

**RWE Renewables UK Dogger Bank
South (West) Limited**

**RWE Renewables UK Dogger Bank
South (East) Limited**

Dogger Bank South Offshore Wind Farms

Funding Statement (Revision 5) (Clean)

Volume 4

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01	N/A	N/A	Submitted for DCO Application
02	12	2	The Funding Statement has been updated to remove reference to Collector Platforms and the Electrical Switching Platform as a result of Project Change Request 1 – Offshore and Intertidal Works [document reference 10.49].
02	14	2.2	The Funding Statement has been updated to amend the maximum size of the permanent footprint of one and two High Voltage Direct Current (HVDC) converter station(s) claims as a result of Project Change Request 2 [document reference 10.53].
02	17	4.2	The Funding Statement has been updated to amend the estimated costs associated with compulsory acquisition and potential compensation claims as a result of Project Change Request 2 [document reference 10.53].
02	26	Appendix 1	The Funding Statement has been updated in line with the revised Project Cost Estimate in Appendix 1, to align with the reduced land take at the Onshore Substation Zone as a result of Project Change Request 2 [document reference 10.53].
03	17-18	4.1	The Funding Statement has been updated to include estimates of proportional costs for a single project being taken forward and to confirm little cost differential between Concurrent and Sequential Scenarios.
03	19-20	4.3	The Funding Statement has been updated to include further information on how the SPVs are funded.
03	23	5.2	The Funding Statement has been corrected to note that a detailed breakdown of the HRA compensation costs has not been provided due to the commercially sensitive nature of the ongoing contract negotiations.
04	16-17	3	Confirmation and updates of current credit ratings for RWE AG and Masdar added
04	18	4.1	Estimated DBS project cost has been updated for 2025 values and a comparison made against project costs included in a number of recent DCO application Funding Statements
04	N/A	Appendices 2 and 3	Current financial accounts for RWE AG and Masdar have been included
05		4.3 and 4.6	Updated accounts and audits for funding companies and correction of DCO article reference.

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Appendix 1 - Property Cost Estimate Report

Appendix 2 - 2024 Financial Statements of RWE AG

Appendix 3 - Masdar 2024 Report of the Board of Directors and Consolidated Financial Statements

Glossary

Term	Definition
Accommodation Platform	An offshore platform (situated within either the DBS East or DBS West Array Area) that would provide accommodation and mess facilities for staff when carrying out activities for the Projects.
Array Areas	The DBS East and DBS West offshore Array Areas, where the wind turbines, offshore platforms and array cables would be located. The Array Areas do not include the Offshore Export Cable Corridor or the Inter-Platform Cable Corridor within which no wind turbines are proposed. Each area is referred to separately as an Array Area.
Array cables	Offshore cables which link the wind turbines to the Offshore Converter Platform(s).
Collector Platforms (CPs)	Receive the AC power generated by the wind turbines through the array cables, collect it and transform the voltage for onward transmission to the Offshore Converter Platforms (OCPs).
Electrical Switching Platform (ESP)	The Electrical Switching Platform (ESP), if required would be located either within one of the Array Areas (alongside an Offshore Converter Platform (OCP)) or the Export Cable Platform Search Area.
Habitats Regulations Assessment (HRA)	The process that determines whether or not a plan or project may have an adverse effect on the integrity of a European Site or European Offshore Marine Site.
Inter-Platform Cables	Buried offshore cables which link offshore platforms.
Jointing Bays	Underground structures constructed at regular intervals along the onshore cable route to join sections of cable and facilitate installation of the cables into the buried ducts.

Term	Definition
Landfall	The point on the coastline at which the Offshore Export Cables are brought onshore, connecting to the onshore cables at the Transition Joint Bay (TJB) above mean high water.
Landfall Zone	The generic term applied to the entire landfall area between Mean Low Water Spring (MLWS) and the Transition Joint Bays (TJBs) inclusive of all construction works, including the landfall compounds, Onshore Export Cable Corridor and intertidal working area including the Offshore Export Cables.
Link Boxes	An underground metal box placed within a concrete pit where the metal sheaths between adjacent export cable sections are connected and earthed, installed with a ground level manhole to allow access to the link box for regular maintenance or fault-finding purposes.
Nationally Significant Infrastructure Project (NSIP)	Large scale development including power generating stations which requires development consent under the Planning Act 2008. An offshore wind farm project with a capacity of more than 100 MW constitutes an NSIP.
Offshore Converter Platforms (OCPs)	The OCPs are fixed structures located within the Array Areas that collect the AC power generated by the wind turbines and convert the power to DC, before transmission through the Offshore Export Cables to the Project's Onshore Grid Connection Points.
Offshore Export Cables	The cables which would bring electricity from the offshore platforms to the Transition Joint Bays (TJBs).
Onshore Converter Stations	A compound containing electrical equipment required to transform HVDC and stabilise electricity generated by the Projects so that it can be connected to the electricity transmission network as HVAC. There will be one Onshore Converter Station for each Project.

Term	Definition
Onshore Export Cable Corridor	This is the area which includes cable trenches, haul roads, spoil storage areas, and limits of deviation for micro-siting. For assessment purposes, the cable corridor does not include the Onshore Converter Stations, Transition Joint Bays or temporary access routes; but includes Temporary Construction Compounds (purely for the cable route).
Onshore Export Cables	Onshore Export Cables take the electric from the Transition Joint Bay to the Onshore Converter Stations.
Onshore Substation Zone	Parcel of land within the Onshore Development Area where the Onshore Converter Station infrastructure (including the haul roads, Temporary Construction Compounds and associated cable routeing) would be located.
Scour protection	Protective materials to avoid sediment erosion from the base of the wind turbine foundations and offshore substation platform foundations due to water flow.
Temporary Construction Compound	An area set aside to facilitate construction of the Projects. These will be located adjacent to the Onshore Export Cable Corridor and within the Onshore Substation Zone, with access to the highway.
The Applicants	The Applicants for the Projects are RWE Renewables UK Dogger Bank South (East) Limited and RWE Renewables UK Dogger Bank South (West) Limited. The Applicants are themselves jointly owned by the RWE Group of companies (51% stake) and Masdar (49% stake).
The Projects	DBS East and DBS West (collectively referred to as the Dogger Bank South Offshore Wind Farms).
Transition Joint Bay (TJB)	The Transition Joint Bay (TJB) is an underground structure at the landfall that houses the joints between the Offshore Export Cables and the Onshore Export Cables.
Trenching	Open cut method for cable or duct installation.

Term	Definition
Wind turbine	Power generating device that is driven by the kinetic energy of the wind.

Acronyms

Term	Definition
ANS	Artificial Nesting Structure
AoEI	Adverse Effects on Integrity
COWSC	Collaboration on Offshore Wind Strategic Compensation
DCO	Development Consent Order
DBSCP	Dogger Bank Strategic Compensation Plan
DM	Dalcour Maclaren
HRA	Habitats Regulations Assessment
HVAC	High Voltage Alternating Current
HVDC	High Voltage Direct Current
IROPI	Imperative reasons of Overriding Public Interest
KSCP	Kittiwake Strategic Compensation Plan
OWEIP	Offshore Wind Environmental Improvement Package
TCC	Temporary Construction Compound
TCE	The Crown Estate
UAE	United Arab Emirates
UK	United Kingdom

1 Introduction

1.1 Overview

1. This Funding Statement is submitted by RWE Renewables UK Dogger Bank South (West) Limited (incorporated under company number 13656525) and RWE Renewables UK Dogger Bank South (East) Limited (incorporated under company number 13656240) who have their registered office at Windmill Hill Business Park, Whitehill Way, Swindon, Wiltshire, United Kingdom, SN5 6PB (the “Applicants”). The Funding Statement is submitted in relation to an application made to the Secretary of State under Section 37 of the Planning Act 2008 (the “2008 act”) for a Development Consent Order (DCO) and regulations 5 and 6 of the Infrastructure Planning (applications: prescribed forms and procedures) Regulations 2009 (the “APFP regulations”). If made, the DCO would grant consent for the construction and operation of offshore energy generating stations and electrical connections comprising of the Dogger Bank East (“DBS East”) and Dogger Bank West (“DBS West”) Offshore Wind Farms (together referred to as “Dogger Bank South Offshore Wind Farms” and the “Projects”).
2. This Funding Statement has been prepared by the Applicants and forms part of the application that has been submitted to the Secretary of State for development consent for the Projects (the “application”). It is informed by and should therefore be read alongside the other documents accompanying the DCO application, as set out in the **Guide to the Application (Volume 1, application ref: 1.4)**.

1.2 The Purpose and Structure of this Statement

3. The purpose of this Funding Statement is to demonstrate that the development of the Dogger Bank South Offshore Wind Farms will be adequately funded and therefore that funding is no impediment to the delivery of the project.
4. Additionally, this Funding Statement has been prepared as it will be necessary to compulsorily acquire land and rights over land for the purposes of developing the Projects and such powers have therefore been included in the **Draft Development Consent Order (Volume 3, application ref: 3.1)**.

5. This Funding Statement has been prepared in accordance with the requirements of regulation 5(2)(h) of the Infrastructure Planning (applications: prescribed forms and procedure) Regulations 2009 and the Department for Communities and Local Government (now the Department for Levelling Up, Housing and Communities) guidance 'Planning Act 2008: Guidance related to Procedures for Compulsory Acquisition' (September 2013).
6. As part of the application, the Applicants submitted a **Report to Inform Appropriate Assessment Habitats Regulations Assessment (Volume 6, application ref: 6.1)**, which provides the information necessary for the competent authority to undertake an appropriate assessment to determine if there are any adverse effects on integrity on the national site network. The RIAA concludes that an adverse effect on site integrity cannot be ruled out for the following two sites:
 - Flamborough and Filey Coast Special Protection Area (FFC SPA) - due to in-combination collision risk for kittiwake and in-combination displacement effects for guillemot; and
 - Dogger Bank Special Area of Conservation (Dogger Bank SAC) - due to in-combination long term habitat loss for 'sandbanks slightly covered by seawater all the time'.
7. For all other sites and features assessed in the Report to Inform Appropriate Assessment (RIAA), a conclusion of no adverse effect on site integrity is reached.
8. This Funding Statement therefore also forms part of the suite of documents in support of **Appendix 1 - Project Level Kittiwake Compensation Plan (Volume 6, application ref: 6.2.1)**, **Appendix 2 - Guillemot [and Razorbill] Compensation Plan (Volume 6, application ref 6.2.2)**, and **Appendix 3 - Project Level Dogger Bank Compensation Plan (Volume 6, application ref: 6.2.3)** (together the "compensation plans").
9. This Funding Statement has therefore been produced pursuant to regulation 5(2)(h) of the APFP regulations and in accordance with:
 - Guidance issued by the Department for Communities and Local Government (now the Department for Levelling Up, Housing and Communities): *Planning Act 2008: application form guidance* (June 2013) and *Planning act 2008: guidance related to procedures for the compulsory acquisition of land* (September 2013);

- Defra's best practice guidance for developing compensatory measures in relation to marine protected areas (consultation document) (Defra, 2021);
 - Managing natura 2000 sites (European Commission, 2018);
 - Planning Inspectorate's advice note ten (Planning Inspectorate, 2012); and
 - The Habitats Regulations Assessment (HRA) Handbook (Tyldesley and Chapman, 2013)
10. As this Funding Statement is part of the application documents it should be read alongside, and is informed by, the other application documents, in particular, the **Statement of Reasons (Volume 4, application ref: 4.1)**, and the compensation plans.
11. This statement is structured in five main sections which explain:
- The Purpose and Structure of the Funding Statement (section 1);
 - The Projects' description (section 2);
 - The Applicants' background (section 3);
 - How the Projects are proposed to be funded (section 4); and
 - How compensatory measures in relation to HRA are proposed to be funded (section 5).

2 Projects' Description

12. The Applicants propose to develop offshore energy generating stations, with up to 200 wind turbines, and related electrical connections and infrastructure. Based on an estimated capacity of 3GW once fully operational, the Projects could be capable of generating enough electricity to meet the average annual domestic energy needs of around 3 million typical UK homes¹.
13. As DBS East and DBS West would each be a Nationally Significant Infrastructure Project, development consent must be obtained from the Secretary of State and an application for a DCO must be made to the Secretary of State, care of the Planning Inspectorate, under Section 37 of the 2008 act.
14. The Projects comprise the construction and operation of offshore energy generating stations and electrical connections.
15. The key offshore components of the Projects comprise:
 - Wind turbines;
 - Offshore platforms, including Offshore Converter Platforms and an Accommodation Platform;
 - Foundation structures for wind turbines and offshore platforms;
 - Array cables;
 - Inter-Platform Cables;
 - Offshore Export Cables from the Projects' Array Areas to the landfall; and
 - Scour / cable protection (where required).
16. The key onshore components comprise:
 - Landfall, intertidal works between mean high water springs and mean low water springs and associated Transition Joint Bays (TJBs);
 - Onshore Export Cables installed underground from the TJBs to the Onshore Converter Stations and associated Jointing Bays and Link Boxes;

¹ Calculation based on 2021 generation, and assuming average (mean) annual household consumption of 3,509 kWh, based on latest statistics from Department of Energy Security and Net Zero (Subnational Electricity and Gas Consumption Statistics Regional and Local Authority, Great Britain, 2021, Mean domestic electricity consumption (kWh per meter) by country/region, Great Britain, 2021

- Onshore Converter Stations;
- Onward 400 kilovolt connection to the proposed Birkhill Wood National Grid Substation;
- Trenchless crossing locations (e.g. Horizontal Directional Drilling);
- Construction and operational accesses; and
- Construction compounds.

2.1 Offshore Infrastructure

17. No compulsory acquisition is proposed for the offshore Array Areas and associated offshore infrastructure. An agreement for lease for the Array Areas is already in place with the Crown Estate for the seabed area within which the generating stations will be located.

2.2 Onshore Infrastructure

18. The offshore cables come ashore near Skipsea, East Riding of Yorkshire. The cable corridor will pass under the beach before the Offshore Export Cables connect to the Onshore Export Cables via TJBs. In these locations the cables will be installed using trenchless installation techniques, minimising the disruption to the surface.
19. From the landfall, the Onshore Export Cable Corridor travels west, crossing Hornsea road (B1242), and continuing to Dunnington Lane before turning and heading south past Dunnington, Nunkeeling, Catfoss, and across West Road (A1035) at Sigglesthorne.
20. The Onshore Export Cable Corridor then turns southwest and continues passing the village of Riston Grange, crossing Whitecross Road (A165) and again crossing Hornsea Road (A1035) as it heads west, north of Tickton. The route then crosses Driffild Road (A164) to the north of Beverley before turning south crossing Constitution Hill (A1035) to the west of Beverley. The route then heads down across York road, Newbald road, and Broadgate (B1230), before reaching the Onshore Substation Zone located at Beverley Road along the A1079 and A164.
21. The Onshore Export Cables would either be pulled through the pre-installed ducts or directly laid in certain circumstances. Trenches would not need to be reopened, where ducts have been pre-installed, and the cable pull would take place from Jointing Bays located along the cable corridor. The Onshore Export Cables will enter the Onshore Substation Zone and connect to the Onshore Converter Station buildings.

22. The Onshore Substation Zone is of sufficient size to accommodate the maximum footprint required for both DBS East and DBS West converter stations. The Onshore Converter Stations would be constructed to accommodate the connection of both DBS East and DBS West to the electricity transmission network. The permanent footprint of one High Voltage Direct Current (HVDC) converter station would be up to 32,208m². The permanent footprint of two HVDC converter stations would be up to 64,416m². The electrical power will pass through the buildings and into the equipment in the yard, which will convert it from HVDC to High Voltage Alternating Current (HVAC).
23. A further section of buried 400kv HVAC cables is required to connect the Projects' Onshore Converter Stations to the proposed Birkhill Wood National Grid Substation.
24. Temporary Construction Compounds (TCCs) are also required to support the onshore cable installation. This would include several satellite construction compounds and two main compounds per project along the Onshore Export Cable Corridor. In addition, there would be a TCC at the TJB and a satellite TCC within the Landfall Zone, and up to two Substation Zone TCCs associated with the Onshore Substation Zone. Trenchless crossing construction compounds would be required at the entry and exit pit either side of each trenchless crossing.
25. Land is also required for construction accesses and a single temporary haul road to allow access to the Onshore Export Cable Corridor, cable corridor construction compounds, the Landfall Zone and the Onshore Substation Zones.
26. Land is also required for woodland and hedgerow planting to screen key views, and to help to integrate the new development into the landscape.
27. A full description of the Projects is included in the Environmental Statement, in particular **Chapter 5 Project Description (Volume 7, application ref: 7.5)**.

3 Applicants' Background

28. The Dogger Bank South Projects are being jointly developed by RWE Renewables UK Swindon Limited ("RWE") and the Abu Dhabi Future Energy Company PJSC ("Masdar"), with RWE Renewables UK Swindon Ltd leading the project development, construction and operation on behalf of the partners.
29. **RWE (51% project share)** is one of the world's leading renewable energy companies and one of the largest renewable generators in the UK. RWE supplies around 15% of the UK electricity using a vast range of technologies. RWE continues to grow its offshore portfolio in the UK, with 10 operational wind farms and one of the largest offshore wind development pipelines in the country.
30. RWE Renewables UK Swindon Limited has substantial financial resources in its own right, plus, as a wholly owned subsidiary, it has the financial backing of RWE AG. RWE AG is one of Europe's five leading electricity and gas companies, with significant expertise in oil, gas and lignite production, in electricity generation from gas, coal, nuclear and renewables, and in energy trading as well as electricity and gas distribution and supply. Moody's and Fitch rated RWE AG as BAA2 and BBB+ respectively as of November 2024, with a stable outlook across both ratings agencies. RWE AG's annual report has been included as Appendix 2 to this Funding Statement.
31. **Masdar (49% project share)** is a pioneer in advancing the clean energy sector and a global leader in sustainability and climate action. Masdar has developed and partnered in projects in over 40 countries across six continents and has invested, or committed to invest, in worldwide projects with a combined value of more than US\$30 billion.
32. In 2006, the UAE government established Abu Dhabi Future Energy Company PJSC (Masdar) to leverage and build on the UAE's expertise and leadership in the global energy sector, while supporting the diversification of its economy and energy sources for the benefit of future generations. Masdar unites the UAE's three energy champions – Mubadala, ADNOC and TAQA – and will utilise their combined expertise to fulfil its purpose as a global clean energy pioneer across renewables and green hydrogen.
33. Promoting innovation in solar, wind, energy storage, waste-to-energy, and geothermal energy, Masdar has a proven record of advancing the commercialisation and deployment of renewable energy and clean technologies to address the world's sustainability challenges.

34. Moody's and Fitch rate Masdar as A1 and AA- respectively as of April 2025 and July 2024, with a stable outlook across both ratings agencies. Masdar 2024 accounts have been included as Appendix 3 to this Funding Statement
35. The Applicants will be the undertaker (as defined in article 2 of the **Draft Development Consent Order (application ref: 3.1)** for the purposes of exercising the compulsory acquisition powers under the DCO.

4 Funding for the Proposed Development

4.1 Project Cost

36. It is estimated that the current (January 2025) cost for the Projects is approximately £12.4Bn (twelve point four billion pounds). This includes the costs of construction, development, project management, financing, land acquisition and operation. However, it should be noted that there is currently an upward pressure in the supply chain, which means that the cost estimate is likely to be subject to significant increase over the next few years.
37. This cost estimate utilises the base estimated cost of £7.1Bn contained within **Chapter 28 Socio-Economics** [APP-217]Table 4-1 which was at 2019 prices uplifted by 54% to current prices. An additional £1.5Bn to accommodate Option Fee payments to The Crown Estate has also been added to give a current cost estimate of £12.4Bn.
38. A comparison of these DBS cost estimates against other recent offshore wind farm cost estimates from their respective funding statements submitted as part of their DCO submissions is included in Table 4. As can be seen from the table the project cost per GW is broadly comparable with recent DCO submissions.

Table 4-1 DBS cost estimates against other recent offshore wind farm cost estimates

Offshore wind Farm	Project Cost from Funding Statement	Year of Funding Statement	Capacity of Project	Project cost/GW
DBS	£12.4Bn	2025	3GW	£4.13Bn
Outer Dowsing	£5.5-£7.5Bn	2024	1.5GW	£3.6Bn - £5Bn
SEP/DEP	£2-4Bn	2023	0.786GW	£2.5Bn - £5.1Bn
Hornsea 4	£5-8Bn	2022	2.6GW	£1.9Bn - £3.1Bn
Hornsea 3	£5-8Bn	2018	2.4GW	£2.1Bn - £3.3Bn

39. Real project cost data will not be available until after the decision of the Secretary of State as to the grant of the DCO and not until the Projects reach FID. Such information would be commercially confidential.
40. In terms of the cost for a single project should only one be taken forward, it is likely that it will be more than half, but unlikely to be significantly more. The areas where there are synergies building the Projects together are principally the following:
- Onshore Converter Station: Use of shared access road, and potential to share drainage ponds and landscaping, as well as temporary construction areas.
 - Onshore Cable Route: Some construction efficiencies through the adjacent cables which can use a shared haul road, and be installed at the same time. There will also be a slight reduction in land payments.
 - Construction Ports and mobilisation of vessels: Some possible savings through use of the same ports and vessels for both projects. The actual lease / hire costs would be unlikely to differ significantly but mobilisation / setup costs may be saved.
 - O&M Base: Some reduced costs in setting up the O&M base to service both projects.
 - In addition there is a possible small reduction on other contract costs if the same supplier is used for both projects, however, the ability to do this depends on supplier availability and other factors and is not known at this stage.
41. In terms of the overall project costs the above synergies are likely to be relatively insignificant. Quantifying these fully is challenging at this stage but it is unlikely that the cost of a single project would exceed 55% of the costs of building both projects.
42. With regard cost differentials between Sequential and Concurrent Scenarios as described in the Project Description Chapter 5 of the Environmental Statement [REP1-009] it is assumed onshore cable corridor ducts will be installed for both Projects during the first phase of construction in both Scenarios. The sequential scenario may require the haul road to be left in place till the second project cables are installed, and certain construction compounds will need to be retained. There will therefore be an additional cost resulting from this.

43. As described in the Project Description chapter for the sequential scenario it has also been considered that the first Project would complete all earthworks, drainage and permanent access for the second converter station. Therefore the costs for the onshore converter station preparatory works do not significantly vary between the two scenarios.
44. The concurrent scenario will limit the ability of the project to use the same construction ports and vessels for each project. It is likely this will offset any additional savings on the onshore cable route works, and for this reason the overall impact on costs is considered to be *de minimis*, especially as the savings / costs described here are not particularly significant compared to the overall project cost.
45. The Applicants are confident that the Projects will be commercially viable based on the assessments it has undertaken, and on the reasonable assumption that it receives the key consents it requires, including the DCO, and that a final investment decision is taken, indicating the final unconditional decision of the shareholders to invest in the construction of the Projects. This approach is the standard model for development of offshore wind projects.

4.2 Cost of Acquiring Land and Interests Subject to Compulsory Acquisition

46. The Applicants have taken professional advice from Dalcour Maclaren (DM), who are expert chartered surveyors with experience of offshore windfarm development, in relation to the estimated compensation liability that could arise from compulsory acquisition. DM have provided possible heads of liability for:
 - Compulsory acquisition of land and rights;
 - Compensation arising out of temporary works;
 - Blight;
 - Severance;
 - Injurious affection;
 - Claims arising under part 1 of the land compensation act 1973;
 - Business loss claims;
 - Part 1 claims; and
 - Third party professional fees.

47. Overall DM estimate the costs associated with compulsory acquisition and potential compensation claims to be in the region of £24m (twenty four million pounds). Further detail on the cost breakdown is presented in the Property Cost Estimate report provided in Appendix 1 of this document.

4.3 Sources of Funding

48. Each project is a Special Purpose Vehicle funded by its shareholders, based on a rolling budget looking ahead to anticipated expenditure. The approval for the rolling budget runs from milestone to milestone and will be obtained via a specific approval process before entering the next development phase for the Projects. The approval process involves the review of the Projects, forecast budget, programme and risk register at specific milestone points in the Projects development, culminating in the Financial Investment Decision. This funding mechanism will meet the development expenditure, including the cost of acquiring the required land and the necessary rights over land (whether compulsorily or by agreement) and any compensation otherwise payable as a result of the exercise of the powers in the DCO. This funding model has been successfully deployed on most RWE projects to date and such “joint venture” structures are common practice in the offshore wind industry given the scale of the investment at play and the risk profile of such projects. Given the substantial resources of the Applicants’ shareholders and their experience of delivering similar energy projects, the Applicants are confident that the required funding for the Projects will be available in the period during which compulsory acquisition powers would be exercisable by the Applicants under the DCO, if it is made.
49. The DBS SPVs are funded through direct cash funding from their shareholders (RWE Renewables LTD for 51% and Masdar for 49%). The Projects forecast cash needs on an ongoing basis and 6 month liquidity forecast through the monthly development reports are issued to the Shareholders. This is followed by the issuance of a funding notice, requesting funds from Shareholders.
50. The Projects currently have approved budget until the end of 2025, at which point each Shareholder will have to provide approval until the next development milestone. The quantum of funds approved is hugely dependant on each milestone and what activities are being anticipated prior to the next milestone. The Applicants anticipate that the approved budget to December 2025 will be sufficient to meet the Projects needs into at least Q1 2026 at which point further budgetary approval will be sought.

51. It is likely that the DBS projects will be using a combination of equity funding (either direct equity funding or shareholder loans) as well as debt financing (most likely non-recourse project financing, with potentially export credit agency funding as well). This decision will be taken closer to FID as debt financing is only available for CAPEX financing. DEVEX and Option Fees have to be financed through direct equity funding.
52. This model has been successfully deployed on joint venture projects involving RWE projects in the past, such as the Rampion and Galloper offshore windfarm projects.
53. As such, no funding shortfalls are anticipated. The possibility of either RWE renewables UK Swindon Limited or Masdar being unable to meet its financial commitments in respect of land assembly is extremely remote as demonstrated by the sound credit ratings of the companies. As part of the 'going concern' analysis ran for the purpose of the annual audited accounts for the Projects for the year ending 31 December 2023, the Company Directors for RWE Renewables UK Dogger Bank South (West) Ltd and RWE Renewables UK Dogger Bank South (East) Ltd confirmed that they saw no concerns regarding the Projects' ability to meet their financial obligation for at least the next 12 month period from the date the accounts were signed, i.e. until 29 May 2025. The Applicants expect the next set of annual audited accounts to be available from Companies House in Q3 2025.

4.4 Acquisition of Land and Rights

54. The current position regarding negotiations with landowners and those with interests in the land affected by the DCO is summarised in the **Schedule of Progress for Voluntary Land Interest Agreements (Volume 4, application ref: 4.3)**.
55. The Applicants are seeking to secure all of the land and rights required for the Projects through voluntary negotiation but will utilise powers of compulsory acquisition available in the DCO should that prove necessary.

4.5 Blight

56. DM have considered blight in relation to the Projects and have concluded that the Projects will not blight any properties so the quantum of liability under this head of claim is £0. However, to ensure that the funding assessment caters for any 'blight risk' properties, we have included a contingent liability for blight claims. Our assessment suggests the likelihood of blight claims being received is nil.

4.6 Funding Guarantee

57. The Applicants have included in article 44 of the draft DCO a provision which prevents the Applicants exercising the powers of compulsory acquisition granted by the DCO until guarantees or alternative forms of security in respect of the liability of the undertakers to pay compensation are in place. The form of guarantee or security and the amount of these must be approved by the Secretary of State.
58. Article 44(5) of the draft DCO requires any guarantee or other security to be enforceable against the guarantor or provider of security by any person to whom compensation in relation to compulsory acquisition is properly payable.
59. Article 44 therefore ensures that adequate funding will be in place before any compensation liability arises.

5 Habitat Regulations Assessment Funding for Compensatory Measures

5.1 Adverse Effects on Site Integrity

60. As part of the DCO application, the Applicants are required to produce a RIAA in order to provide the information required by the competent authority in order to undertake its Habitats Regulation Assessment (HRA) and appropriate assessment. If the HRA process deems that Adverse Effects on Integrity (AoEI) cannot be excluded, a derogations process is followed. In the event that no alternative solutions can be found, and if there are Imperative reasons of Overriding Public Interest (IROPI), the final stage of the derogations process is to develop measures to compensate for adverse effects on a site.
61. As part of its DCO, the Applicants have submitted a number of derogation cases, both conceded and without prejudice, with details of proposed compensation measures for consideration by the competent authority, should a conclusion of AEoI be reached for any of the features described in **Table 5-1** below.

Table 5-1 DBS Derogation Cases

Site	Feature / species	Status of derogation case	Compensation measure(s) proposed
Dogger bank SAC	Annex 1 sandbank feature	Conceded	Based on TCE's plan level work Dogger Bank Strategic Compensation Plan (DBSCP) – published May 2024) MPA designation/extension
Flamborough and Filey Coast SPA	Kittiwake	Conceded	Based on TCE's plan level work Kittiwake Strategic Compensation Plan (KSCP) – published Feb 2024 Fisheries management to increase prey availability / offshore artificial nesting structures (ANS)

Site	Feature / species	Status of derogation case	Compensation measure(s) proposed
Flamborough and Filey Coast SPA	Guillemot	Conceded	Predator eradication/control – shortlist of sites to be visited June/July 24
Flamborough and Filey Coast SPA	Razorbill	Without prejudice	Predator eradication/control – shortlist of sites to be visited June/July 24

62. The individual compensation plans for the above species and features are presented in the application documents (**Appendix 1 to 3 (application ref: 6.21 to 6.2.3)**).
63. The EC 2018 guidance states that the following criteria must be considered when developing compensatory measures:
- The financial feasibility of the measures according to the timing required; and
 - The financial programme to be approved during the necessary period to guarantee the success of the measure.

5.2 Funding

64. The Applicants have estimated the costs associated with developing, constructing and operating the compensatory measures outlined in the compensation plans for the lifetime of the Projects. The costs of decommissioning subject to the necessary consents are also included, in the event this should be required. The total cost for compensation has been estimated at £173 Million (one hundred and seventy three million pounds), and includes costs associated with land acquisition and compensation claims should they be required. Full details regarding the make-up of the compensation costs are not provided due to the commercially sensitive nature of ongoing contract negotiations.

65. This estimate includes project lead, strategic & collaborative compensation measures and is for the lifetime of the Projects. The overall figure is not broken down to provide costs for individual compensation measures for commercial reasons as compensation may be delivered strategically or collaboratively with other developers. A number of uncertainties remain around final costs and the Projects' share of these costs where the measures are strategic or collaborative. It is, however, anticipated that the total costs will fall within the overall compensation estimate. This approach to compensation aligns with the outcomes of The Crown Estate's plan-level approach, as well as broader strategic opportunities emerging from government and industry-led initiatives such as the Collaboration on Offshore Wind Strategic Compensation (COWSC) and - Offshore Wind Environmental Improvement Package (OWEIP). This approach acknowledges emerging policy drivers for more collaborative and / or strategic delivery of compensation and recognises the Applicants' commitment to supporting an industry scale approach to delivering compensation.
66. Any potential costs associated with implementing compensatory measures set out in the compensation plans will utilise the same financing arrangements in place to finance the construction of the Projects.
67. The Applicants have assessed the commercial viability of the Projects in light of the information on compensatory measures costs set out above, and are confident that the Projects will be commercially viable based on the assessments it has undertaken, and the reasonable assumption that it receives the key consents it requires, including the DCO, and that a final investment decision is taken, indicating the final unconditional decision of the shareholders to invest in the construction of the Projects.
68. Given the substantial assets of the Applicants' parent companies, it is clear that the Projects will be sufficiently funded, including for the costs of implementing compensatory measures.

6 Conclusion

69. The Applicants will be responsible for providing funding to cover the costs of the delivery of and the compulsory acquisition associated with the Projects. This funding will be provided by the Applicants partners: RWE Renewables UK Swindon Limited and Masdar. Each of these companies have substantial assets in their own right and considerable experience in infrastructure development.
70. The DCO secures that powers of compulsory acquisition cannot be exercised unless and until the Secretary of State is satisfied that funding for the potential liability for compensation has been secured.
71. The Secretary of State can therefore be satisfied that sufficient funding will be available to develop the Projects and that any liability arising from the exercise of compulsory acquisition powers under the DCO will be met. The Projects are well-resourced financially and there is no reason to believe that, if the DCO is made, the Projects will not proceed.
72. The Secretary of State can also be satisfied that delivery of the compensatory measures proposed by the Applicants, and set out in the compensation plans, will not compromise the financial viability of the Projects, and that the compensatory measures can be financed through the existing financial arrangements in place to develop, construct and operate the Projects.

References

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Appendix 1 - Property Cost Estimate Report

Appendix 2 - 2024 Financial Statements of RWE AG

Appendix 3 - Masdar 2024 Report of the Board of Directors and Consolidated Financial Statements



**DALCOUR
MACLAREN**

Property Cost Estimate Report

Client: RWE Renewables UK Limited

Project: Dogger Bank South East and West Offshore
Windfarm Projects

Date: 10th January 2025

Project Name:	Dogger Bank South East and West Projects
Version	v.2

Prepared by:	
Name	Phil Tuley MRICS

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6.1 Introduction

6.1.1 Background

This Property Cost Estimate (PCE) has been produced to inform the Funding Statement in accordance with instructions from RWE Renewables UK Limited (the ‘Applicant’) in respect of the Dogger Bank South East and West Offshore Wind Farms (the “Project”).

The Project is a new offshore wind farm that the Applicants are proposing to develop in the North Sea, off the north-east coast. It involves a new offshore and onshore cable route to connect into the National Grid at a proposed new substation at Creyke Beck.

During construction the onshore cable corridor will have a typical width of 75 metres. The corridor may be wider in certain locations due to complex crossings, obstructions, or storage areas, along the c. 38km onshore cable route. This equates to a total area required for construction in the region of 170 hectares (including an allowance for severed areas). The width of the area over which permanent rights will be required for the onshore cables is typically 24 meters.

The advice relates to compensation arising from the compulsory acquisition of land and rights and imposition of restrictions, together with other statutory claim liabilities arising out of the Project and is based on a detailed assessment of anticipated claims.

6.1.2 Project Experience

Dalcour Maclaren (“DM”) has represented the Project since our instruction in 2022. Consultations and negotiations with landowners, tenants and occupiers affected by the onshore cable route, the onshore substation and construction compounds have been ongoing since 2022. The DM team has an excellent working knowledge of the proposed cable route and associated sites and all plots have been assessed against the Funding Statement requirements.

6.1.3 Dalcour Maclaren Experience

DM have been working in the utilities and infrastructure sectors since 2004 and have acted for and on behalf of numerous statutory undertakers and offshore wind farm developers since then.

During this time, DM have provided strategic advice to clients relating to Compulsory Purchase Orders (CPO) and Development Consent Orders (DCO). DM have also been responsible for securing voluntary agreements for rights associated with large scale projects including Option Agreements, Deeds of Grant of Easement, Leases, and Freehold Acquisitions with a broad spectrum of land interests including owners, occupiers and third parties.

Advice has been provided to multiple offshore wind DCO projects, including:

Project Description	Location	Approximate Length (km)
Hornsea Project One	Lincolnshire	40
Hornsea Project Two	Lincolnshire	40
Hornsea Project Three	Norfolk	55
Hornsea Project Four	Humberside	38
Awel Y Mor	Wales	11
Sheringham and Dudgeon Extension Projects	Norfolk	45
Burbo Bank Extension	Denbighshire	11
East Anglia ONE North	Suffolk	12
East Anglia Two	Suffolk	12
Dogger Bank A&B	Humberside	32
Dogger Bank C	Teesside	10
Sofia	Teesside	10
Triton Knoll	Lincolnshire	57

6.1.4 Limits or Exclusions of Liability

To the best of our knowledge, all information provided within this report is accurate and has been based on information provided by the Applicants and the land take required for all plots contained within the DCO application, as well as areas temporarily and permanently impacted adjacent to the DCO plots. Should any of the information we have used to form our opinions or the scope of the work change then we reserve the right to revisit our assessment. The PCE will remain under constant review and will be updated if and when new information becomes available that suggests values may change.

Consideration has been given to any impact that the ongoing global pandemic may have on the PCE and no further funding is expected to be required as a result.

The PCE provides an indication of the compensation for the entire cable route on a holistic basis. Given the nature of the information available and enquiries made, this estimate should not be relied upon to inform the valuation of individual interests or for the purposes of negotiation.

A precautionary approach has been taken in the assessment of the required funding in light of the requirement for the Applicants to demonstrate that adequate funding is likely to be available to enable the compulsory acquisition within the time period authorised in the DCO.

6.2 Methodology

6.2.1 Valuation of Property Interests

For the purposes of providing this assessment we have relied on the following general methodology:

- The acquisitions of all property interests are progressed under the powers of compulsory acquisition and the Compensation Code will apply.
- Compensation is payable in accordance with the Compensation Code which includes the rules set out in Section 5 of the Land Compensation Act 1961 and other applicable legislation and case law.
- The Valuation Date for all estimates is December 2024.
- Government guidance on the compulsory purchase process, which was updated in 2021, provides guidance to acquiring authorities and sets an expectation that compulsory purchase should only be used as a last resort. This encourages negotiation of property interests by agreement in advance of compulsory purchase. The Applicants will demonstrate its progress in this regard during the Development Consent Order process.
- Any property or interests acquired in the shadow of compulsory acquisition could still attract compensation payments and costs should be similar whether acquisition is before or after the award of compulsory acquisition powers.

6.2.2 Value of the Land Taken

The PCE assesses the required funding associated with the acquisition of land and rights and imposition of restrictions using extensive experience of other similar projects.

DM has advised the Applicants on the compensation arising from the compulsory acquisition of land and rights and the imposition of restriction and is based on a detailed assessment of anticipated claims. Whilst that detailed advice is confidential, the approach is explained within this report.

This report sets out an estimate of the total contingent liability for the acquisition of land and rights to be acquired and restrictions imposed by the Project for the purpose of delivering the onshore works element. This assessment outlines the likely Heads of Claim associated with a project of this nature, if land and rights are acquired via compulsory acquisition in the event that voluntary negotiations are unsuccessful and the associated financial figure that may be required as payment to all landowners, tenants, occupiers and third parties affected by the Project.

The following claim items will be considered in this assessment:

- Acquisition of freehold land and land rights (and imposition of restrictions)
- Compensation arising from temporary works
- Injurious Affection and Severance
- Blight
- Loss of Development
- Claims arising under Section 10 of the Compulsory Purchase Act 1965
- Claims arising under Part 1 of the Land Compensation Act 1973
- Claims arising under Section 152(3) of the Planning Act 2008
- Business Loss Claims
- Third party Professional Fees

The relevant legislation covering the claim items listed above has also been considered in this assessment including Compulsory Purchase Act 1965, Land Compensation Act 1961 and 1973 and the Planning Act 2008.

Any figures for the above claim items are based on professional judgement and experience of similar schemes.

The values provided represent a current view, rather than a projected view, and allow for existing use values and, where relevant, potential development values.

6.2.3 Acquisition of Freehold Land

It is proposed that the freehold interest shall be acquired in all plots associated with the substation and any associated landscaping and ecological mitigation.

The value of those plots has been assessed by reviewing the market value of the land in its existing use but disregarding the fact that the land is being compulsorily acquired. Consideration has been given as to

whether any development value and hope value might exist. Disturbance costs associated with the freehold acquisitions have also been included.

6.2.4 Acquisition of Land Rights

It is proposed that permanent rights will be acquired to install, access, inspect, maintain, repair, alter, renew, replace and remove the cables and associated apparatus. Permanent rights will also be sought for certain mitigation land and utility connections required to service the substation. Restrictions will also be imposed on the land so as to ensure that the rights can be exercised without impediment. Disturbance costs associated with the acquisition of Land Rights have also been included.

6.2.5 Compensation arising from Temporary Works

This comprises a number of Heads of Claims including:

- Compensation for loss or damage will arise as a consequence of temporary occupation of land for the undertaking of temporary works for the cable installation, substation construction, and other associated works including use of accesses, visibility splays, environmental mitigation measures and drainage.
- The compensation is assessed having measured the extent of the Order Land over each holding, the nature of the works involved and the existing land uses.
- The estimate covers loss of crops, business losses, losses associated with above ground structures, reinstatement costs and extra field workings, temporary site compounds, claimants justified time and loss of subsidies and grants. Loss of subsidies includes all losses associated with the Basic Payment Scheme (BPS), environmental schemes and any future replacement schemes, being the governments rural grants and payments in support of the farming industry.
- Our understanding of the likely impact on individual businesses is still incomplete due to minimal evidence being presented to date and, in consequence, general assumptions have been made and an assessment has been included in the PCE.
- A contingency sum of 10% has been added to allow for losses sustained after the Valuation Date.

6.2.6 Injurious Affection

Injurious affection is the depreciation in the value of the land retained by the owner as a result of the proposed construction on, and use of, other land acquired from that owner for the Project. It is the impact of the whole of the proposed scheme that is to be considered not just the effect on the area acquired from the owner. Compensation is claimable potentially both for the construction of the works and their subsequent use.

An assessment has been made where the project may depreciate the value of property, which includes residential properties close to the substation and energy balancing infrastructure. The valuation takes into account the market value of the relevant property and the estimated depreciated value caused directly by the Project.

It is considered that the most likely claims for injurious affection may arise from those residential properties which are in close proximity to the substation at Beverley, this assessment relates to properties where land and rights are to be acquired, where no land and rights are to be acquired, they are detailed under heading, "Claims arising under Section 10 of the Compulsory Purchase Act 1965 and Part 1 of the Land Compensation Act 1973". A review of these properties has been undertaken and a general assessment made of potential impacts on a graduated basis dependent on the distance.

A review has also been undertaken of businesses which are affected, an assessment has also been made in relation to possible claims.

6.2.7 Severance

Severance occurs when the land, or land over which rights are to be acquired, contributes to the value of the land which is retained so that, when severed from it, the retained land loses value. In this instance, the majority of land along the route is agricultural and, once the underground cables are installed, it is considered that there should be no permanent severance of land.

An assessment has been made where land is severed either permanently or temporarily as a direct result of the Project, in particular around the proposed substation. The valuation takes into account the market value of the relevant property before and after any permanent severance.

An allowance has been made for temporary severance as a result of the Project and is included as part of the disturbance compensation figure.

6.2.8 Blight

Blight claims allow a qualifying interest to call for their land to be acquired early i.e., before the acquiring authority would otherwise take it.

For a blight notice to be accepted and compensation to be payable, it must be supported by evidence that the claimant has made reasonable endeavors to sell the land or property in question and that the claimant has been unable to do so or could do so only at a price substantially lower than that for which it might reasonably have been expected to sell.

Throughout the course of consultations and negotiations with all landowners and occupiers along the route, we have not been made aware of:

- any attempts to sell any of the affected land or property that has resulted in the land or property only being able to be disposed of at a significantly lower value or
- any parties intending to serve a Blight Notice.

To ensure that the funding assessment caters for any 'blight risk' properties, we have included a contingent liability for Blight claims. However, our assessment suggests the likelihood of blight claims being received is nil.

6.2.9 Loss of Development

It is acknowledged that certain land parcels may have development potential and the implementation of any such development which has the benefit of planning permission may be prevented or restricted as a result of rights granted and restrictions imposed under the DCO. For the avoidance of doubt, development in this context may include but is not limited to residential, commercial or mineral extraction.

Where the compulsory acquisition of rights and imposition of restrictions pursuant to the powers in the DCO restricts or prevents such development potential, any proven and mitigated loss of development value will be compensable.

6.2.10 Claims arising under Section 10 of the Compulsory Purchase Act 1965 and Part 1 of the Land Compensation Act 1973

Section 10 of the Compulsory Purchase Act (CPA) 1965 provides an entitlement to compensation, subject to meeting certain criteria, to the owners of a land interest who suffer damage to their property interest as a result of the execution of works. This entitlement arises where no land is acquired from the owner and equates to a restricted form of nuisance claim.

Claimants can include those whose rights or easements over land are interfered with as a result of the works, for example, a right of way over land being occupied for the Project. Claims can also arise as a result of the effect of physical factors arising from the execution of the works such as noise, dust, light and vibration on properties. The basis of valuation is as set out in this report under the heading, General Assumptions.

Based on the information provided to date, we are only aware of a small number of rights which might give rise to a valid and quantifiable claim. We recognise that, even with detailed referencing information, no absolute guarantee can be given that there are no other rights which could be affected in such a way as to give rise to a justified claim. It is further recognised that, should rights exist, they may be interrupted during construction, e.g. a restriction or temporary interruption to a designated right of way, and as such a claim for temporary injurious affection could arise. However, it is assumed that, as far as possible, alternative arrangements will be made to mitigate the impact on any rights.

In terms of the physical elements of the works which may give rise to a claim, the risk of claims arising as a result of dust, light and vibration is considered to be very low. Our assessment of the impact of noise on properties in the vicinity of the Project's works areas has been based on a worst-case scenario with works proceeding during nighttime hours and at weekends. It is anticipated that through detailed design and further refinement of the Outline Project's Code of Construction Practice, these impacts shall be mitigated.

The view taken, therefore, is that the likelihood of valid and sustainable claims being made under s10 CPA 1965 is moderately low. We do, however, provide an allowance for such costs as a contingency within the PCE.

Responsible authorities may be liable, under Part 1 of the Land Compensation Act 1973, to pay compensation for the depreciation in the value of an interest in land which is attributable to the use of public works where no land has been taken from the claimant. Compensation is limited to depreciation in the market value of the qualifying land interest caused by the use of the land or works but only in so far as that depreciation is attributable to "physical factors".

It is our opinion that the likelihood of successful or substantial claims is low based on the particular physical factors which will arise from the use of the works and the distance of the works from potential claimants.

Whilst the risk of such claims remains low, we have provided an allowance for such costs as part of the contingency within the PCE.

6.2.11 Business Loss Claims

It is acknowledged that certain business may be disrupted as a consequence of the Project. Any claims which are accepted by the Applicants will have to demonstrate that they are a natural and reasonable consequence of the Project, with the claimant evidencing they have used reasonable endeavors to mitigate their proven losses.

An assessment has been made of the businesses which could be impacted by the Project.

6.2.12 Third Party Professional Fees

Claimants are entitled to reimbursement of professional costs incurred in connection with the claim for compensation and transfer of their interest to the acquiring authority. Our figures include an allowance for the costs of surveyors and solicitors representing the claimants. This may vary on a case-by-case basis, but overall a 10% contingency has been applied to cover possible additional costs.

The Applicant's professional costs are not included in the PCE.

6.2.13 Stamp Duty Land Tax

The Applicants, as the Acquiring Authorities, may be liable for any Stamp Duty Land Tax (SDLT) arising as a consequence of the property transactions. SDLT is payable at the following rates:

Price Threshold	LTT Rate (%)
The portion up to and including £150,000	0
The portion over £150,001 up to and including £250,000	2
The remaining amount (the portion above £250,000)	5

6.2.14 Contingency and Interest

In view of the level of information available to us at this stage, a general contingency of 10% has been added to all items included in the estimate. Additionally, because of the deferment of the payments from the date of this assessment, compounded interest has also been added at a rate of 4% per annum through to 2031, being the estimated timescale for consenting, programming and construction, based on the upper estimate from the forecasted Consumer Price Index (CPI), published by the Office for National Statistics.

6.3 Valuation Assumptions and Exclusions

6.3.1 General Assumptions

- The estimate has been prepared on the basis of current market value which would be payable in the event of the Applicant acquiring land and rights and imposing restrictions under the terms of the DCO rather than by voluntary agreement. Associated disturbance is included. The disturbance costs associated with surveys which will be undertaken on a voluntary basis and compensated prior to the DCO being confirmed are excluded from this assessment.
- The estimate relies on assessments of buildings from vantage points and internal property inspections have not been undertaken. In addition, further research has been completed via the internet, media, aerial and ground photography and from investigations into comparable local valuation evidence.
- No allowance has been made for any incentive payments which would otherwise be payable for voluntary agreements (subject to meeting various criteria).
- Land values are based on market values in the region.
- We have not generally investigated planning history unless otherwise stated in this report. Our figures reflect existing use value rather than any other value although, where appropriate we have considered potential development values or values associated with potential alternative uses.
- No account has been taken in the estimate of the risk of sterilisation of Minerals which are potentially available for commercial extraction. The level of risk is considered to be low.
- We understand that there may be some closures and diversions of the public highway. No allowance has been made for any potential claims for compensation other than where there are associated losses caused to businesses.
- The assessment does not include the cost of any physical mitigation or reinstatement works which will be undertaken by the Applicant. These costs form part of the overall budget which the Applicant has allocated for the likely costs of implementing the Project under the DCO.
- A 10% contingency has been applied throughout.
- The figures, which includes the contingency, are inflated by 4% per annum for a period of 8 years through to 2031.
- The Valuation Date for assessment of compensation is assumed to be Dec 2024. It should be noted that the figures stated in the estimate may require revision.

6.3.2 Exclusions

Costs associated with the following property or interest types have not been included within the PCE:

- Operational highways, railways, rivers and other infrastructure
- Utility apparatus including but not limited to substations, pipes, cables, sewage treatment works, pumping stations, masts and tanks
- The Applicant's professional fees
- Costs associated with surveys undertaken prior to the confirmation of the DCO
- No allowance is made for any VAT in this estimate.

6.4 Conclusion

6.4.1 Property Cost Estimate

This is an estimate carried out using the information available to date as set out earlier in this report. If required, the estimate can be revised to maintain accuracy as more information becomes available.

It is our opinion that the likely costs to secure the necessary land, interests, rights and make payment of compensation is in accordance with the figures set out in the table below:

Item	Net Value	Contingency @ 10%	Interest @ 4%	Total
Acquisition of Freehold Land	£1,288,677.39	£128,867.74	£465,761.46	£1,883,306.58
Acquisition of Easement Rights	£4,471,095.80	£447,109.58	£1,615,970.07	£6,534,175.45
Compensation arising out of Temporary Works	£4,495,086.94	£449,508.69	£1,624,641.09	£6,569,236.73
Injurious Affection & Severance	£1,935,386.52	£193,538.65	£699,498.92	£2,828,424.10
Claims arising under Section 10 of the Compulsory Purchase Act 1965	£597,780.40	£59,778.04	£216,053.35	£873,611.79
Claims arising under Part 1 of the Land Compensation Act 1973	£220,000.00	£22,000.00	£79,513.71	£321,513.71
Business Loss Claims	£1,705,841.63	£170,584.16	£616,535.44	£2,492,961.23
Third Party Professional Fees	£1,918,000.00	£191,800.00	£693,214.98	£2,803,014.17
TOTAL	£16,631,868.68	£1,663,186.86	£6,011,189.02	£24,306,243.76

In completing this PCE we have maintained a consistency throughout based on our methodology and valuation assumptions and exclusions. For the reasons stated in this report, we have included a contingency so that it can be stated that our estimate of property cost is **£24,306,243.76 (Twenty Four Million, Three Hundred and Six Thousand, Two hundred and Forty Three Pounds and Seventy Six Pence.)**



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