

FORMER B&Q SITE, GREAT STONE ROAD, STRETFORD M32 0YP

Rebuttal Proof of Evidence - Appendix

KEN LATHAM, MRICS

29th December 2021

On Behalf of: Accrue (Forum) 1 LLP

PINS Reference: APP/Q4245/W/20/3258552

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APPENDIX A – SUPPORTING DATA

1. Paragraph 6.4 Argus Developer Sensitivity Analysis – Construction cost per sq ft example

The screenshot shows the 'Sensitivity Analysis' window in Argus software. The table displays the impact of construction cost changes on profit and IRR. The columns represent construction cost changes from -20.000% to +20.000%. The rows represent Rent Cap Rate changes from -1.0000% to +1.0000%.

		-20.000%	-10.000%	0.000%	+10.000%	+20.000%
		76.00 pF	85.50 pF	95.00 pF	104.50 pF	114.00 pF
Rent: Cap Rate	-1.0000%	\$17,556,812	\$15,156,337	\$12,755,862	\$10,355,387	\$7,954,912
	7.5000%	27.2937%	22.7156%	18.4502%	14.4693%	10.7480%
	-0.5000%	\$15,078,304	\$12,677,829	\$10,277,354	\$7,876,879	\$5,476,404
	8.0000%	23.8063%	19.2897%	15.0855%	11.1653%	7.5036%
	0.0000%	\$12,882,572	\$10,482,097	\$8,081,622	\$5,681,147	\$3,280,672
	8.5000%	20.6325%	16.1726%	12.0247%	8.1603%	4.5536%
	+0.5000%	\$10,923,801	\$8,523,326	\$6,122,851	\$3,722,376	\$1,321,901
	9.0000%	17.7290%	13.3214%	9.2257%	5.4128%	1.8569%
	+1.0000%	\$9,165,572	\$6,765,097	\$4,364,622	\$1,964,147	(\$436,328)
	9.5000%	15.0603%	10.7013%	6.6539%	2.8889%	-0.6198%

Analysis Calculation Time: 6.022 Seconds

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2. Paragraph 6.4.5 BCIS Cost/m² – 5 year to 50 year sample sizes, mean and median rates

BCIS Average Prices: £/m² study							
Downloaded: 17-Dec-2021 13:03							
Updated: 04-Dec-2021 00:40							
Rate per m² gross internal floor area for the building Cost including prelims.							
Rebased to 4Q 2021 (344) and Trafford (99; sample 44)							
Type of Work	Building function	Cut-off years	Sample	Mean	Decile 5 (median)	Lower quartile	Upper quartile
New build	816. Flats (apartments)						
	6 storey or above	5	30	1,582	1,576	1,338	1,753
	6 storey or above	10	61	1,781	1,698	1,448	1,919
	6 storey or above	15	99	1,843	1,723	1,506	1,975
	6 storey or above	20	112	1,861	1,744	1,510	2,029
	6 storey or above	25	116	1,873	1,744	1,510	2,034
	6 storey or above	30	116	1,873	1,744	1,510	2,034
	6 storey or above	35	119	1,867	1,740	1,506	2,030
	6 storey or above	40	126	1,855	1,725	1,472	2,023
	6 storey or above	45	127	1,849	1,723	1,464	2,019
	6 storey or above	50	127	1,849	1,723	1,464	2,019
	= Default						

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3. Paragraph 6.4.5 example of BCIS group element and elemental rates



element cost per m2

Description: Rate per m2 gross internal floor area for the element Cost excluding prelims.

Last updated: 04-Dec-2021 04:30

> Rebased to 4Q 2021 (344) and Trafford (99; sample 44)

Maximum age of results: 15 years

Building function (Maximum age of projects)	E/m ² gross internal floor area						Sample	Unpriced excl
	Mean	Lowest	Lower quartiles	Median	Upper quartiles	Highest		
New build								
816. Flats (apartments)								
01 Substructure (15)	152	35	92	125	183	472	203	0
02.01 Frame (15)	135	6	41	94	198	732	92	48
02.02 Upper Floors (15)	82	3	42	64	98	392	138	1
02.03 Roof (15)	94	16	57	85	117	676	177	1
02.04 Stairs (15)	30	3	15	23	35	221	167	2
02.05 External Walls (15)	193	25	121	164	237	1,109	173	0
02.06 External Windows and Doors (15)	91	2	57	85	108	276	178	0
02.07 Internal Walls and Partitions (15)	70	4	40	70	97	301	165	0
02.08 Internal Doors (15)	51	2	33	46	59	282	175	0
02 Superstructure (15)	708	316	561	666	805	2,331	210	0
03.01 Wall Finishes (15)	75	8	49	67	92	200	159	0
03.02 Floor Finishes (15)	62	4	38	55	82	324	175	0
03.03 Ceiling Finishes (15)	40	5	29	37	49	123	160	0
03 Finishes (15)	179	42	132	175	209	936	210	0
04 Fittings, Furnishings and Equipment (15)	63	2	30	47	78	378	185	5
05.01 Sanitary Installations (15)	30	3	16	26	38	101	88	5
05.02 Services Equipment (15)	27	1	6	21	27	157	16	133
05.03 Disposal Installations (15)	13	1	7	12	16	62	50	8
05.04 Water Installations (15)	34	8	18	29	42	99	40	60
05.05 Heat Source (15)	50	9	20	25	44	293	13	90
05.06 Space Heating and Air Conditioning (15)	103	20	49	85	139	395	47	1
05.07 Ventilating Systems (15)	18	2	7	13	24	70	51	60
05.08 Electrical Installations (15)	90	22	56	84	108	301	98	0

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Building function (Maximum age of projects)	E/m ² gross internal floor area						Sample	Unpriced excl
	Mean	Lowest	Lower quartiles	Median	Upper quartiles	Highest		
05.09 Fuel Installations (15)	7	1	3	6	9	19	28	136
05.10 Lift and Conveyor Installations (15)	38	10	21	36	48	93	77	96
05.11 Fire and Lightning Protection (15)	12	1	4	9	15	41	44	110
05.12 Communications and Security Installations (15)	23	2	9	14	25	229	53	67
05.13 Special Installations (15)	43	1	11	20	62	170	13	161
05.14 Builder's Work in Connection with Services (BWIC) (15)	16	1	7	12	19	74	272	110
05 Services (15)	316	67	213	283	377	1,232	210	0
06 Prefabricated Buildings and Building Units (15)	0	-	-	-	-	-	0	38
07 Work to Existing Building (15)	9	-	-	-	-	-	1	37

Group Elements :

- 1.0 Substructure
- 2.0 Superstructure
- 3.0 Finishes
- 4.0 Fittings, Furnishings and Equipment
- 5.0 Services

Elements :

- 1.0 Substructure
- 2.1 Frame
- 2.2 Upper floors
- 2.3 Roof
- 2.4 Stairs
- 2.5 External walls
- 2.6 External windows & doors
- 2.7 Internal walls & partitions
- 2.8 Internal doors
- 3.1 Wall finishes
- 3.2 Floor finishes
- 3.3 Ceiling finishes
- 4.0 Fittings, Furnishings and Equipment
- 5.1 Sanitary installations
- 5.2 Service equipment installations
- 5.3 Disposal installations
- 5.4 Water installations
- 5.5 Heat source installations
- 5.6 Space heating & air conditioning installations
- 5.7 Ventilating systems installations
- 5.8 Electrical installations
- 5.9 Fuel installations
- 5.10 Lift & conveyor installations
- 5.11 Fire & lightning protection installations
- 5.12 Communication and security installations
- 5.13 Special installations
- 5.14 Builders Work in Connection (BWIC) with services

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4. Paragraph 6.4.5 BCIS elemental Cost/m2 – differences between Group elemental totals and equivalent elemental totals

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BCIS Average Prices: element cost per m2				
Downloaded: 17-Dec-2021 15:35				
Updated: 04-Dec-2021 04:30				
Rate per m2 gross internal floor area for the element Cost excluding prelims.				
Rebased to 1Q 2020 (335) and Trafford (99; sample 44)				
Type of Work : New build				
Building function : 816 Flats (apartments)				
	Mean (Totals 01, 02, 03, 04, 05)	Mean (Totals 01, 02.01 - 02.08, 03.01 - 03.03, 04, 05.01 - 05.14)	Median (Totals 01, 02, 03, 04, 05)	Median (Totals 01, 02.01 - 02.08, 03.01 - 03.03, 04, 05.01 - 05.14)
BCIS Average Prices 05 Yr	1,276	1,415	1,174	1,176
BCIS Average Prices 10 Yr	1,400	1,615	1,287	1,367
BCIS Average Prices 15 Yr	1,381	1,600	1,263	1,320
BCIS Average Prices 20 Yr	1,365	1,583	1,254	1,317
BCIS Average Prices 25 Yr	1,351	1,567	1,233	1,295
BCIS Average Prices 30 Yr	1,340	1,566	1,222	1,299
BCIS Average Prices 35 Yr	1,288	1,524	1,171	1,269
BCIS Average Prices 40 Yr	1,226	1,475	1,115	1,223
BCIS Average Prices 45 Yr	1,203	1,433	1,091	1,189
BCIS Average Prices 50 Yr	1,180	1,402	1,074	1,162
BCIS Average Prices: element cost per m2				
Downloaded: 17-Dec-2021 15:35				
Updated: 04-Dec-2021 04:30				
Rate per m2 gross internal floor area for the element Cost including prelims @ 12.0%				
Rebased to 1Q 2020 (335) and Trafford (99; sample 44)				
Type of Work : New build				
Building function : 816 Flats (apartments)				
	Mean (Totals 01, 02, 03, 04, 05)	Mean (Totals 01, 02.01 - 02.08, 03.01 - 03.03, 04, 05.01 - 05.14)	Median (Totals 01, 02, 03, 04, 05)	Median (Totals 01, 02.01 - 02.08, 03.01 - 03.03, 04, 05.01 - 05.14)
BCIS Average Prices 05 Yr	1,429	1,585	1,315	1,317
BCIS Average Prices 10 Yr	1,568	1,809	1,441	1,531
BCIS Average Prices 15 Yr	1,547	1,792	1,415	1,478
BCIS Average Prices 20 Yr	1,529	1,773	1,404	1,475
BCIS Average Prices 25 Yr	1,513	1,755	1,381	1,450
BCIS Average Prices 30 Yr	1,501	1,754	1,369	1,455
BCIS Average Prices 35 Yr	1,443	1,707	1,312	1,421
BCIS Average Prices 40 Yr	1,373	1,652	1,249	1,370
BCIS Average Prices 45 Yr	1,347	1,605	1,222	1,332
BCIS Average Prices 50 Yr	1,322	1,570	1,203	1,301

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BCIS Average Prices: element cost per m2				
Downloaded: 17-Dec-2021 15:35				
Updated: 04-Dec-2021 04:30				
Rate per m2 gross internal floor area for the element Cost excluding prelims.				
Rebased to 1Q 2020 (335) and Trafford (99; sample 44)				
Type of Work : New build				
Building function : 816 Flats (apartments)				
	Mean (Totals 01, 02, 03, 04, 05)	Mean (Totals 01, 02.01 - 02.08, 03.01 - 03.03, 04, 05.01 - 05.14)	Median (Totals 01, 02, 03, 04, 05)	Median (Totals 01, 02.01 - 02.08, 03.01 - 03.03, 04, 05.01 - 05.14)
BCIS Average Prices 05 Yr	1,276	1,415	1,174	1,176
BCIS Average Prices 10 Yr	1,400	1,615	1,287	1,367
BCIS Average Prices 15 Yr	1,381	1,600	1,263	1,320
BCIS Average Prices 20 Yr	1,365	1,583	1,254	1,317
BCIS Average Prices 25 Yr	1,351	1,567	1,233	1,295
BCIS Average Prices 30 Yr	1,340	1,566	1,222	1,299
BCIS Average Prices 35 Yr	1,288	1,524	1,171	1,269
BCIS Average Prices 40 Yr	1,226	1,475	1,115	1,223
BCIS Average Prices 45 Yr	1,203	1,433	1,091	1,189
BCIS Average Prices 50 Yr	1,180	1,402	1,074	1,162
BCIS Average Prices: element cost per m2				
Downloaded: 17-Dec-2021 15:35				
Updated: 04-Dec-2021 04:30				
Rate per m2 gross internal floor area for the element Cost including prelims @ 15.0%				
Rebased to 1Q 2020 (335) and Trafford (99; sample 44)				
Type of Work : New build				
Building function : 816 Flats (apartments)				
	Mean (Totals 01, 02, 03, 04, 05)	Mean (Totals 01, 02.01 - 02.08, 03.01 - 03.03, 04, 05.01 - 05.14)	Median (Totals 01, 02, 03, 04, 05)	Median (Totals 01, 02.01 - 02.08, 03.01 - 03.03, 04, 05.01 - 05.14)
BCIS Average Prices 05 Yr	1,467	1,627	1,350	1,352
BCIS Average Prices 10 Yr	1,610	1,857	1,480	1,572
BCIS Average Prices 15 Yr	1,588	1,840	1,452	1,518
BCIS Average Prices 20 Yr	1,570	1,820	1,442	1,515
BCIS Average Prices 25 Yr	1,554	1,802	1,418	1,489
BCIS Average Prices 30 Yr	1,541	1,801	1,405	1,494
BCIS Average Prices 35 Yr	1,481	1,753	1,347	1,459
BCIS Average Prices 40 Yr	1,410	1,696	1,282	1,406
BCIS Average Prices 45 Yr	1,383	1,648	1,255	1,367
BCIS Average Prices 50 Yr	1,357	1,612	1,235	1,336

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BCIS Average Prices: element cost per m2				
Downloaded: 17-Dec-2021 15:52				
Updated: 04-Dec-2021 04:30				
Rate per m2 gross internal floor area for the element Cost excluding prelims.				
Rebased to 4Q 2021 (344) and Trafford (99; sample 44)				
Type of Work : New build				
Building function : 816 Flats (apartments)				
	Mean (Totals 01, 02, 03, 04, 05)	Mean (Totals 01, 02.01 - 02.08, 03.01 - 03.03, 04, 05.01 - 05.14)	Median (Totals 01, 02, 03, 04, 05)	Median (Totals 01, 02.01 - 02.08, 03.01 - 03.03, 04, 05.01 - 05.14)
BCIS Average Prices 05 Yr	1,312	1,453	1,205	1,210
BCIS Average Prices 10 Yr	1,438	1,658	1,321	1,401
BCIS Average Prices 15 Yr	1,418	1,642	1,296	1,354
BCIS Average Prices 20 Yr	1,401	1,624	1,288	1,352
BCIS Average Prices 25 Yr	1,387	1,611	1,265	1,328
BCIS Average Prices 30 Yr	1,377	1,607	1,255	1,329
BCIS Average Prices 35 Yr	1,323	1,564	1,203	1,301
BCIS Average Prices 40 Yr	1,257	1,510	1,145	1,254
BCIS Average Prices 45 Yr	1,236	1,467	1,121	1,222
BCIS Average Prices 50 Yr	1,211	1,438	1,104	1,191
BCIS Average Prices: element cost per m2				
Downloaded: 17-Dec-2021 15:52				
Updated: 04-Dec-2021 04:30				
Rate per m2 gross internal floor area for the element Cost including prelims @ 12.0%				
Rebased to 4Q 2021 (344) and Trafford (99; sample 44)				
Type of Work : New build				
Building function : 816 Flats (apartments)				
	Mean (Totals 01, 02, 03, 04, 05)	Mean (Totals 01, 02.01 - 02.08, 03.01 - 03.03, 04, 05.01 - 05.14)	Median (Totals 01, 02, 03, 04, 05)	Median (Totals 01, 02.01 - 02.08, 03.01 - 03.03, 04, 05.01 - 05.14)
BCIS Average Prices 05 Yr	1,469	1,627	1,350	1,355
BCIS Average Prices 10 Yr	1,611	1,857	1,480	1,569
BCIS Average Prices 15 Yr	1,588	1,839	1,452	1,516
BCIS Average Prices 20 Yr	1,569	1,819	1,443	1,514
BCIS Average Prices 25 Yr	1,553	1,804	1,417	1,487
BCIS Average Prices 30 Yr	1,542	1,800	1,406	1,488
BCIS Average Prices 35 Yr	1,482	1,752	1,347	1,457
BCIS Average Prices 40 Yr	1,408	1,691	1,282	1,404
BCIS Average Prices 45 Yr	1,384	1,643	1,256	1,369
BCIS Average Prices 50 Yr	1,356	1,611	1,236	1,334

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BCIS Average Prices: element cost per m2				
Downloaded: 17-Dec-2021 15:52				
Updated: 04-Dec-2021 04:30				
Rate per m2 gross internal floor area for the element Cost excluding prelims.				
Rebased to 4Q 2021 (344) and Trafford (99; sample 44)				
Type of Work : New build				
Building function : 816 Flats (apartments)				
	Mean (Totals 01, 02, 03, 04, 05)	Mean (Totals 01, 02.01 - 02.08, 03.01 - 03.03, 04, 05.01 - 05.14)	Median (Totals 01, 02, 03, 04, 05)	Median (Totals 01, 02.01 - 02.08, 03.01 - 03.03, 04, 05.01 - 05.14)
BCIS Average Prices 05 Yr	1,312	1,453	1,205	1,210
BCIS Average Prices 10 Yr	1,438	1,658	1,321	1,401
BCIS Average Prices 15 Yr	1,418	1,642	1,296	1,354
BCIS Average Prices 20 Yr	1,401	1,624	1,288	1,352
BCIS Average Prices 25 Yr	1,387	1,611	1,265	1,328
BCIS Average Prices 30 Yr	1,377	1,607	1,255	1,329
BCIS Average Prices 35 Yr	1,323	1,564	1,203	1,301
BCIS Average Prices 40 Yr	1,257	1,510	1,145	1,254
BCIS Average Prices 45 Yr	1,236	1,467	1,121	1,222
BCIS Average Prices 50 Yr	1,211	1,438	1,104	1,191
BCIS Average Prices: element cost per m2				
Downloaded: 17-Dec-2021 15:52				
Updated: 04-Dec-2021 04:30				
Rate per m2 gross internal floor area for the element Cost including prelims @ 15.0%				
Rebased to 4Q 2021 (344) and Trafford (99; sample 44)				
Type of Work : New build				
Building function : 816 Flats (apartments)				
	Mean (Totals 01, 02, 03, 04, 05)	Mean (Totals 01, 02.01 - 02.08, 03.01 - 03.03, 04, 05.01 - 05.14)	Median (Totals 01, 02, 03, 04, 05)	Median (Totals 01, 02.01 - 02.08, 03.01 - 03.03, 04, 05.01 - 05.14)
BCIS Average Prices 05 Yr	1,509	1,671	1,386	1,392
BCIS Average Prices 10 Yr	1,654	1,907	1,519	1,611
BCIS Average Prices 15 Yr	1,631	1,888	1,490	1,557
BCIS Average Prices 20 Yr	1,611	1,868	1,481	1,555
BCIS Average Prices 25 Yr	1,595	1,853	1,455	1,527
BCIS Average Prices 30 Yr	1,584	1,848	1,443	1,528
BCIS Average Prices 35 Yr	1,521	1,799	1,383	1,496
BCIS Average Prices 40 Yr	1,446	1,737	1,317	1,442
BCIS Average Prices 45 Yr	1,421	1,687	1,289	1,405
BCIS Average Prices 50 Yr	1,393	1,654	1,270	1,370

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5. Paragraph 6.4.5 BCIS advice on use of average price results



Average Prices Results Notes and Definitions

Introduction

20-Jul-2017

This page shows a summary of the results from the selected categories. More detailed results (including graphs), can be found by clicking on a category.

Prices

In all studies, the prices are exclusive of External works, Contingencies, Fees, VAT, Finance charges and the like. The £/m², Functional unit and Group element prices studies all show costs with Preliminaries apportioned by cost. The Element cost per m² and Element unit rate studies show rates exclusive of Preliminaries. For this reason, the average prices shown for equivalent elements in the Group element prices and Element cost per m² studies will be different.

All prices are updated to a common price level for date and location: either current quarter and UK mean location or a date and location selected in rebase. Before the summary statistics are calculated the original project prices are adjusted to a base date using the appropriate BCIS Regional Tender Price Index where available (otherwise the BCIS All-in Tender Price Index). They are also adjusted for location (at county level) using a location factor appropriate to the tender date (not the location factor published at tender date). Finally the summary statistics are updated to current prices using the BCIS All-in Tender Price Index.

Maximum Age of Results

The sample of projects included in the published study is based on projects that were not more than 15 years old unless that would have resulted in an inadequate sample, when the period would be increased. The pull-down list at the top of the table allows you to recalculate the study based on different periods. This may result in some categories disappearing from the table. The original list (where maximum age of results may vary from category to category), can be retrieved by selecting 'Default period'.

Statistical Terms

Mean: This is what most people think of as the average. It is the sum of the rates in the sample divided by the number in the sample. The mean is affected by all rates in the sample and can be unduly influenced by one or two extreme values when the sample size is small.

Median: The middle statistic (NOT the middle of the range). Unlike the mean, this is not as easily affected by rogue figures.

Range (Lowest and Highest): Extreme values. These are the lowest and highest rates found in the sample. Be aware that the larger the sample size, the more chance there is of an unusual building being included. This gives a crude measure of the spread of statistics, but the inter quartile range is in many ways a better measure of spread.

Lower quartile: just as the median is the middle statistic, the lower quartile is the statistic which is one quarter of the way up a list of ordered rates, i.e. 25% of rates will fall below the lower quartile and 75% above.

Upper quartile: just like the lower quartile. You can expect half of all the rates to lie between the lower and upper quartiles.

Sample: The number of figures included in these summary statistics. For the elemental and group elemental studies, some categories will include a cost of zero. These are excluded from the analysis.

Unpriced excluded: Gives the number of examples where this element did not have a cost associated with it, e.g. there was no upper floor cost because it was a single storey building. These figures are excluded when calculating the summary statistics. Note that you may see rates of zero where there was a cost, but it was rounded down to zero (i.e. less than £0.50/m²). If you wish to calculate the mean for all buildings in this category, you should take the Mean as shown, multiply by Sample and divide by (Sample plus Unpriced excluded).

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6. Paragraph 6.4.7 BCIS Preliminaries percentage additions for contracts exceeding £6,900.000



Preliminary percentages (value over £6,900,000)

Quarter	Mean	Lower decile	Lower quartile	Median	Upper quartile	Upper decile	Proportion above zero	Sample size
1Q2019	17.2	10.0	11.9	14.8	22.5	27.4	100.0%	14
2Q2019	13.6		9.4	11.4	18.9			10
3Q2019	12.1	8.5	9.7	11.3	14.7	15.0	100.0%	12
4Q2019	10.7	8.2	9.2	10.1	11.4	11.8	100.0%	11
1Q2020	12.0	6.9	8.3	11.3	15.8	18.0	100.0%	15
1Q2021	17.0		10.3	15.4	16.2			5