

**London Borough of Lambeth**

**Guidance Note on the Financial Viability  
Appraisal of Development Proposals  
Checklists of Information to be Submitted**

August 2025



## **Guidance Note on the Financial Viability Appraisal of Development Proposals**

### **Checklists of Information to be Submitted**

Viability appraisal is an assessment of the financial viability of a proposed development to determine the maximum level of affordable housing and other policy requirements that can be provided.

The GLA has produced draft Development Viability London Plan Guidance (LPG). One of the Mayor's key objectives is to provide more of the homes that London needs, including affordable homes, for a fairer and more inclusive city. The LPG builds upon policy of the London Plan and provides a further step towards ensuring that developments maximise affordable housing delivery, setting out how viability appraisal should be carried out where a planning application follows the Viability Tested Route.

Two checklists have been produced to set out Lambeth Council's expectations for the information that should be provided in a financial viability assessment for a development proposal and an accompanying report. They should be read and applied in conjunction with the GLA guidance and any successor documents.

Whilst not a statutory document, this planning guidance note provides key supporting information for applicants, agents and developers so that they can provide the council with all the information it needs to determine applications of this type. It sets out a clear baseline expectation for the information that should be submitted with a planning application.

The checklists set out below are based on the RICS Practice Statement 'Assessing viability in planning under the National Planning Policy Framework for England 2019' (first edition, March 2021). Paragraph 2.2.3 of that practice statement acknowledges that statutory planning guidance takes precedence over RICS guidance. Where any conflict exists between the checklist and national Planning Practice Guidance or adopted Development Plan Documents, the national guidance or adopted policy should prevail.

## Checklist 1

### What information should be included in a Financial Viability Appraisal?

	Please tick or mark n/a as appropriate
<b>Proposed scheme details</b>	
Floor areas: <ul style="list-style-type: none"><li>• Commercial: gross internal area (GIA) and net internal area (NIA)</li><li>• Residential: GIA and net sales area (NSA)</li></ul>	
Residential unit numbers and habitable rooms including the split between private and affordable tenures	
<b>Gross development value (GDV)</b>	
Any existing income that will continue to be received over the development period	
Anticipated residential sales values and ground rents (and supporting evidence including deductions for incentives)	
Anticipated rental values and supporting evidence	
Yields for the commercial elements of the scheme and supporting evidence	
Details of likely incentives, rent-free periods, voids	
Anticipated sales rates (per month)	
Anticipated grant funding for affordable housing	
Anticipated value of affordable units (with supporting evidence/explanation of how these have been valued and assumptions)	
Deductions from commercial GDV to reach NDV (Stamp Duty Land Tax (SDLT), agents, legal + VAT)	
<b>Costs</b>	

Expected build cost (a full QS cost report also showing how costs have been estimated)	
Demolition and site preparation costs	
Historic /sunk costs (as reasonable and appropriate)	
Vacant possession costs	
Planning costs after the granting of permission	
Construction timescales, programme and phasing	
Any anticipated abnormal costs	
Third party rights	
Details of expected finance rates and fees	
Professional fees, including: <ul style="list-style-type: none"> <li>• Architect</li> <li>• Planning consultant</li> <li>• Quantity surveyor</li> <li>• Structural engineer</li> <li>• Mechanical / electrical engineer</li> <li>• Project manager</li> <li>• Letting agent fee</li> <li>• Letting legal fee</li> </ul>	
Benchmark Land Value (not acquisition cost)	
Site-specific infrastructure costs	
Environmental standards e.g. BREEAM or urban greening	
Other cost and policy requirements not already included	
<b>Additional details for future phases</b> (where relevant)	
Expected sales and rental growth	
Expected cost inflation	
Credit rate	

<b>Sensitivity Analysis</b>	
Two way sensitivity analysis	
Scenario analysis	
Simulation analysis	

## Checklist 2

### What should be included in an accompanying report?

	Please tick or mark n/a as appropriate
Executive summary	
Contents outline	
Introduction and background	
Description of site location with map	
Planning policy context	
Description of scheme	
Market information summary	
Build cost and programme	
Methodology and approach	
Outputs and results	
Sensitivity analysis	
Concluding statement	