



COMMENTARY

for

**RESIDENTIAL DEVELOPMENT
DEEPING ST NICHOLAS**

for

CP VIABILITY

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DOCUMENT CONTROL

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1.0 INTRODUCTION

- 1.01 Thornton Firkin LLP have been instructed by CP Viability to undertake a review of the Cost Estimate produced by Gleeds.
- 1.02 The scheme comprises the demolition of existing agricultural buildings and the construction of 119 dwellings plus a village hall at Home Farm, Deeping St Nicholas, Spalding.

2.0 BASIS OF INFORMATION

- 2.01 We have referenced the Planning Drawings, available through the South Holland Council planning portal, relating to Planning Application references: H03-0161-17, H03-0598-24 and H03-1042-25.

3.0 COST INFORMATION

- 3.01 In reviewing the costs provided in the Viability Assessment we have utilised a combination of the following cost information in compiling our commentary on the abnormal costs:
- T-F cost database for residential projects – Based upon over 350 residential projects completed within the last 3 years.
 - Spon's Price Books
 - BCIS cost databases

4.0 GENERALLY

- 4.01 Areas – We have checked the GIA and unit numbers in the accommodation schedule and calculated the GIFA as 10,206m² compared to 10,226m² within Gleeds Order of Cost document.
- 4.02 We note that the order of cost prepared by Gleeds is dated 9th September 2025 but states that the prices have been forecast through to 3Q 2025. These should be actual not forecasted costs.
- 4.03 OHP has been omitted by Gleeds from the order of cost, but we would normally expect this to be shown on a construction estimate.
- 4.04 Allowances for risk/contingency have been omitted by Gleeds from the order of cost and we would normally expect some allowances for design and construction risks to be allowed.

- 4.05 LABC warranties have been estimated at 0.9% of sale value but it is unclear how this has been applied within the detailed costings as this is noted as £800 per plot for LABC warranties and Building Control.
- 4.06 EV car charging points have been excluded but this is a Building Regulation requirement for each dwelling and an allowance of £750 per dwelling has been included within the abnormal costs.
- 4.07 It has been assumed that the development is electric only despite gas being available as evidenced by the Jelson Homes development on the opposite side of Littleworth Drove. Gas is generally acknowledged as the cheapest way to provide space heating and hot water for residential dwellings.
- 4.08 Drainage attenuation has been noted as an abnormal which is unusual as this is a planning requirement on all sites.
- 4.09 Works to achieve a specific EPC have been excluded. We have assumed that the dwellings will be built to current Building Regulation standards.

5.0 DWELLINGS (£13,153,479)

- 5.01 The detailed individual dwellings' costs don't appear to match the figures included on pages 8 and 9 of the Gleeds order of cost estimate. For example, the Sunflower type A1 detailed cost build up is £91,630 but this appears as £92,464 on the schedule contained on page 8.

As we don't have detailed build ups for all house types it is difficult to assess if this same error has occurred for each house type.

- 5.02 An assessment of the dwellings costs shows that they vary in price from £1,101 to £1,426m2 with an average overall cost of £1,287m2. We have calculated this using a total cost of £13,143,118 and a GIFA of 10,206m2 but the comment above should be noted as this could potentially affect this calculation.

We would normally expect the price per m2 to be in the region of £1,250m2.

- 5.02 We have undertaken a review of the individual element quantities within the different house type cost build ups and found these to be accurate. However, there are some anomalies such as no skirtings measured for the I1 house type.
- 5.03 We have also undertaken a review of the individual element costs within the different house type cost build ups and generally found these to be in line with current market expectations. However, within the individual house type cost builds we did note that the following costs are higher than expected:

- Space heating is circa £10m2 higher than we would expect = £102,060
 - Electric mains/sub mains, lighting etc is circa £15m2 higher than we would expect = £153,090
 - Carpets have been included to all non-wet areas which would normally be a sales enhancement. This equates to an average of £1,862 per plot = £221,677
- 5.04 The overall effect of the above items is a reduction of £476,827 i.e a build cost for the dwellings of £12,676,652 which equates to £1,242m2 which is in line with our expectations.

6.0 ON PLOT EXTERNAL WORKS AND DRAINAGE

- 6.1 No build up has been provided to the lump sum allowance of £8,936 per plot for hard/soft landscaping/drainage so we are unable to comment on the accuracy of this allowance.
- 6.2 The allowance for 1.8m high closeboard fencing is £15/m higher than we would expect = £45,630 saving.

7.0 OFF PLOT EXTERNAL WORKS AND INFRASTRUCTURE

- 7.1 The £130m2 allowance for adoptable roads is £10m2 higher than we would expect = £53,240 saving.
- 7.2 The adoption/supervision fees are higher than comparable projects and we would expect these to be circa £70,000 = £33,400 saving
- 7.3 It is unclear from the available drawings what the allowance of £10,00 for site furniture and equipment includes.

8.0 GARAGES

- 8.01 The rate used for the load bearing non insulated floor slab to the garages is the same as the beam and block flooring rate for the houses. This should be circa £15m2 cheaper. A build up to the costs for the double garage hasn't been provided so it is unclear as to the exact floor area but working on the basis that the floor area is double the single garage the saving would be £15,930.
- 8.02 £140/m2 for a single skinned brickwork wall is high. An allowance of £100m2 would be more appropriate = saving of circa £70,000

- 8.03 An allowance of £2,700 for lighting and power to a garage is excessive we would expect this to be £1,250 for a single and £1,500 for a double = a saving of circa £100,000

9.0 PRELIMINARIES

- 9.1 It is unclear why preliminaries have only been applied to groundworks, external works and infrastructure works. We would normally expect these to be applied to the overall project.

10.0 ABNORMALS

- 10.1 It is unclear why site clearance is an abnormal cost as this is required on every site and would normally be included within the groundworks/external works' costs. The rate of £7.50m² is accepted.
- 10.2 In our experience the requirement for pumping stations is not unusual in South Holland and the surrounding Fenland areas due to the topography of the area. We would therefore argue that this is not a site abnormal and should have been anticipated as part of the overall site development appraisal. However, the overall allowances are reasonable.
- 10.3 Similarly the requirement for detention basins/ponds is not an abnormal as SUDS are required on all sites as part of the Planning Application process. The figures allowed for the works are reasonable
- 10.4 We also don't believe that POS is an abnormal as this is required on large residential developments to comply with planning legislation. We would expect a rate of £15m² for on site topsoil and grass seed which equates to £64,080. It is unclear what planting will be required but this leaves a balance of circa £21,000 which should be sufficient.
- 10.5 The allowances contained for S106 payments are again part of the planning process and as such should not be deemed site abnormalities. The allowance of £214,230 for the community centre appears to be a lump sum with no build up so we have been unable to comment on the suitability of this allowance.
- 10.6 The allowance for demolition and remediation refers to a quotation from RTW which has not been provided to verify the allowance. It is unclear from the information on the planning portal what remediation is required to the site.
- 10.7 The allowance of £45,000 for access to retained properties seems excessive but the exact details of this work are unclear from the planning drawings. We have noted the need to construct three new entrances and would normally expect a crossover to cost in the region of £10,000 i.e. a saving to circa £15,000.
- 10.8 The allowance for electrical sub-station and HV main appears reasonable based upon an all electric solution but the loadings could be reduced if a gas heating and hot water solution was considered.

- 10.9 We have been unable to verify if gas membranes are required but an allowance of £15m2 would be sufficient and this equates to circa £80,000 = a saving of £9,250
- 101.0 EV car chargers are a requirement of Building Regulations and as such are not an abnormal. The allowance of £750 per plot is higher than we would expect for a 7.5Kw charger. We would expect the cost to be circa £500 per plot = £29,750 saving.
- 10.11 As Part L is a building regulation requirement we are unclear why this is an enhancement or a site abnormal. We would expect the cost for PV to be circa £4,000 to £5,000 per plot = a saving of circa £297,500.
- 10.10 Preliminaries of 12% have been applied to all the abnormals but the same logic has been followed within the remainder of the Gleeds order of cost. Preliminaries have only been applied to groundworks, external works and infrastructure works. Therefore, preliminaries should not apply to the following:

• S106 Education	£605,390
• S106 Community Centre (say 50% of cost)	£107,115
• IDB approval	£25,000
• Demolition and remediation	£167,060
• Electric sub-station	£125,000
• Car chargers	£89,250
• Part L enhancements	£833,000

The total of the above is £1,951,815 @ 12% = £234,217 saving

11.0 SUMMARY

- 12.01 In compiling our comments, we consider the total estimated cost to be £21,769,255, compared to that of £23,150,000 set out in the Gleeds Order of Cost Estimate.
- 12.01 The following summary details the differences between our assessment and that of Gleeds:

Element	Thornton Firkin LLP	Gleeds
Dwellings	12,676,652	13,153,479
On plot external works and drainage	1,843,749	1,889,379
Off plot external works and drainage	2,424,798	2,511,438
Garages	777,093	963,023
Preliminaries	689,710	689,710
Abnormals	3,357,253	3,942,970
Total Cost	21,769,255	23,150,000
	£2,132m2	£2,268m2