

Luton Sites - Financial Viability Assessment (FVA)

Castle Street & Cumberland Street, Luton - JRL Group



Our Role

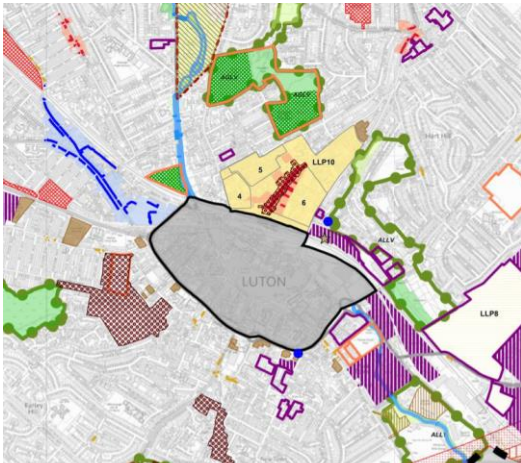
AspinallVerdi recently advised JRL on viability for two schemes in Luton, comprising over 300 flatted units in each scheme and ground floor flexible commercial floorspace.

AspinallVerdi were responsible for conducting the residential and commercial market research in order to produce early-stage options testing to report back to the client. We then provided full viability statements for both schemes to support the ambitious and high specification schemes the client aimed to deliver.

Work Undertaken

Throughout the course of the commission, AspinallVerdi provided the following services

- Early-stage options testing to establish the most viable unit mix and appraisal inputs
- Design team meetings including presentations of AspinallVerdi's recommended value assumptions
- Property market analysis of residential, retail, F&B and office markets to inform a realistic GDV
- Planning policy review to establish the expected affordable housing contributions
- Construction and development cost analysis
- Development / viability appraisals
- Sensitivity analyses & counterfactual scenarios
- Delivery advice & future considerations



Outcome

AspinallVerdi worked closely with the client and design team throughout the course of this project to ensure the client was fully aware of the recommended approach to viability at all stages up to the point of submission. Our early-stage options testing ensured the client understood the various factors which impacted viability, such as the proposed residential mix and the significant construction costs.

AspinallVerdi ultimately determined that viability on both schemes was challenging, testing a variety of inputs and unit mixes to improve viability, the Client was happy to proceed with the proposed scheme. We subsequently assisted with the drafting of a final viability statement for each of the development sites. Both schemes have been submitted for consideration and AspinallVerdi continues to advise JRL on viability matters as the schemes are independently assessed by the Council and its advisor.