.
- 8.4 In my opinion 3D's estimated costs of sales and marketing is excessive at 3% of GDV. Given the nature of the development and likely nature of developers the costs would be significantly lower.

Graham Oldrieve BSc MRICS Dip Arb
RICS Membership No: - 58691



Date: - 27 May 2021



APPENDIX I
TERMS OF ENGAGEMENT

The Cranbrook Plan

Viability appraisal critique brief

Contact details

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Background

Cranbrook is a new town being developed in East Devon district, approximately 7 miles to the east of Exeter City centre. Development commenced in June 2011 and today there are around 2,200 homes built and occupied out of the 3,500 consented. The East Devon Local Plan 2011-2031 sets out policies for the expansion of Cranbrook up towards a total of 8,000 homes.

The Cranbrook Plan DPD (the Plan) builds upon the Local Plan and sets out allocations, strategic and non-strategic policies for the expansion of the new town from 3,500 homes up to 7,770 homes with associated social, economic, education and leisure facilities and services. The Plan has reached the stage of Examination in Public, with two stages of the examination having now been completed. The first comprised 7 days of hearings in January and early February 2020 while the second which was held virtually comprised 4 days in November 2020.

Viability has been a primary area of contention within the hearings to date and one where there is a wide range of competing views being presented by the different participants. The hearings in November were adjourned to allow further work to be undertaken by the Council.

To assist in the preparation of the additional work the Inspector wrote to the Council on 20 January 2021, setting out her views on some aspects of the viability debate and associated policy approach. In addition the Inspector also commented on the range of inputs that the Council should use in further sensitivity testing.

Introduction

East Devon District Council as Local Planning Authority recognises the importance of having a viable plan to ensure that the allocations that we are seeking to make, are deliverable. To assist with this the Council had a detailed viability appraisal prepared by Three Dragons who have appeared for the Council as expert witnesses at both stages of the examination.

For information the full list of participants involved with the viability hearings for the examination are as follows:

- East Devon District Council with expert witnesses on viability from Three Dragons;
- Hallam Land Management and Taylor Wimpey with Chris Young QC as advocate and expert witnesses from David Lock Associates and specifically on viability Whiteleaf Consulting and Chesters Commercial;
- Persimmon Homes SW with Mary Cook as advocate with expert witnesses from RPS and specifically on viability Bruton Knowles;
- Cranbrook LVA LLP with Graeme Keen QC as advocate with expert witnesses from Bell Cornwell and specifically on viability Sturt and Company;
- Baker Estates;
- Stuart Partners represented by James McMurdo;
- The Pyle Family and Harrow Estates;
- Mr Boekman. (local resident)

To further assist with the next steps, the Council is seeking to appoint an independent chartered surveyor to review the Viability Appraisal previously prepared by Three Dragons (whilst having regard to the recent letter from Inspector identified as PSD 33 and 33B for which links are provided at the end of this brief); providing a written critique of the work, corroborating the approach to key inputs where this is appropriate and suggesting a justified alternative where there is disagreement.

Having a sound Plan is imperative to the ability of the Local Planning Authority to resolve planning applications for the expansion of Cranbrook in a comprehensive and coordinated way.

Objective of the tender

East Devon District Council are looking for a RICS Surveying Consultant with a strong understanding of development viability and previous experience in undertaking viability appraisals for CIL and Local Plan examination work. A background in town and country planning would be advantageous, while chartered membership of RICS is considered to be essential.

The aim of the work is to establish a critique of the current viability appraisal potentially allowing corroboration of the approach to key inputs and to identify and propose justified alternatives where this is considered necessary. The critique which will need to have regard to the recent Inspectors letters (PSD33 and 33B) would assist in focussing additional modelling/sensitivity work that is likely to be required and if appropriate would allow East Devon to present to the examination the inputs it is using within the viability appraisal with increased confidence.

It is expected that the consultant, who would act as an expert for the Council, would have capacity to undertake the part of the commission focussing on the critique quickly. In addition the Council would also like the appointed consultant to be available to assist in potential future engagement with other participants in an attempt to reach an agreed position/common ground as well as the next stage of the examination hearing sessions if these are required - timescales for both these components are currently not known.

The critique would need to be in a publishable form.

Deliverables

The review would result in a critique of the current appraisal and provide clarity over the appropriateness of the inputs that we have used with a focus on Developer Return; Base build costs; Finance costs; Sales and marketing costs (the key areas identified by the Inspector). It would enable the Council to have a publishable statement to assist in the evidence that we are presenting to the Inspector at examination and the potential for the appointed consultant to assist the Council in future discussions with participants as well as appearing as an expert witness for the Council at the next stage of the examination.

Submission requirements

Tender submissions for the work outlined in the brief should be signed and clearly set out the following information:

- The consultant's appreciation and understanding of the issues to be addressed;
- A statement outlining the proposed methodology for undertaking the work and key outputs;
- Availability to commence work and complete the critique in good time;
- Details of the CV's and qualifications of the consultant and evidence of experience of successfully completing similar and relevant work;
- Details of previous successful appearances as an expert witness
- A fixed price to undertake the proposed work programme, broken down according to the key tasks, including all costs and expenses with an hourly rate for any additional work that may arise;
- A schedule of payments;
- Evidence of professional indemnity insurance;
- A declaration that the tender content, price or any other figure or particulars concerning the tender have not been disclosed by the tenderer to any other party (except such a disclosure is made in confidence for a necessary purpose); and
- Assurance that there is no conflict of interest that might be seen to prejudice the independence of the expert, with a declaration of any interest they have in the East Devon area.

Selection of the successful consultant will be based upon value for money and the proposed approach to carrying out the commission, set against the following criteria:

Cost

- Cost (20%)

Quality

- A robust methodology with a clear explanation of how the brief is to be carried out (25%)
- Relevant experience and track record of the suggested individuals/team proposed by the consultant (30%)
- Capacity and availability of the suggested individuals/team to deliver the project on time (25%)

An electronic copy (PDF format preferred) should be emailed to James Brown jbrown@eastdevon.gov.uk "Viability Critique – CRANBROOK PLAN" in the subject line of the email.

The closing date for tender submission is **12pm on Monday 8th March 2021**. If you have any queries or wish to discuss this brief in further detail, please contact James Brown on the contact details at the front of this document.

Key Background documents

The Cranbrook Plan submission draft:

<https://eastdevon.gov.uk/media/2810797/cranbrook-plan-dpd-submission-draft.pdf>

The Cranbrook Plan policies map:

https://eastdevon.gov.uk/media/2760831/190211_CB_POLICIES-PLAN-FLAT.jpg

Viability hearing statements (Matter 15): <https://eastdevon.gov.uk/planning/planning-policy/cranbrook-plan/cranbrook-plan-examination-statements/#article-content>

East Devon CIL Review and Cranbrook Viability study:

<https://eastdevon.gov.uk/media/2760827/east-devon-cil-review-and-cranbrook-viability-report.pdf>

East Devon CIL Review and Cranbrook Viability study annexes:

<https://eastdevon.gov.uk/media/2760830/east-devon-cil-review-and-cranbrook-viability-annexes.pdf>

Cranbrook Updated Viability Report (Document PSD 21A)

<https://eastdevon.gov.uk/media/3720808/psd21a-cranbrook-updated-viability-report-july-2020.pdf>

Cranbrook Updated Viability Appendices (Document PSD 21B)

<https://eastdevon.gov.uk/media/3720809/psd21b-cranbrook-updated-viability-appendices.pdf>

Response to matters raised by the Inspector (Document PSD25)

<https://eastdevon.gov.uk/media/3720814/psd25-response-to-matters-raised-by-the-inspector.pdf>

Inspectors Interim letter (Document PSD 33)

<https://eastdevon.gov.uk/planning/planning-policy/cranbrook-plan/cranbrook-plan-examination/#article-content>

Clarification questions from East Devon District Council (Document PSD 33A)

<https://eastdevon.gov.uk/media/3721907/psd-33a-east-devon-dc-calrification-questions-following-inspectors-post-hearing-note.pdf>

Inspector's response to additional questions (Document PSD 33B)

<https://eastdevon.gov.uk/media/3721908/psd-33b-inspectors-response-to-east-devon-dcs-calrification-questions-220121.pdf>

ADDENDUM TERMS (Covid-19)

Please Read Carefully

To be read in conjunction with Vickery Holman's Standard Terms of Engagement

Having regard to Government guidelines and RICS advice policy,

<https://www.gov.uk/guidance/working-safely-during-coronavirus-covid-19>

Vickery Holman outline their current guidelines regarding inspections during the coronavirus.

Residential Properties

Before attending site, we will require confirmation/agreement regarding the following:-

- That no one in the household is self-isolating.
- That no one in the household has had Covid 19 or symptoms of this in the past 14 days.
- That no one in the household is shielding or in a vulnerable group.
- If any of the above occur between the return of information, the site inspection, or within 7 days of the site inspection, you will notify Vickery Holman immediately.
- The occupants will leave the property vacant during the inspection.
- The occupiers must leave all internal doors open to minimise contact with surfaces, this includes certain cupboard doors, such as the electrical/gas cupboards, and the roof hatch where appropriate.
- If at any point the occupants do not comply with these requirements, the surveyor will leave the premises immediately and an abortive fee will be payable.

Commercial Properties/Site Visits

Before attending site we will require confirmation/agreement regarding the following:-

- That no one in the property/on site has had Covid 19 or symptoms of this in the past 14 days.
- If any of the above occur between the return of information, the inspection, or within 7 days of the site inspection you will notify Vickery Holman immediately.
- Where we attend site regularly, you will notify Vickery Holman immediately of any cases that occur as and when the site become aware of an infection.
- The property will be vacant during the inspection if possible. If this is not possible the property must have a low occupancy and the occupiers should be informed that they will be asked to relocate from the area/room/building, whilst it is being surveyed so that social distancing can be maintained.
- All internal doors must be left open to minimise the contact required with surfaces. The surveyor may require to open certain cupboard doors, such as the electrical/gas cupboards, lift ceiling tiles and/or the roof hatch etc..
- If when attending, the property/site it has not been left as described to us, or people at the property do not maintain social distancing in order for our surveyor to undertake their inspection safely, the surveyor will leave the premises immediately.
- If at any point the items set out above, or reasonable requests of the surveyor, are not met the surveyor will leave the premises immediately.
- Should the surveyor leave site in relation to the above an abortive fee will be payable.

**Generally**

The surveyor may not inspect all areas (such as kitchen cupboards) where there is a perceived risk of contamination. As a consequence of the virus remaining on surfaces for an unknown time period it is possible that not all doors, inspection hatches cupboards etc. will be opened as may normally occur, the report may therefore be limited as a consequence of such limitations during the inspection. If an area/item is believed to be in good/poor condition from the surveyor's initial view further inspection may not be undertaken.

Requested information should be provided at least 48 hours before the scheduled date of inspection, or other time frame specifically agreed with the surveyor.

Wherever possible, the surveyor will attend site during a "quiet time" if convenient to all parties.

Any discussions/meetings will be undertaken off site via telephone, online meetings etc.

Whilst we will provisionally book an appointment, we will not attend the property until we receive the feedback that we require. Should an appointment not proceed as a consequence of the information requested not being received in sufficient time and the surveyor not be able to undertake other productive work as a consequence, an abortive fee may be charged.

The welfare of our personnel and those that we come in contact with remains our priority at all times and we hope that you understand the request to put such measures in place in order to safeguard them in their work.

Agency	Valuation	Professional Services	Litigation	Surveys	Construction Management	Land & Development	Property Management
Sales	Acquisition	Reducing Business Rates	Land Compensation	Insurance Reinstatement Valuations	Employers Agent	Development Appraisals	Commercial & Residential Property
Lettings	Assets	Asset Management	Right to Light	Historic Buildings	Project Management	Section 106 Negotiations	Companies House and VAT Administration
Acquisitions	Charities Act	Rent Reviews	Construction Design & Management	Acquisition	Architectural Design	Environmental Advice	Rent Collection
Market Analysis	Secured Lending	End of Lease Liabilities	Party Wall & Boundary Disputes	Quinquennial	Refurbishment and Repairs	Option & Promotion Agreements	Service Charge Administration
Investment Advice	Tax	Compulsory Purchase	Overriding Licences	Conservation Advice	Cyclical Repairs	Employment Land Studies	Insurance / Claims
Leisure Advice	Trading Concerns	Lease Renewals	Expert Witness & Arbitration	Defect Analysis	Contract Administration	Funding Applications	Health & Safety

Covering all areas of commercial property

Valuations provided for:-

Acquisition
Affordable Rent
Asset Management
Capital Gains Tax
Charities Act
Depreciated Replacement Cost
Development Overage Provisions
Expert Witness
Financial Statements
Inheritance Tax
Market Rent
Matrimonial Valuations
Partnership Property Disputes
Professional Negligence
Regulated Purpose
Section 18 / Dilapidations
Secured Lending
Stamp Duty



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