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THE REDBOOK INDEX

PROPERTY PROJECTS UNWRAPPED | ISSUE 1.0 | NOV. '24

REDBOOK

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Only 'Founding Contributors' amongst RedBook's roster of design and delivery Partners who took part in our data collection exercise this year benefit from the many exclusive industry insights - average salaries, charge-out rates, fee structures, to name a few. To partake and benefit next year, please enquire via -

index@redbookagency.com



1.0 WELCOME

DISCLAIMER: *This report should not be used as a substitute for a detailed cost plan from a Quantity Surveyor. Instead, the RedBook Index offers guidance and transparency when navigating the infancy of a project.*



THE REDBOOK INDEX MISSION STATEMENT

At RedBook, we hold the unique position of 'Project Directors'. Collaborating with the finest design-and-delivery talent in the UK, we have an insight into the world of prime and super-prime property projects like no other. Having established strong bonds of trust with our Partners over the past 15 years, we are proud to have facilitated this new industry tool that will, we believe, not only help clients but also the wider luxury project world.

Our RedBook Index holds more luxury project data than has ever been collated before. To achieve this, we have pooled the rich and detailed data generously shared by our Partners together with figures from our own RedBook projects to create a definitive insight into this hugely valuable and dynamic marketplace.

The aim of the RedBook Index is above all to give clients greater confidence and clarity in taking on high-end property projects. Managing client expectations right at the front end allows them to understand the full picture of costs, timelines and Planning constraints and work with them to achieve their goals and budgets.

This year's RedBook Index is just the start. As it develops, we expect to be able to draw on an ever-wider pool of project data, bringing in more international perspectives and benchmarking London and the UK against other cities and countries. This is the exciting first chapter.

A special thank you to all our wonderful Partners for helping bring this valuable tool to the market.



TOM ADAMS
REDBOOK AGENCY | CEO

November, 2024

LORD ANDREW HAY
CHAIRMAN | REDBOOK AGENCY



SANDY MITCHELL
FOUNDER | REDBOOK AGENCY



I do not doubt that this industry-first data platform, which benchmarks project costs against a specialised industry standard along with fascinating market insights and trends, will become an invaluable resource for anyone interested in the top-end property market.

TOM ADAMS
CEO | REDBOOK AGENCY



REAL-TIME DATA

EXPERT INSIGHTS

FUTURE TRENDS

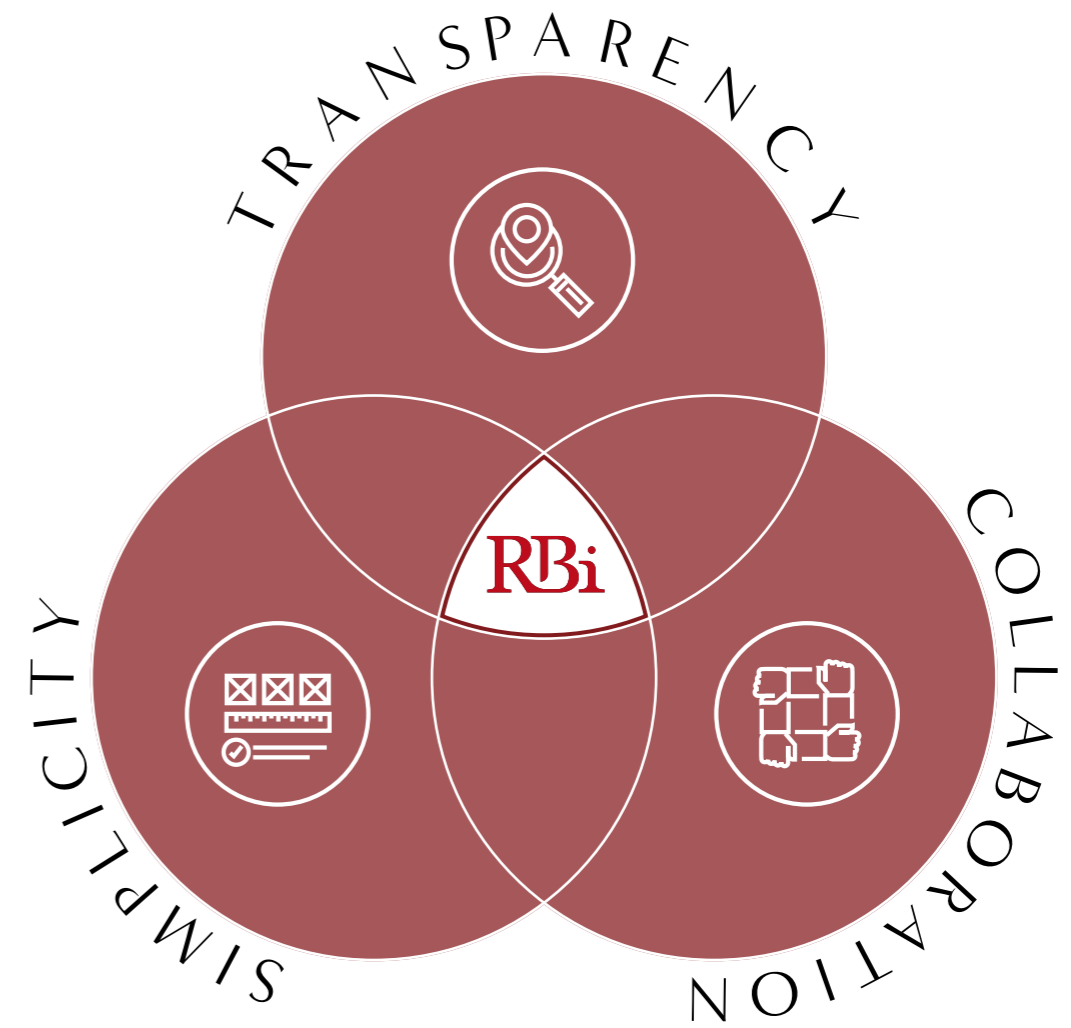


FIG. 1. CORE PRINCIPLES

ESTABLISHING AN INDUSTRY STANDARD

There are three core principles behind the RedBook Index: a desire to enhance transparency in the luxury property industry, to simplify some of the jargon used and to encourage collaboration between different professional disciplines.

At this rarefied level of the property world, there are no established industry benchmarks when it comes to project costs and professional fees. The RedBook Index addresses this lack of transparency head-on.

With the close collaboration of our Partners, we have been able to develop the Index as a valuable tool to give clients and industry professionals greater clarity on costs, fees and timelines. The Index also provides insights into the direction of the luxury project market.

We hope that, armed with robust and reliable information, clients will feel greater confidence in launching property projects - and significantly reducing the risk of unwelcome surprises along the way.

BETTER TOGETHER: PROJECT DATA FROM REDBOOK & OUR DISTINGUISHED PARTNERS

1,750

live projects analysed, including RedBook's own and those of its extensive roster of Partners

6,000+

significant residential Planning applications assessed in prime UK locations

£5.7^M

average project value shown by Index data

£10^{BN}

total value of prime/super-prime projects considered

100,000+

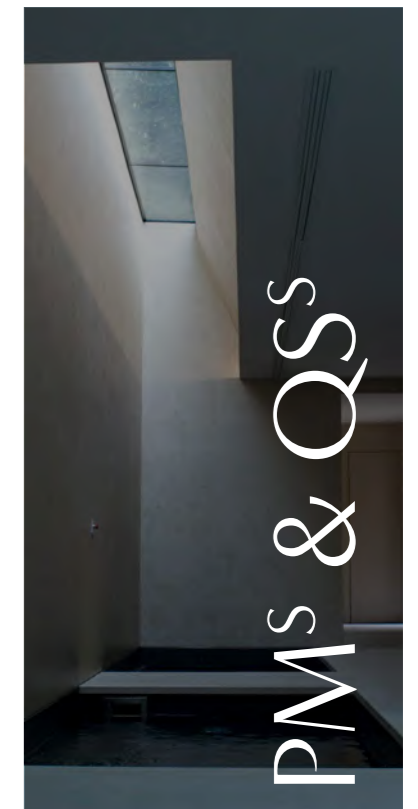
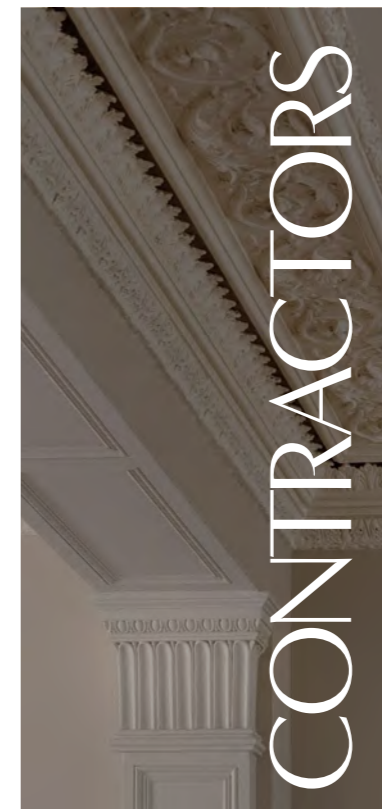
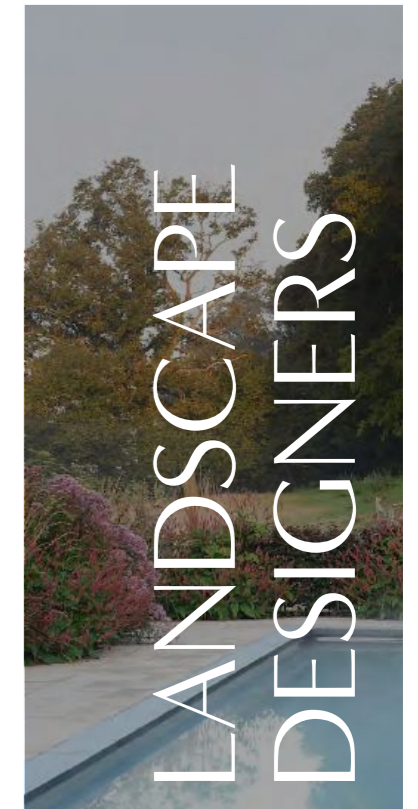
data points gathered in total

FIG. 2. DATA CAPTURE

OUR METHODOLOGY

Data for the RedBook Index exercise was collected in two phases. The first was a highly detailed questionnaire to gather industry-wide sentiments and insights. The second went deeper still, gleaning data at a more granular level from individual projects.

To thank our Partners for their commitment of time and effort, we are providing them with exclusive access to industry insights tailored to their areas of interest and recognising them as our Founding Contributors.



2.0 UNWRAPPING PROPERTY PROJECTS



HOW TO USE THE REDBOOK INDEX

HOW WILL THE INDEX SERVE ME?

Collecting data for The RedBook Index has involved a deeper dive into the luxury property project sector than has ever been attempted. We have created a guide to help you navigate through the Index's rich array of findings.

And each section and topic has been given a colour code to make it easy for each sector of our audience to find - private clients, advisers, design-and-delivery professionals and developers. When browsing, keep an eye out for the spreads earmarked with the colour relevant to your interests.

PRIVATE CLIENT PROFESSIONALS



- Buying agents
- Selling agents
- Wealth managers
- Lawyers
- Family office representatives

DEVELOPERS



- Branded residence providers
- Luxury property developers
- Hoteliers

DESIGN/DELIVERY PROFESSIONALS



- Interior designers
- Architects
- Landscape designers
- Quantity surveyors/project managers
- Contractors

PRIVATE CLIENTS



- Prospective private clients considering a property project

FIG. 3. USER PROFILES



EXPERT OPINION

LORD ANDREW HAY
CHAIRMAN | REDBOOK AGENCY



Clients would often ask me how much a particular project would cost, and it would always be impossible to say. It all depends on what level of specification and the finish they are after. The RedBook Index is a game changing tool. Here, for the first time, we have established a benchmark which can be used quickly and easily to give clients an informed cost considering all factors.

Image courtesy of a RedBook specialist Partner

REDEFINING THE INDUSTRY: THE REDBOOK VARIABLES

SCOPE OF WORKS

In order to help create some benchmarks in the industry we have classified projects into four clear types -



NEW-BUILD



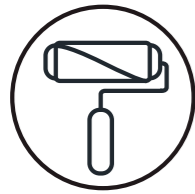
New constructions, extensions, replacement buildings or gardens designed from scratch (this doesn't include basement works).



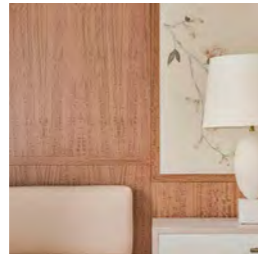
REFURBISHMENT



Internal layout reconfigurations, new plumbing and electrics, external upgrades (such as window replacements) and works to an existing garden.



REDECORATION



Surface-level upgrades only such as paint or wall coverings and floor finishes, including new kitchens and bathrooms.



FF&E



The introduction or replacement of furniture, fixtures and equipment. In simple terms, turn a house upside down and all that falls out is classified as FF&E.

FIG. 4. PROJECT SCOPE BREAKDOWN

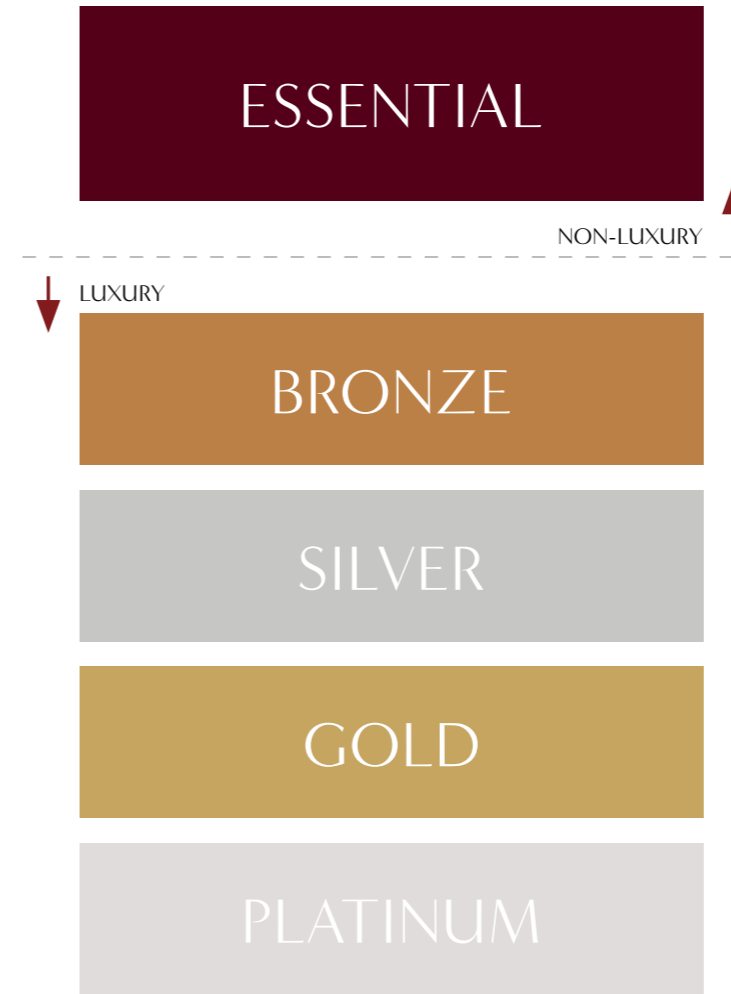


FIG. 5. SPECIFICATION RANGE

SPECIFICATION LEVEL

The overall cost of a project depends hugely on the level of finish specified across many varying factors, such as finishes and brands, which will have a massive impact on cost.

The Index uses four luxury cost bands to allow for the different levels of specification, ranging from 'Bronze' to 'Platinum'. 'Essential' is a benchmark for non-luxury projects.

RAW BUILD COSTS

- Material costs
- Labour costs

PROJECT COSTS

- Raw build costs
- Professional fees
- Preliminaries
- Contractor OH&Ps

EXCLUSIONS

- Demolition
- VAT
- FF&E
- Landscaping



3.0 THE CLIENTS



REST OF THE WORLD

2%

EAST EUROPE
(INC. RUSSIA)

7%

WEST EUROPE
(EXC. UK)

21%

16%

NORTH AMERICA

13%

6%

EAST ASIA

5%

SOUTH ASIA
(INC. INDIA)

MIDDLE EAST

1%

SOUTH AMERICA

29%

UK

INTERNATIONAL OWNERS

The RedBook Index indicates that British clients are behind 29% of live prime and super prime property projects in the UK within the last 12 months

Western European clients represent the largest international presence in the UK; they are behind 21% of projects. Eastern Europeans, including Russians, today make up just 7% of clients. This figure would have been considerably higher in the early 2010s but has dropped significantly as a result of sanctions imposed following the war with Ukraine.

In recent years, there has been a well-publicised influx of Americans establishing homes in the UK and they make up 16% of clients with projects today. Next comes the Middle East - largely nationals from Saudi Arabia, Kuwait, and the UAE - at 13%.

CLIENTS OF THE WORLD

FIG. 6. PROJECT APPETITE IN THE UK

WHO'S BEEN INVESTING SINCE 2012?

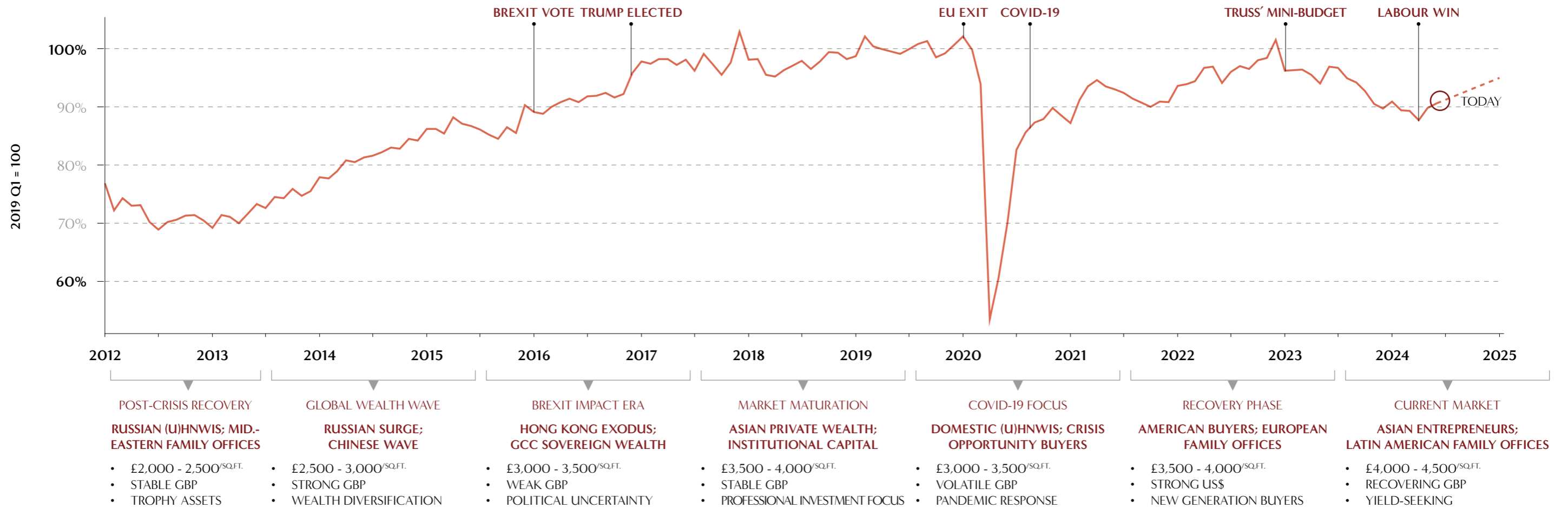


FIG. 7: NEW WORK ORDERS 2012 - 2024

FLUCTUATING TRENDS

Using figures from the Office for National Statistics, we have studied the fluctuating trends of overseas wealth coming into the UK from 2012 to today. These inflows and outflows are closely mirrored by what we have seen in the luxury property industry. The graph charts the different waves of interest: from Russian and Middle Eastern families arriving in the years following the financial crisis of 2008 to the Chinese influx and then exodus of Hong Kong nationals.

Later, we see the rise of Asian private wealth and institutional capital taking advantage of a stable Pound and focussing on investment. The drop-off during the pandemic is followed by a recovery phase during which American, European family offices and next-generation buyers arrive in the UK market. Today, as the Pound recovers, we are seeing strong interest from Asian entrepreneurs and significantly, for the first time, Latin American family offices.



EXPERT OPINION

IBRAHIM KAYANI
HEAD OF DATA & RESEARCH | REDBOOK AGENCY

Despite the dip in overall construction demand between 2023 and 2024, the UK's prime property market remained a fundamental safe-haven asset class for global wealth, with foreign investment consistently driving 70% of transactions above £5m. The market's resilience is underpinned by the UK's enduring appeal as a global financial centre, education hub, and lifestyle destination despite political and economic headwinds.



EXPERT OPINION

THEO MANZAROLI
PARTNER | PURCELL



We've seen a rise in enquiries from property managers and owners of country houses and historic estates which tend to fall into two main categories: redeveloping country houses to include bespoke leisure facilities and diversifying large historic estates to generate additional income. While it's unclear if this represents a broader market trend, the growth in these enquiries gives us confidence for the next 12 months.

PROJECTS OUTSIDE LONDON

BEYOND THE CAPITAL

Looking at The RedBook Index figures, 54% of prime and super-prime property projects take place in the Home Counties that surround London - the traditional corridors through which money flows from the capital. There are also hotspots of activity in the South West, including the second-home markets of Cornwall and Dorset.

Meanwhile, a significant number of projects take place in East Anglia, particularly along the popular North Norfolk coastline. Meanwhile, the Central/ Midlands region is represented by the Cotswolds, a well-established hub for prime and super prime country-house projects.

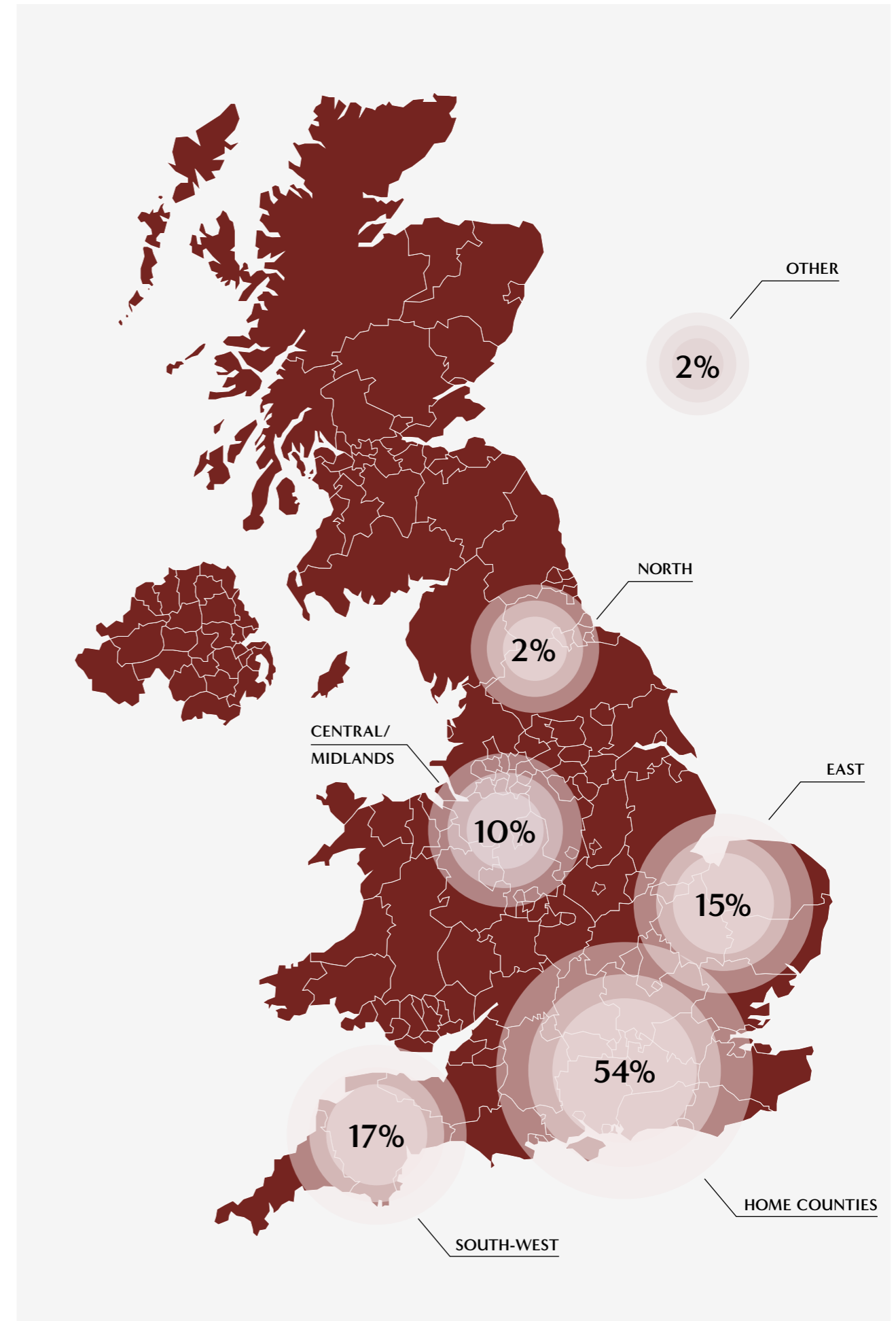
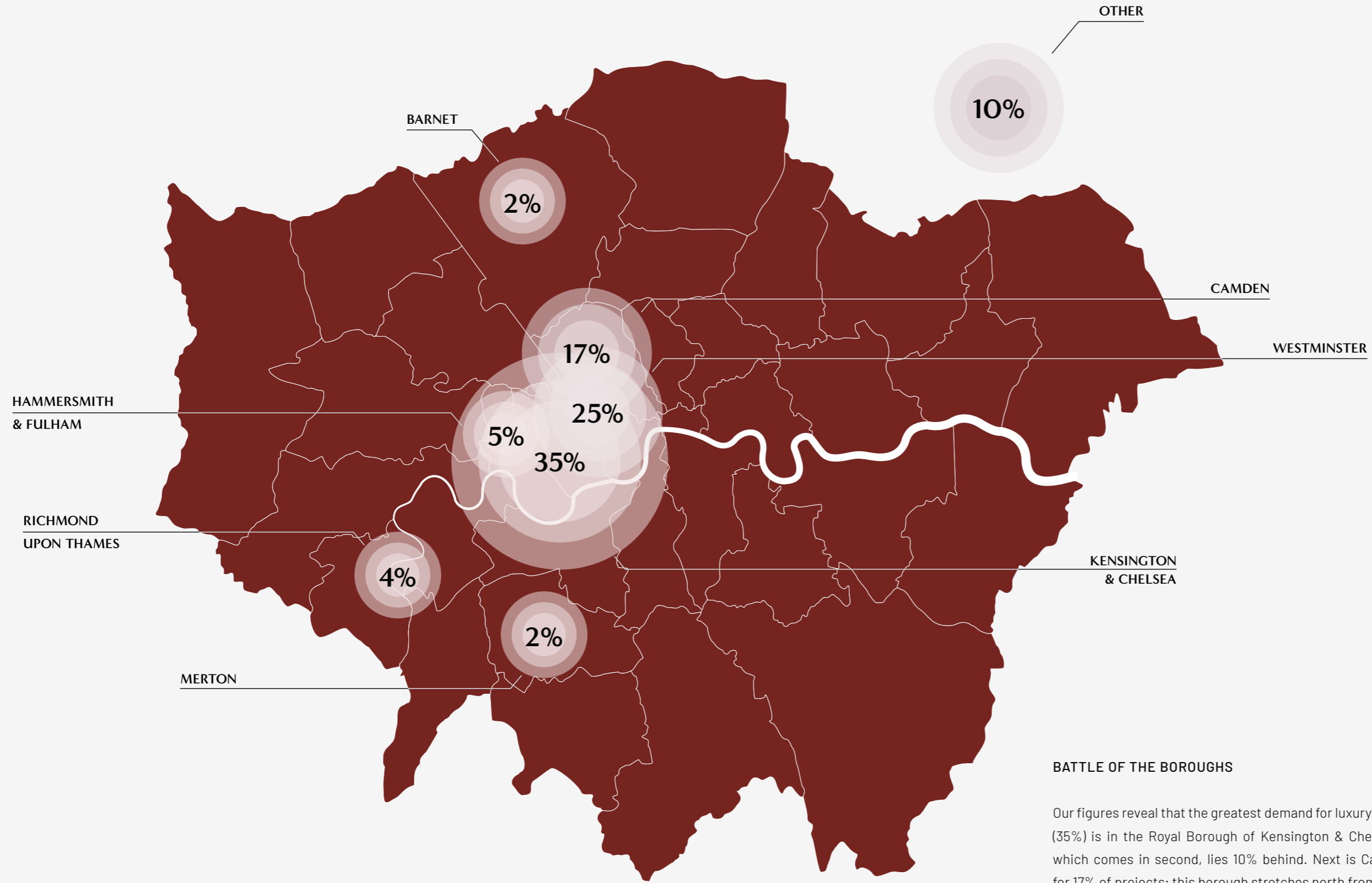


FIG. 8. REGIONAL PROJECT DEMAND DISTRIBUTION (EXC. LONDON)



BATTLE OF THE BOROUGHS

Our figures reveal that the greatest demand for luxury projects in London (35%) is in the Royal Borough of Kensington & Chelsea. Westminster, which comes in second, lies 10% behind. Next is Camden, accounting for 17% of projects; this borough stretches north from central London to parts of Hampstead, and includes some of the capital's most expensive streets. Meanwhile, the number of residential projects in Richmond are nearly on a par with those in more centrally located Hammersmith & Fulham.

PRIME CENTRAL LONDON PROJECT DEMAND

FIG. 9. LUXURY PROJECT LONDON DISTRIBUTION

WHO IS UNDERTAKING PROJECTS?

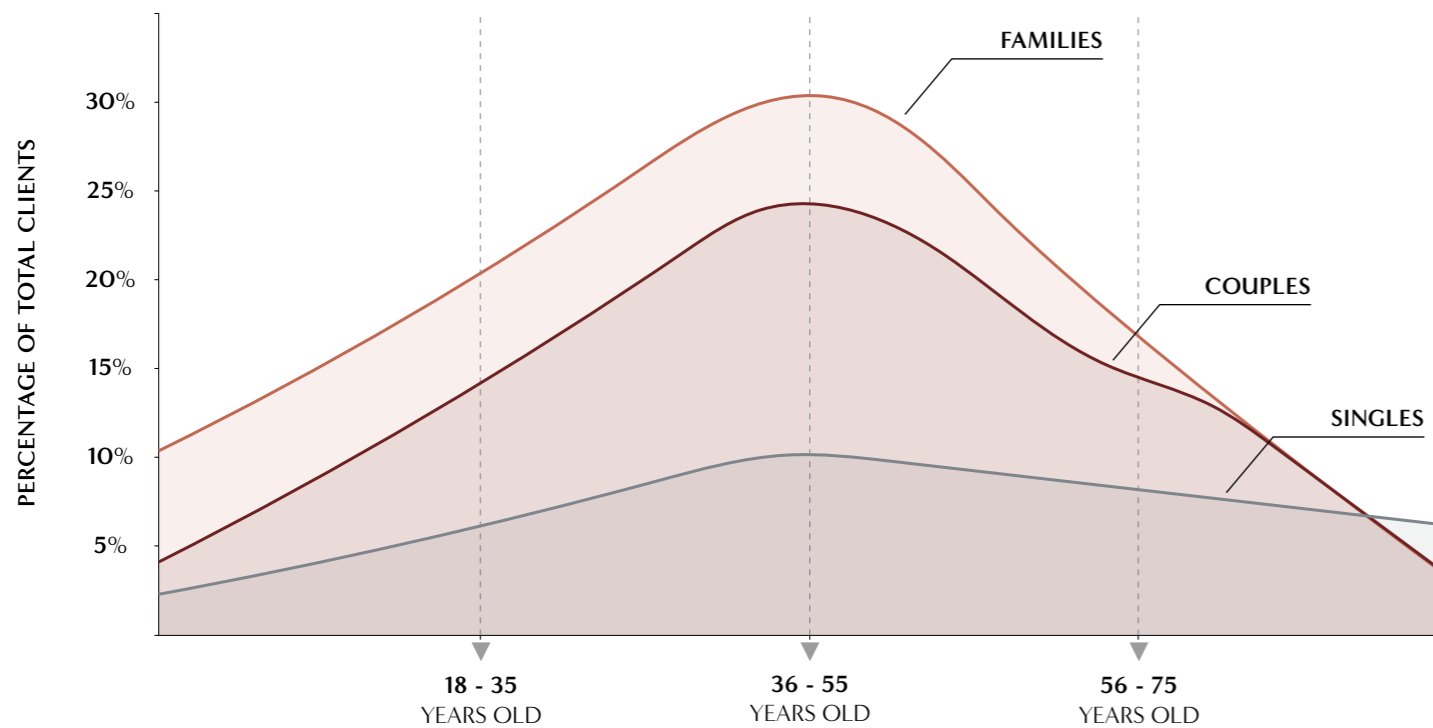


FIG. 10 CLIENT PROFILE

INVESTORS IN PROPERTY

While unmarried 'singles' represent the smallest proportion of clients tackling property projects, the figures show that couples and families - especially aged between 36 and 55 - have the greatest appetite for taking on large-scale projects. Looking at sources of wealth, clients in finance dominate in the 36-55 age bracket. They are investing in their main residence, leaning towards traditional designs, high-quality finishes and turn-key solutions.

The oldest demographic is largely funded by inherited wealth, investing in country houses with a strong focus on privacy and the preservation of their historic features, ensuring these properties survive for generations to come. Interestingly, we are also seeing American retirees from this bracket looking to invest in restoring rural estates across the UK.

18-35 YEARS OLD	36-55 YEARS OLD	56-75 YEARS OLD
PRIMARY INDUSTRY		
<ul style="list-style-type: none"> Entrepreneurs 	<ul style="list-style-type: none"> Finance 	<ul style="list-style-type: none"> Hereditary wealth
MARKET INTEREST		
<ul style="list-style-type: none"> Pied-à-terres City luxury apartments 	<ul style="list-style-type: none"> Primary/investment residences Historic renovations 	<ul style="list-style-type: none"> Country estates Heritage properties
LUXURY FOCUS		
<ul style="list-style-type: none"> Contemporary modern Smart homes Wellness amenities 	<ul style="list-style-type: none"> Traditional High-quality finishes Turn-key solutions 	<ul style="list-style-type: none"> High-privacy Historic preservation Exclusive craftsmanship
INVESTMENT DRIVER		
<ul style="list-style-type: none"> Capital appreciation Urban lifestyle Tech integration 	<ul style="list-style-type: none"> Portfolio diversification Family accommodation Quality of life 	<ul style="list-style-type: none"> Wealth preservation Legacy planning Heritage focus
EMERGING MARKET INSIGHT		
<ul style="list-style-type: none"> Increased Asian investment in Western property markets 	<ul style="list-style-type: none"> Strong demand from Middle Eastern clients in urban centres 	<ul style="list-style-type: none"> Interest from North American retirees in UK country estates

FIG. 11 CLIENT MAKE-UP



KATHARINE POOLEY
PRINCIPAL | KATHARINE POOLEY

Right now, we're heavily focused on the American and Chinese markets, and, looking ahead to 2030, I think there'll be a growth in project appetite among these demographics in particular. Currently, confidence in the UK market is low, but there are signs of improvement with recent government changes. The exchange rate makes it easier for Americans to buy property, and the Middle Eastern market continues to invest here. Despite global uncertainty, the UK remains a stable investment option and offers many appealing factors.

EXPERT OPINION



BACKGROUNDS & PRIORITIES

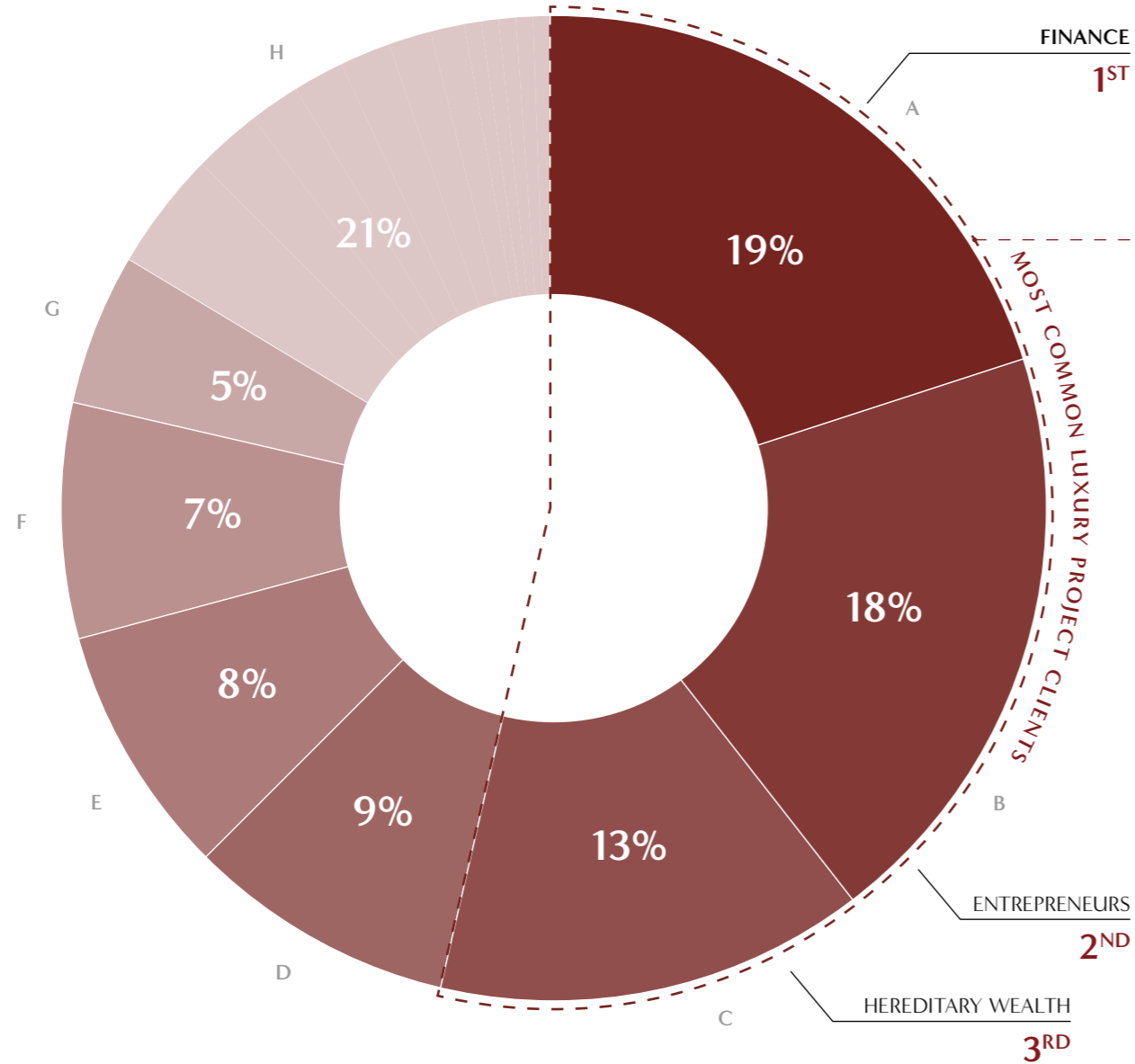


FIG. 12. CLIENT VOCATIONAL BACKGROUND

- A** FINANCE
- B** ENTREPRENEURS
- C** HEREDITARY WEALTH
- D** CREATIVE INDUSTRIES
- E** FILM/MUSIC INDUSTRY
- F** LEGAL PROFESSIONAL
- G** ROYALTY
- H** OTHER

1 ST FINANCE	2 ND ENTREPRENEURS	3 RD HEREDITARY WEALTH
Origin: UK Continental Europe	Origin: North America UK	Origin: Middle East Continental Europe
Preferences: English gardens Contemporary design Low-maintenance solutions	Preferences: Low-maintenance gardens Classic contemporary design Personalisation/customisation	Preferences: Classic gardens Traditional design High-quality finishes
Spending priorities: Tech, AV, security systems, energy/sustainability systems	Spending priorities: Home office/tech infrastructure, high-end amenities (gyms and media rooms)	Spending priorities: Bespoke joinery, specialist finishes, decorative detailing, high-end amenities (wellness facilities)

FIG. 13. FRONTRUNNER CLIENTS

WHO WANTS WHAT?

Those working in finance, including bankers and hedge fund managers, make up the largest number of clients investing in luxury property projects in the past 12 months. They tend to lean towards contemporary design, low-maintenance interiors that boast the latest technology, audiovisual, and security systems. Finishes are high-end, including natural stone and big-name brands.

Entrepreneurs take the second spot. Time poor, these owners look for turn-key solutions, which include installing top-spec home offices, at-home gyms and media rooms. The third largest bracket is made up of hereditary wealth. Here, a more conservative approach to design and specification sees owners investing in sustainable energy solutions and environmentally minded landscaping, with a view to benefiting their descendants.



4.0 COSTS



THE REDBOOK SQUARE FOOT

WHERE DOES THE MONEY GO?

We all know that projects often cost far more than expected at the outset but why is that?

Much of this is down to a fundamental misconception: clients are typically cited a price per sq.ft. for building work, without being informed of the holistic all in costs

In fact, only around 64% of what is spent on a project pays for, 'raw build costs': materials and labour.

The result is that many people will commit to a property project without a complete picture of the overall cost.

So, if only £6.40 in every £10 of a budget covers the raw build costs, where does the rest go?

It is typically eaten up by professional fees, contractor preliminary works and their overheads and profits and this is before you factor in the list of exclusions, demolition, landscaping, FF&E and VAT.

Here in the RedBook Square Foot, we break down what a typical £1,000/sq.ft. budget gets you in terms of apportioned costs.

RAW BUILD COSTS

Made up of the cost of materials and the labour to carry out the work.

PROFESSIONAL FEES

Constitutes the fees from the many varying consultants needed for a project, from Architects, Interior & Garden designers, Quantity Surveyors, Project Managers and so on.

PRELIMINARY WORKS

This refers to the contractors' costs outside of raw build costs which includes works such as setting up on site and the management of the project team

CONTRACTOR OH&PS

Contractors' overheads and profits. Typically, contractors declare this openly when bidding for a project.

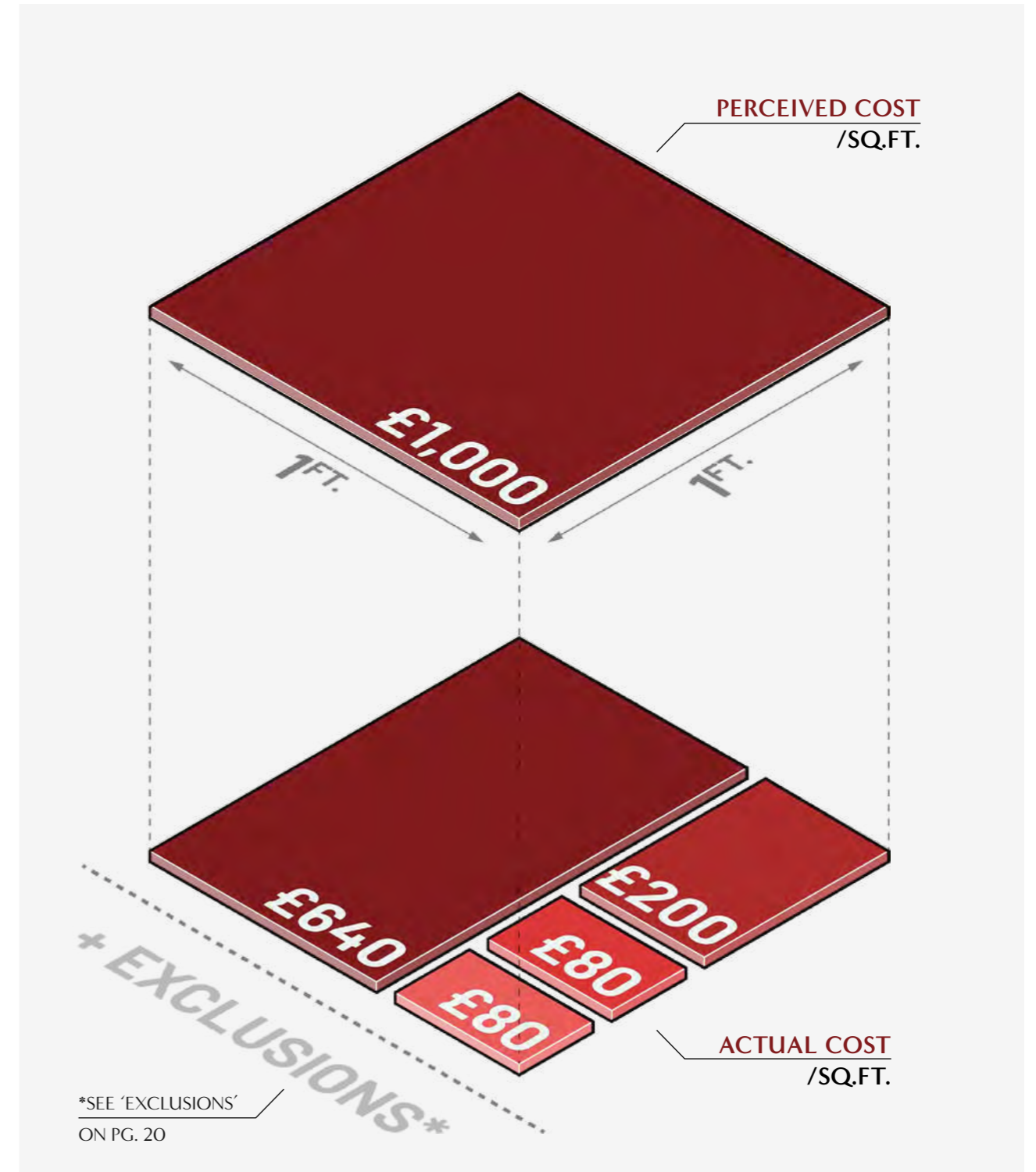


FIG. 14. PERCEIVED COST/SQ.FT. VS. ACTUAL COST/SQ.FT.



DIFFERENCES IN SPECIFICATION

WHAT A BUDGET BUYS

The cost of a luxury project largely depends on the level of detailing and materials that a client desires for their home. This is known as the level of 'specification.' The same project, whether it is building a house or decorating and furnishing one, can end up costing many times more if a client wants to use the very best quality materials and bespoke items throughout.

In simplest terms, a factory-made brick can cost well under £1, while a specially commissioned handmade brick the same size can cost nearly £5. It sounds obvious, but failure to ask or consider a client's desired level of specification is why so many 'rule of thumb' estimates of project cost prove way wide of the mark.

RAW BUILD COSTS

COUNTRY-BASED PROJECTS

EXPERT OPINION

JAMES STREET
FOUNDING DIRECTOR | HARSBROOK



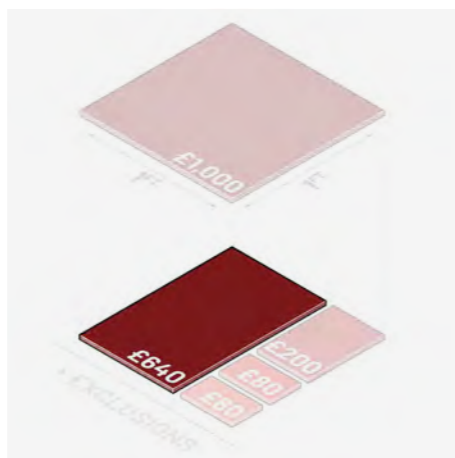
Some material costs which surged during the COVID pandemic settled during 2023, but on average costs have continued to rise - particularly steel, timber, cement and insulation. Labour shortages and inflation have pushed labour costs up. While some construction sectors may have been quieter in 2024 and have gaps in their order books for 2025, the top tier contractors and sub-contractors in the super-prime market continue to be busy, so costs remain high to match that demand.



Image courtesy of a RedBook specialist Partner

BEYOND THE CAPITAL

When it comes to these bands, 'Essential' refers to a non-luxury level of project and 'Bronze' marks the start of what we define a luxury property project. According to our figures, based on 1,750 projects, the majority of them fall in the 'Silver' bracket, which is defined as the RedBook Median. Here, we see that the average cost of a refurbishment project in the Country is £560 per sq.ft. for the raw build costs (materials and labour) - excluding professional fees, contractors prelims and OH&Ps, as well as the further exclusions.



SCOPE	NON-LUXURY ←			REDBOOK INDEX MEDIAN	
	ESSENTIAL	BRONZE	SILVER	GOLD	PLATINUM
NEW-BUILD	£250 /SQ.F.T.	£380 /SQ.F.T.	£600 /SQ.F.T.	£800 /SQ.F.T.	£1,090 /SQ.F.T.
REFURBISHMENT	£210 /SQ.F.T.	£360 /SQ.F.T.	£560 /SQ.F.T.	£770 /SQ.F.T.	£1,010 /SQ.F.T.
REDECORATION	£65 /SQ.F.T.	£120 /SQ.F.T.	£210 /SQ.F.T.	£405 /SQ.F.T.	£600 /SQ.F.T.

→ LUXURY

FIG. 16. COUNTRY COST/SQ.FT.

RAW BUILD COSTS

LONDON-BASED PROJECTS

13.4%
UPLIFT

KEY INSIGHT
IN LONDON COMPARED TO
COUNTRY-BASED PROJECTS
(MEDIAN REFRUB. COST)

THE PCL PREMIUM

Expect to pay more (13%) when undertaking a project in London than in the Country. The cost of labour and materials is generally higher in the capital due to the demand for skilled workers and the higher cost of living. The majority of our Partners (82%) reported an increase in labour and staffing costs over the past 12 months.

A further significant contributory factor to increased costs is the reported risk mitigation 'bake-in' from material suppliers working under tighter constraints and programmes on projects in London due to restricted working hours, site access and space.

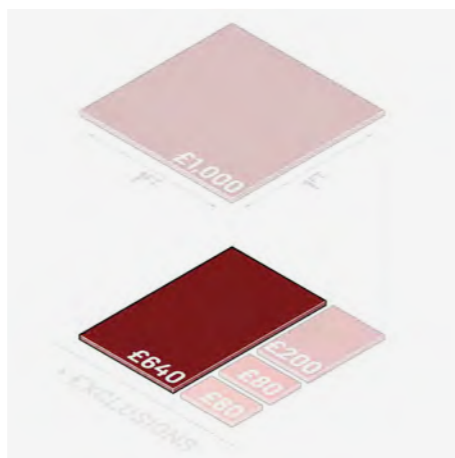


Image courtesy of a RedBook specialist Partner

	NON-LUXURY ←			REDBOOK INDEX MEDIAN		
SCOPE	ESSENTIAL	BRONZE	SILVER	GOLD	PLATINUM	
	£305 /SQ.F.T.	£480 /SQ.F.T.	£730 /SQ.F.T.	£970 /SQ.F.T.	£1,225 /SQ.F.T.	
NEW-BUILD						
	£240 /SQ.F.T.	£415 /SQ.F.T.	£635 /SQ.F.T.	£885 /SQ.F.T.	£1,060 /SQ.F.T.	
REFURBISHMENT						
	£65 /SQ.F.T.	£120 /SQ.F.T.	£210 /SQ.F.T.	£405 /SQ.F.T.	£605 /SQ.F.T.	
REDECORATION						
						→ LUXURY

FIG. 17. LONDON COST/SQ.FT.

LUXURY PROJECT DISTRIBUTION

EXPERT OPINION



VIHAAN MOORTHY
PROJECT GUARDIAN | REDBOOK AGENCY

It's greatly insightful to finally contextualise what industry professionals have long observed regarding project appetites. While a select few clients prioritise cost-efficiency, and others fully commit to extensive customisation, the majority approach their projects with clarity and conviction. They know precisely what they expect and are prepared to invest in achieving their vision.

QUALITY & CUSTOMISATION

In today's ever-evolving economic landscape, it's encouraging that cost preferences reflect a robust demand for quality and customisation. Notably, two-thirds of the market is clustered within the Silver to Gold tiers, highlighting a solid appetite for added value and enhanced specifications. Fewer than 20% of projects settle for the more economical Bronze level; the luxury market is buoyed by a significant segment demonstrating an inclination towards Platinum, the most premium investment, as clients prioritise elevated features, customisation, and bespoke offerings.

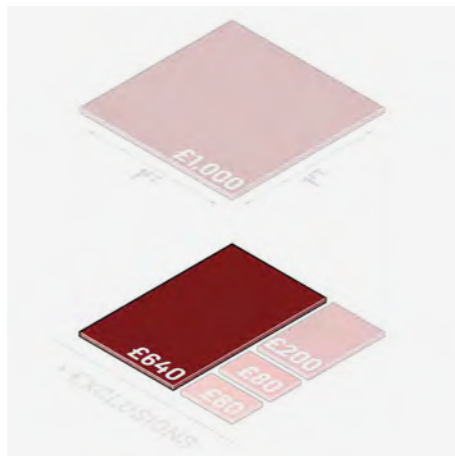


Image courtesy of a RedBook specialist Partner

SCOPE	NON-LUXURY ←			REDBOOK INDEX MEDIAN		LUXURY →
	ESSENTIAL	BRONZE	SILVER	GOLD	PLATINUM	
NEW-BUILD	---	21.2%	42.6%	22.0%	14.2%	
REFURBISHMENT	---	17.9%	35.9%	30.8%	15.4%	
REDECORATION	---	20.4%	44.9%	24.5%	10.2%	

FIG. 18. PROJECT DISTRIBUTION BY SPECIFICATION

RAW BUILD COST UPLIFTS

63% ↑ SINCE 2019
CONCRETE

4.6% ↑ SINCE 2023
LABOUR

23% ↑ SINCE 2019
STEEL

19% ↑ SINCE 2019
TIMBER

AVERAGE COST/SQ.FT.

RAW BUILD COST/SQ.FT. **£750**
BASEMENT SHELL & CORE

15% OF RAW BUILD COSTS (AVG.)
MEP BUDGET
MEP budget included within raw build cost figures

COST/SQ.FT. **£35**
DEMOLITION

£43 RAW BUILD COST/SQ.FT.
HARD & SOFT LANDSCAPING

RAW BUILD COST/SQ.FT. **£915**
INDOOR POOL INSTALLATION

AVERAGE BUDGET

AVERAGE BUDGET **£110,000**
ELEVATOR INSTALLATION COST

THE NUMBERS BEHIND THE COSTS

INFLATION PERCENTAGES & AVERAGE COSTS

Since COVID struck in 2020, many sectors, from hospitality to retail, have seen significant rises in costs and passed these on to customers. The construction industry, and the luxury project world, is no exception. The cost of doing a project has risen staggeringly, by nearly 40% in the past 5 years, as demonstrated by our figures and those from the Department for Business and Trade (DBT). It's worth noting that the DBT reported a 91% increase in raw build costs in the past ten years. The causes are all too familiar. Brexit-related labour shortages, squeezes in material supplies caused by the war in Ukraine and associated energy price hikes. Over the same period, values of prime and super-prime properties in the UK have seen modest rises at best. It is lifestyle improvements, rather than the opportunity to turn a profit, that is nowadays driving clients to tackle property projects.



Image courtesy of a RedBook specialist Partner

EXPERT OPINION

ELLIOTT PARMENTER
DIRECTOR | HIGGINSON GREY



The impact of the post-Brexit and post-COVID era in the UK has presented significant challenges. We have observed not only volatility in material costs but, more critically, the inflationary pressures influenced by the supply and demand for skilled labour. The onus of managing inflationary risks often falls on contractors, making fixed-price lump sum contracts, which were secured pre-inflation, particularly difficult to manage. Clients desire a stable and secure contractor to deliver exceptional quality. Consequently, it is imperative for our industry to unite and avoid the detrimental 'race to the bottom.' A market correction is necessary to ensure that builders can achieve healthy, sustainable margins. The value of extraordinary skill and craftsmanship cannot be overstated.

”

FIG. 20. COST UPLIFTS & AVERAGES

RAW BUILD COST INFLATION

SINCE 2019

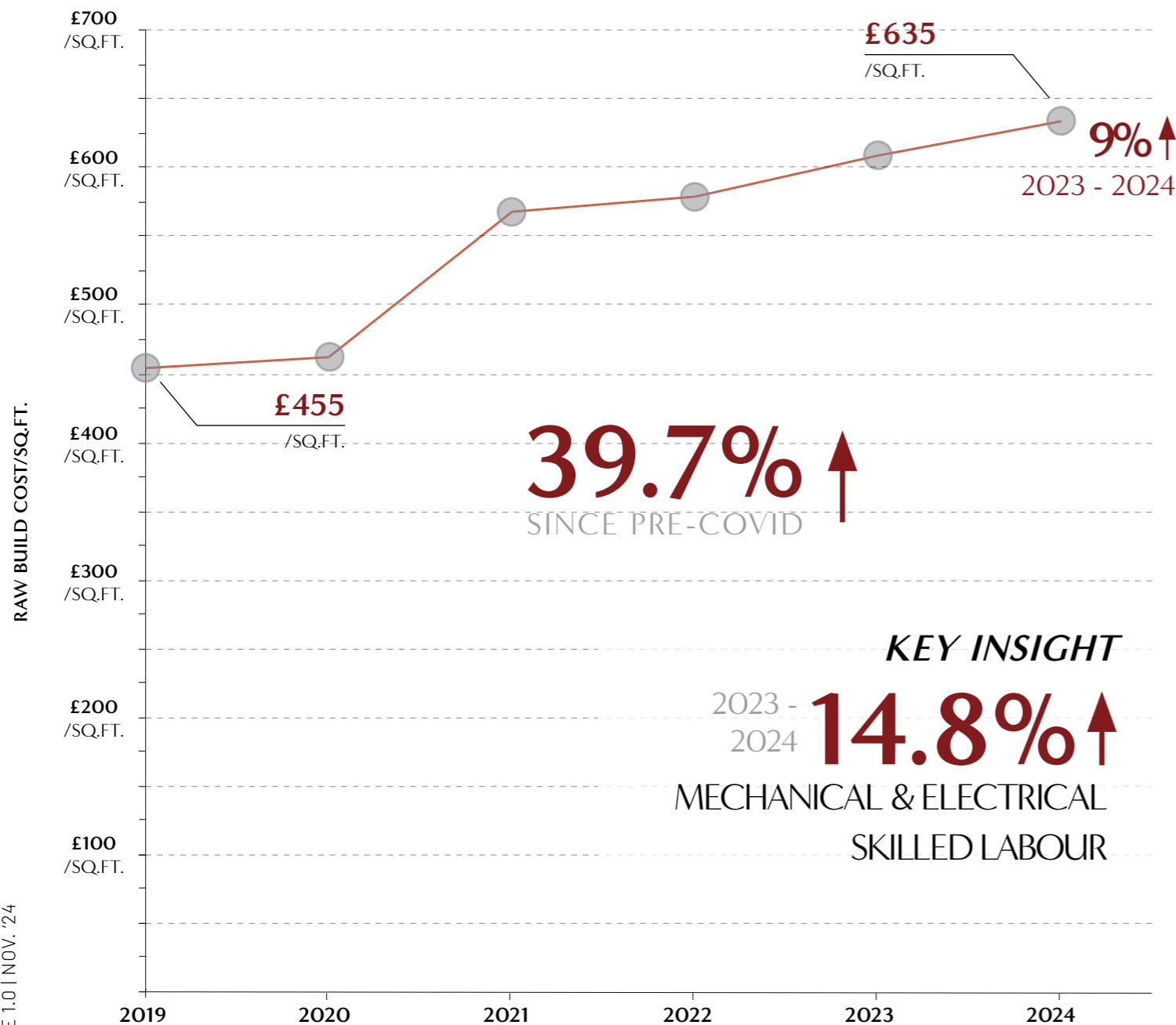


FIG. 21: INCREASE IN RAW BUILD COSTS



EXPERT OPINION

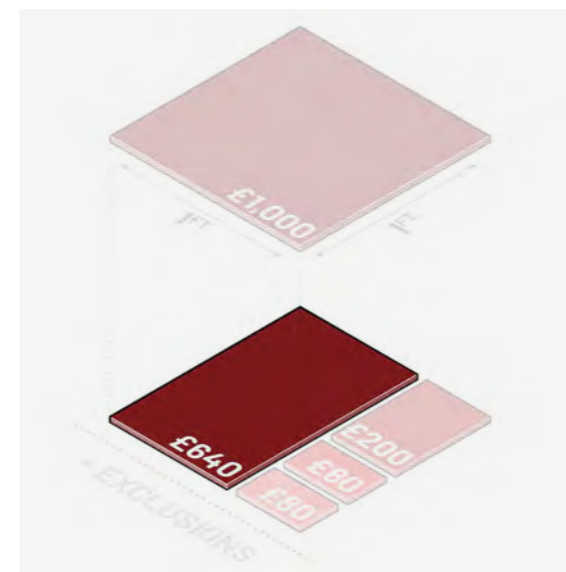
PHILIP WRIGHT RIBA ARB
DIRECTOR OF PROJECTS | REDBOOK AGENCY

ONWARDS & UPWARDS

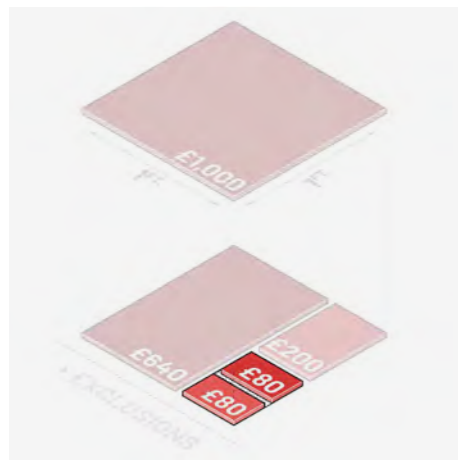
Since 2020, the luxury construction sector in the UK has faced a significant increase in raw build material costs due to several interrelated factors. The COVID pandemic disrupted global supply chains, leading to shortages and delays in essential materials. According to the UK's National Association of Builders, material prices surged by over 25% during 2021 alone. This was especially pronounced in luxury materials like marble and high-grade woods, which saw price hikes up to 30%.

As the UK economy began to recover, there was a surge in project activity at high-end properties, further straining resources: demand for construction work rose by 11% in 2022. At the same time, the industry faced a labour shortage, with a 3.5% decrease in self-employed construction workers in 2022. Demand for labour outpaced supply, and this imbalance led to increased competition for skilled workers, contributing to the 60% rise in insolvencies by the start of 2023. Shortage of skilled labour and escalating costs posed significant challenges for the luxury construction sector, impacting project timelines and contractors' profitability. The struggle to balance demand with the availability of skilled tradespeople is ongoing in the world of luxury construction.

Fuel prices, which rose by 30% during this period due to global conflicts and political unrest, directly impacted transportation costs and contributing to the overall rise in project costs within the sector.



CONTRACTOR PRELIMINARIES & OH&PS (OVERHEADS & PROFIT)



CONTRACTOR FEES

After professional fees, a further £160 of every £1,000 spent on a luxury property project pays for contractor's preliminaries, overheads and profit, typically split equally between the two. The preliminaries are what is charged by the contractor to run the project. This could include management, site accommodation, scaffolding, skips and health and safety equipment etc.

The overheads part refers to the costs of running the company, including accounting, legal costs, taxes and office space. Finally, the profits are self-explanatory. In short, this is the money required to ensure the contractor can complete the job, pay its bills and make a profit.

EXPERT OPINION

ROBIN KNOWLES
GROUP MANAGING DIRECTOR | KNOWLES

Preliminaries and OH&Ps have increased over the past two years, primarily due to overall uplifts in business costs. Rising operating costs, heightened insurance premiums and surges in labour expenses have contributed to this. Additionally, in cases where fluctuation clauses are either non-existent or excluded, these cost adjustments often also encompass changes in material prices. Typically, a range of 10-13% OH&Ps is anticipated for high contract value, super-prime projects. 2024 has sadly witnessed a number of contractors entering administration, owing to struggles of operating within smaller margins, validating the requirement for stable and realistic OH&P to ensure project stability.

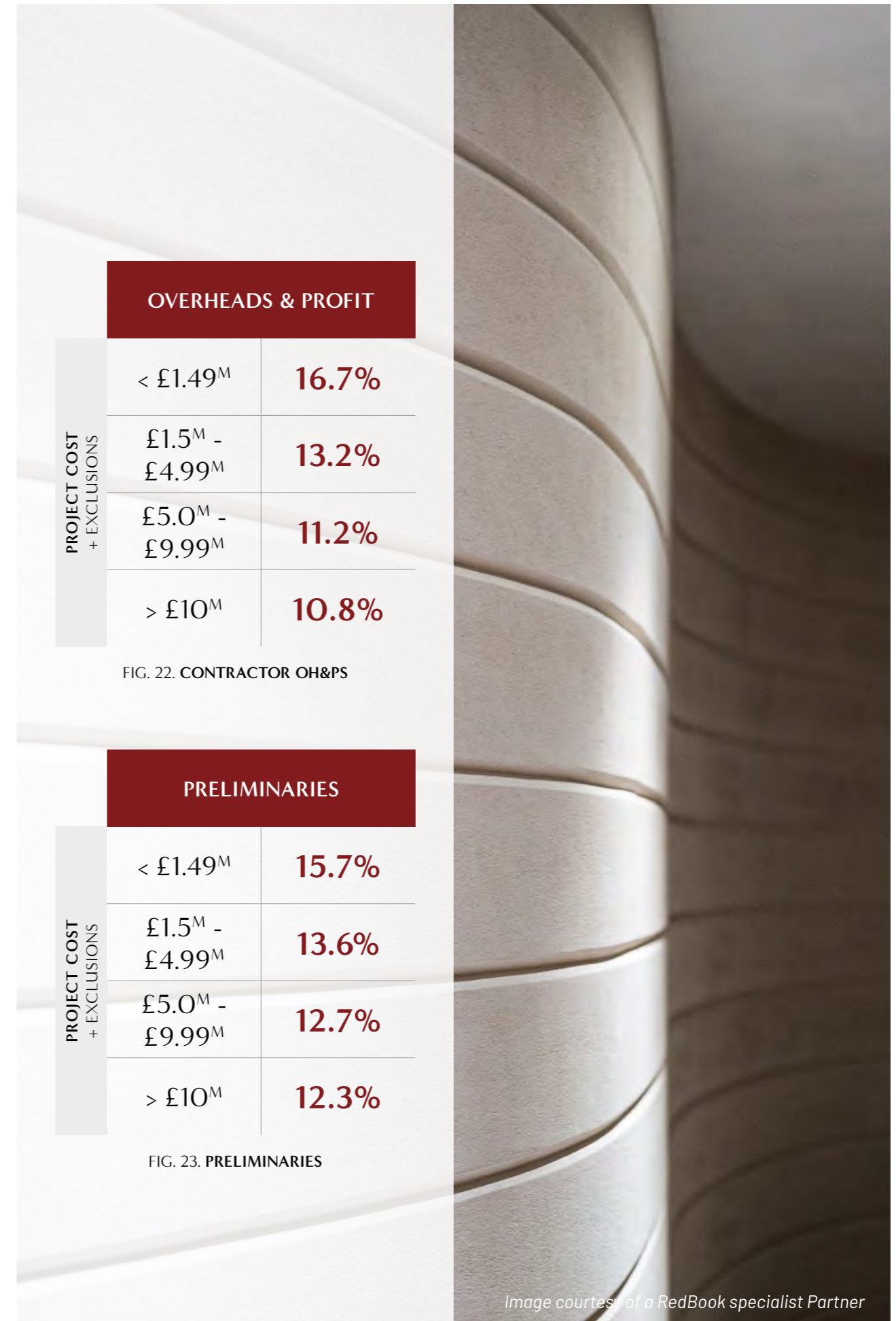


Image courtesy of a RedBook specialist Partner

PROFESSIONAL FEES



EXPERT OPINION

SANDY MITCHELL
FOUNDER | REDBOOK AGENCY

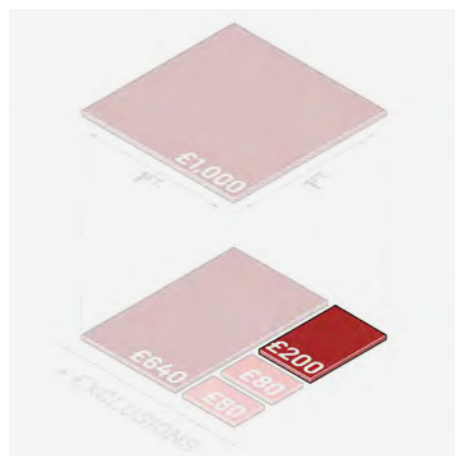
I am lucky enough over the past 15 years to have seen more fee proposals from specialist consultants, including architects and interior designers, than probably anyone in the industry. I never cease to be surprised by the range of fees and often their complexity. The RedBook Index gives clients, for the first time, clear insights into this opaque world.



A SLIDING SCALE OF FEES

We have analysed average fees across the main professional disciplines required to work on a prime or super-prime property project and have compared them against overall project costs. The results show that out of £1,000 allocated for a project, an average of £200 will be spent on professional fees for primary consultants.

These fees are always higher for smaller projects - that's simply because the overheads are the same but the budget is smaller and therefore the professionals' end fee will be lower. As a rule, the larger the project, the more leveraging is available on fees. Some professionals will charge a higher percentage fee than expressed here, this typically reflects the positioning of their brand.



INTERIOR DESIGNERS		ARCHITECTS	
PROJECT COST (+ EXCLUSIONS)	PERCENTAGE FEE	PROJECT COST (+ EXCLUSIONS)	PERCENTAGE FEE
< £1.49M	11.4%	< £1.49M	13.2%
£1.5M - £4.99M	9.7%	£1.5M - £4.99M	9.5%
£5.0M - £9.99M	9.4%	£5.0M - £9.99M	9.3%
> £10M	8.6%	> £10M	8.7%

LANDSCAPE DESIGNERS		QUANTITY SURVEYORS / PROJECT MANAGERS	
PROJECT COST (+ EXCLUSIONS)	PERCENTAGE FEE	PROJECT COST (+ EXCLUSIONS)	PERCENTAGE FEE
< £1.49M	1.3%	< £1.49M	6.3%
£1.5M - £4.99M	1.5%	£1.5M - £4.99M	4.7%
£5.0M - £9.99M	1.3%	£5.0M - £9.99M	4.1%
> £10M	0.9%	> £10M	4.0%

PLANNING CONSULTANTS		TOTAL	
PROJECT COST (+ EXCLUSIONS)	PERCENTAGE FEE	PROJECT COST (+ EXCLUSIONS)	PERCENTAGE FEE
< £1.49M	0.9%	< £1.49M	31.6%
£1.5M - £4.99M	0.7%	£1.5M - £4.99M	25.4%
£5.0M - £9.99M	0.6%	£5.0M - £9.99M	24.3%
> £10M	0.5%	> £10M	22.7%

FIG. 24 CASCADING PRIMARY TEAM PROFESSIONAL FEES

FF&E

(FURNITURE, FIXTURES & EQUIPMENT)

UNRAVELLING FF&E

Furniture, fixtures and equipment sit outside of 'project costs' estimates. This is because the variables are considerable: some projects already have furniture; others need to start from scratch. The cost however can be significant - typically sitting at £145 per sq.ft. for a Silver specification, a median luxury project - so it should not be overlooked when putting together a budget.

At the top end, 'Gold' and 'Platinum' interiors would include bespoke joinery, artisanal decorative finishes and hand-crafted elements. In our experience, most clients use a blended specification approach with the children's rooms, for example, in a lower specification from the main reception rooms and principal bedroom suite.

ESSENTIAL	BRONZE	SILVER	GOLD	PLATINUM
£35 /SQ.F.T.	£100 /SQ.F.T.	£145 /SQ.F.T.	£300 /SQ.F.T.	£415 /SQ.F.T.

FIG. 25. AVERAGE FF&E COST/SQ.FT.



EXPERT OPINION

SOPHIE ASHBY
FOUNDER | STUDIO ASHBY

We can attest to our clients wanting to create homes that stand the test of time. A great way of designing with that brief in mind is to blend an eclectic mix of furniture, layering-in antiques and vintage pieces alongside new items. It's important that each bespoke or custom piece is created with the intention of being a 'future heirloom', made of the highest quality, sustainable materials and made in the country for which it's intended. This is the part we play in minimising the environmental impact of a very wasteful industry.

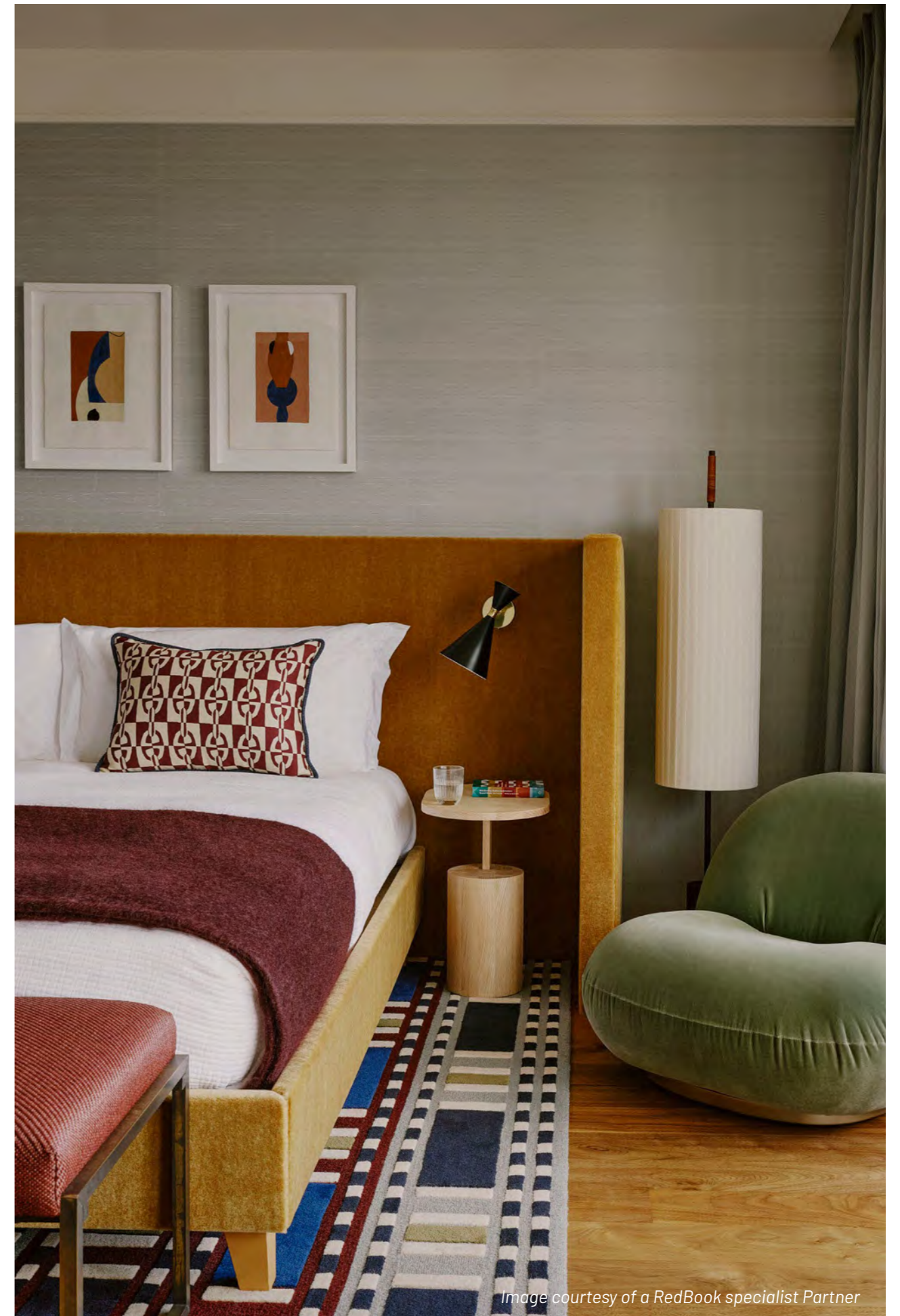


Image courtesy of a RedBook specialist Partner

FF&E DISTRIBUTION (FURNITURE, FIXTURES & EQUIPMENT)

SPEND PRIORITIES

When it comes to spending on FF&E, most clients' projects sit in Bronze and Silver levels of specification, with nearly 75% of clients in this range, aligning closely with the Redbook Median. This contrasts with raw build costs where most clients' projects fall into Silver and Gold.

Extensive personalisation was previously a priority for clients when it came to their choice of FF&E, but they are now showing more of an appetite for high-end off-the-shelf options. Even so, a notable client segment still selects Gold-tier FF&E, blending bespoke pieces with quality, ready-made items.

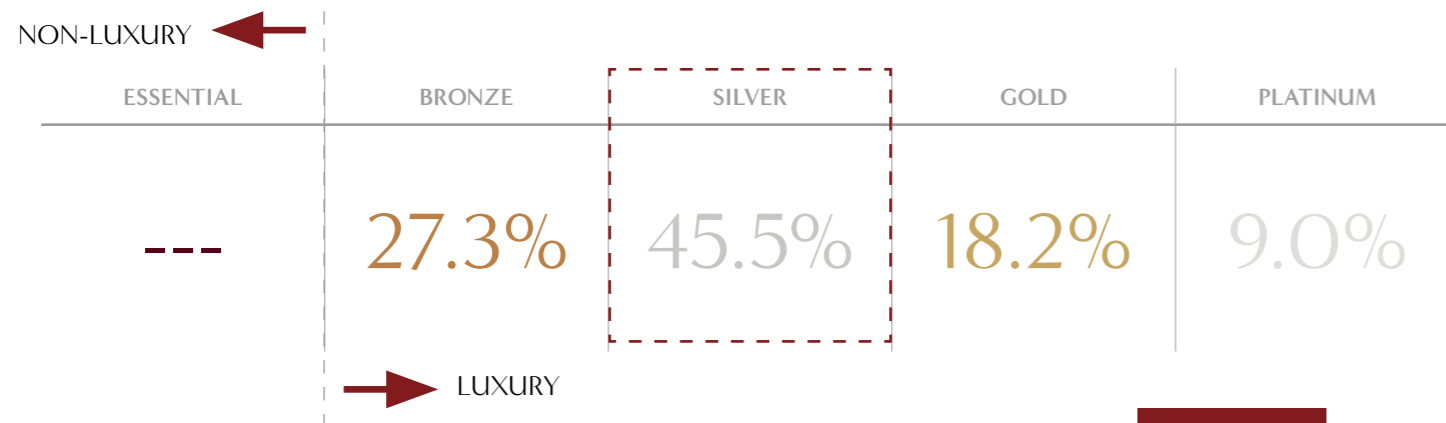


FIG. 19. FF&E DISTRIBUTION BY SPECIFICATION

**13.1%
INCREASE**

KEY INSIGHT
ACROSS FF&E COSTS OVER
THE PAST 12 MONTHS



Image courtesy of a RedBook specialist Partner

THE REDBOOK HOUSE



FIG. 26. THE REDBOOK HOUSE




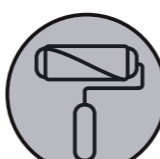

	1,000 SQ.FT. AT £730 /SQ.FT.
NEW-BUILD	
	2,400 SQ.FT. AT £750 /SQ.FT.
BASEMENT (SHELL & CORE)	
	2,100 SQ.FT. AT £635 /SQ.FT.
REFURBISHMENT	
	1,100 SQ.FT. AT £210 /SQ.FT.
REDECORATION	
RAW BUILD COSTS	
PRELIMINARIES	13% OF RAW BUILD COST
OH&PS	12% OF RAW BUILD COST
PROFESSIONAL FEES	25% OF RAW BUILD COST
PROJECT COST	
	6,600 SQ.FT. AT £145 /SQ.FT.
FF&E*	

FIG. 27. APPLICATION

HOW TO APPLY THE DATA

Many projects involve a combination of the aforementioned 'scopes of work' and level of specification. When helping clients identify the true cost of their project at an early stage, RedBook 'pieces together' the cost/sq.ft. for each different area of a property and produces a blended overall budget. For The RedBook House, the key considerations are -

- 6,600 sq.ft. GIA
- London-based (RBKC)
- Non-Listed
- Silver specification applied across all scopes
- FF&E blended Silver specification
- Additional new-build basement storey

£7,098,750
EST. TOTAL PROJECT SPEND
+ EXCLUSIONS

ALL-IN PROJECT COSTS

LONDON vs. COUNTRY

So far, we have demonstrated the critical importance of understanding two variables: the level of specification and 'scope of work'. Together, they establish the true potential project costs which will save anyone from wildly underestimating their budget.

To highlight the difference that location can pose to an all-in project budget, we have applied the criteria below to a 20,000 sq.ft. refurbishment project for a mansion in London and to one in the Country and compared the expected budgets.

- 20,000 sq.ft. GIA
- Non-Listed
- Silver specification across all scopes
- Blended Silver FF&E specification
- VAT at 20%

It's immediately clear that London is more expensive.

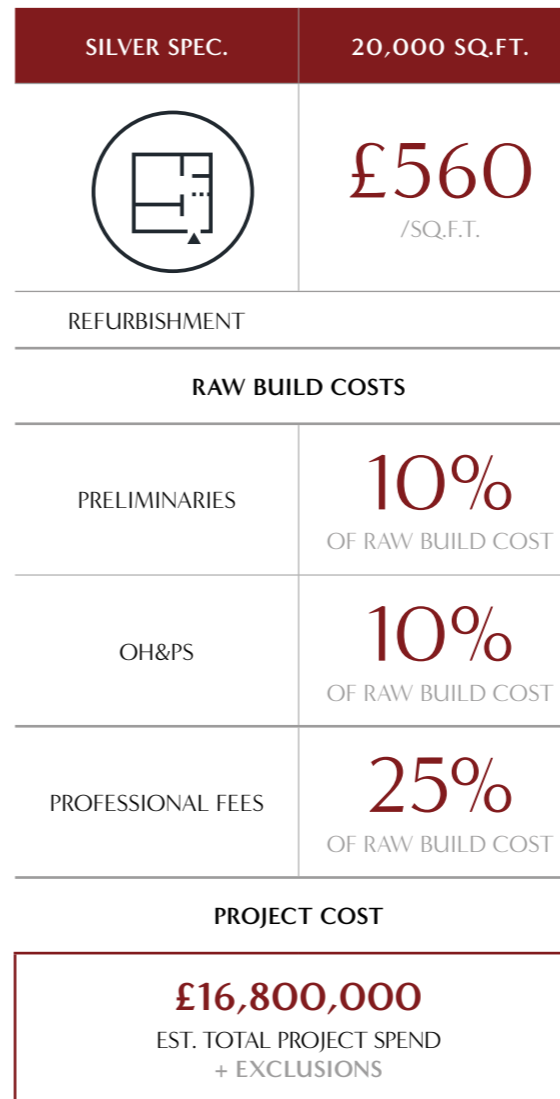
EXPLAINING VAT

Whether VAT is chargeable on projects and at what rate, depends on the type of project and the end use. Here, we have summarised the various qualifications to help you identify possible savings.

PROJECT TYPE	RATE	QUALIFIER
New-build	+0%	Greenfield/demolition
Conversion	+5%	Non-residential to residential
Unit increase	+5%	Additional dwelling(s)
Vacant dwelling(s)	+5%	Occupied unless proven otherwise
Charity build	+0%	Non-business use
Disabled	+5%	Limited scope
Energy saving	+0/5%	Qualifying items/main contract
Free issue/FF&E	+20%	Qualifying services/materials
Commercial	+20%	Potential for reclaim; No relief
OTHER	+20%	ALL OTHER DEVELOPMENT WORKS

FIG. 28. VAT VARIATIONS

COUNTRY



LONDON

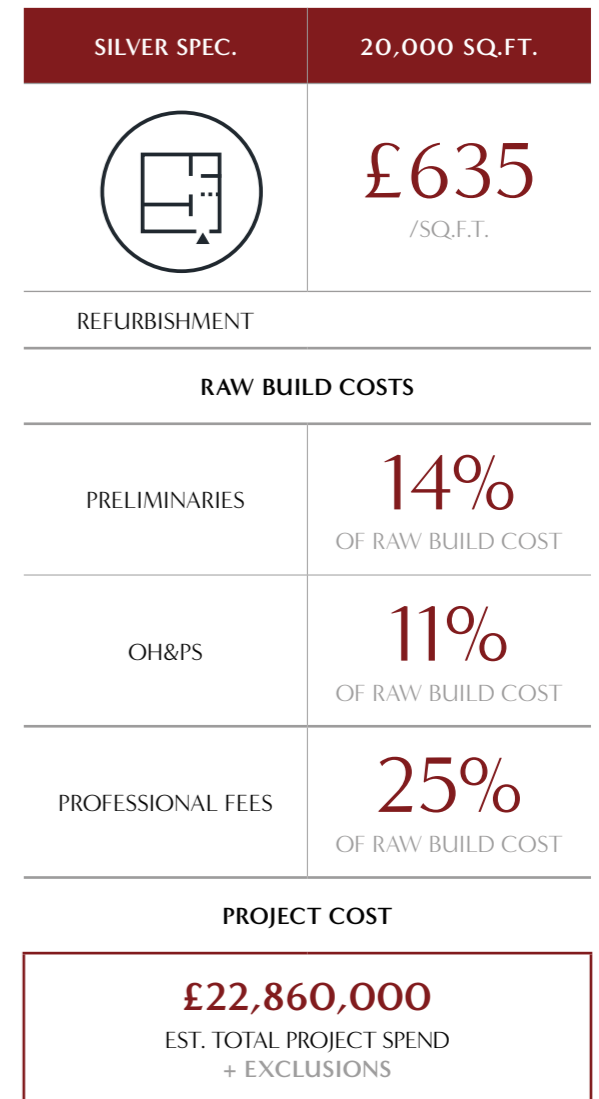


FIG. 29. COUNTRY vs. LONDON

PROPERTY SIZE ^{VS.} PROJECT COST

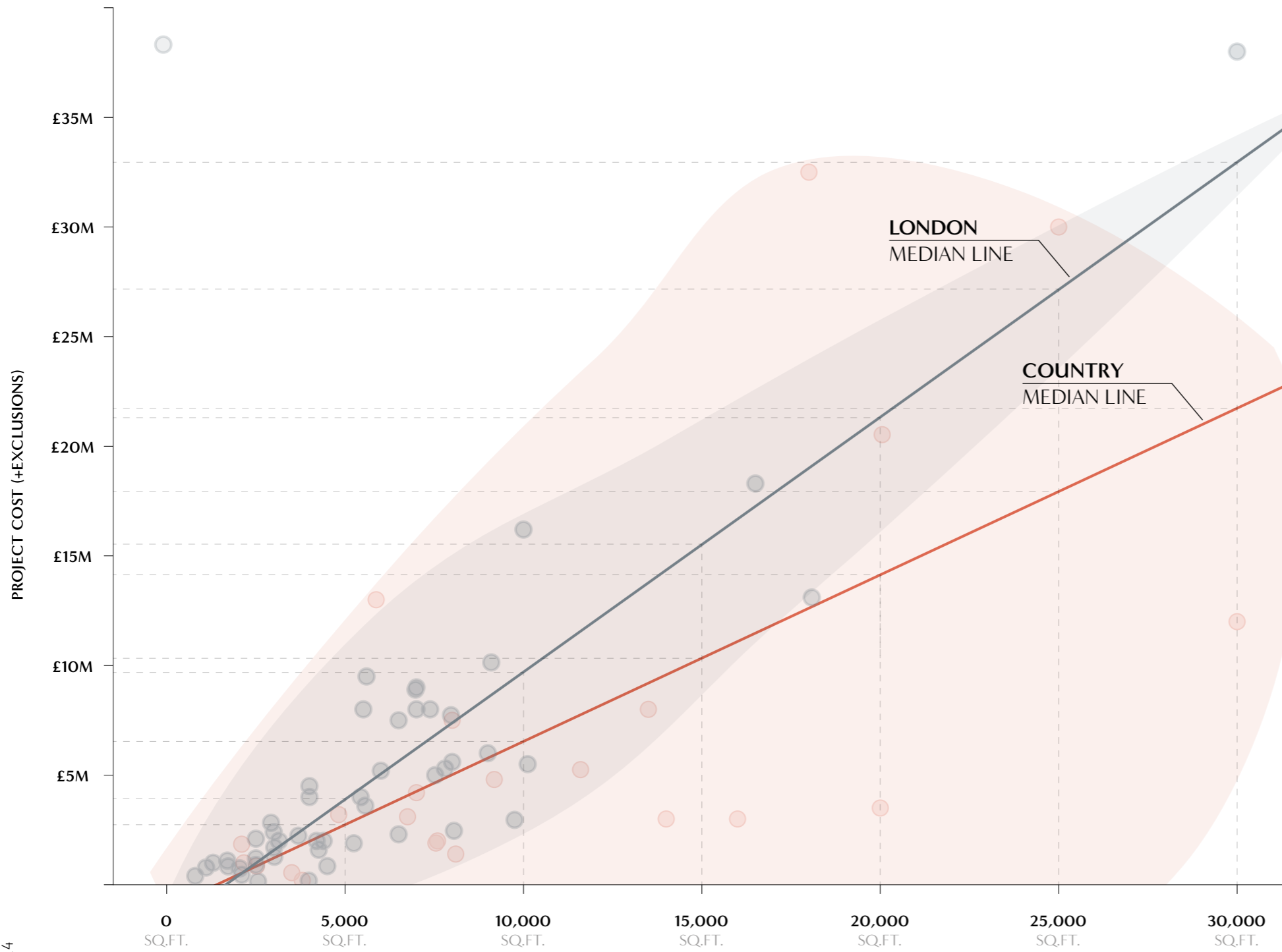


FIG 30. SAMPLE OF PROPERTY SIZE ^{VS.} PROJECT COST

● SAMPLE COUNTRY PROJECT DATA
 ● SAMPLE LONDON PROJECT DATA

AM I OVERCAPITALISING?

Here, we have looked at the size of properties and compared these with the costs of projects. It reveals that London projects are more closely clustered around the median line, showing that spend on projects in London is more predictable.

Clients are more limited by what they can do with their properties due to tighter regulatory constraints. Also, owners in the capital typically keep a closer eye on the development value of their project. In the countryside, meanwhile, there are different drivers at stake. Here, spend is less rooted in capital investment and more about personalisation and lifestyle preferences.

PROJECT COST/SQ.FT. AGAINST PROJECT FREQUENCY

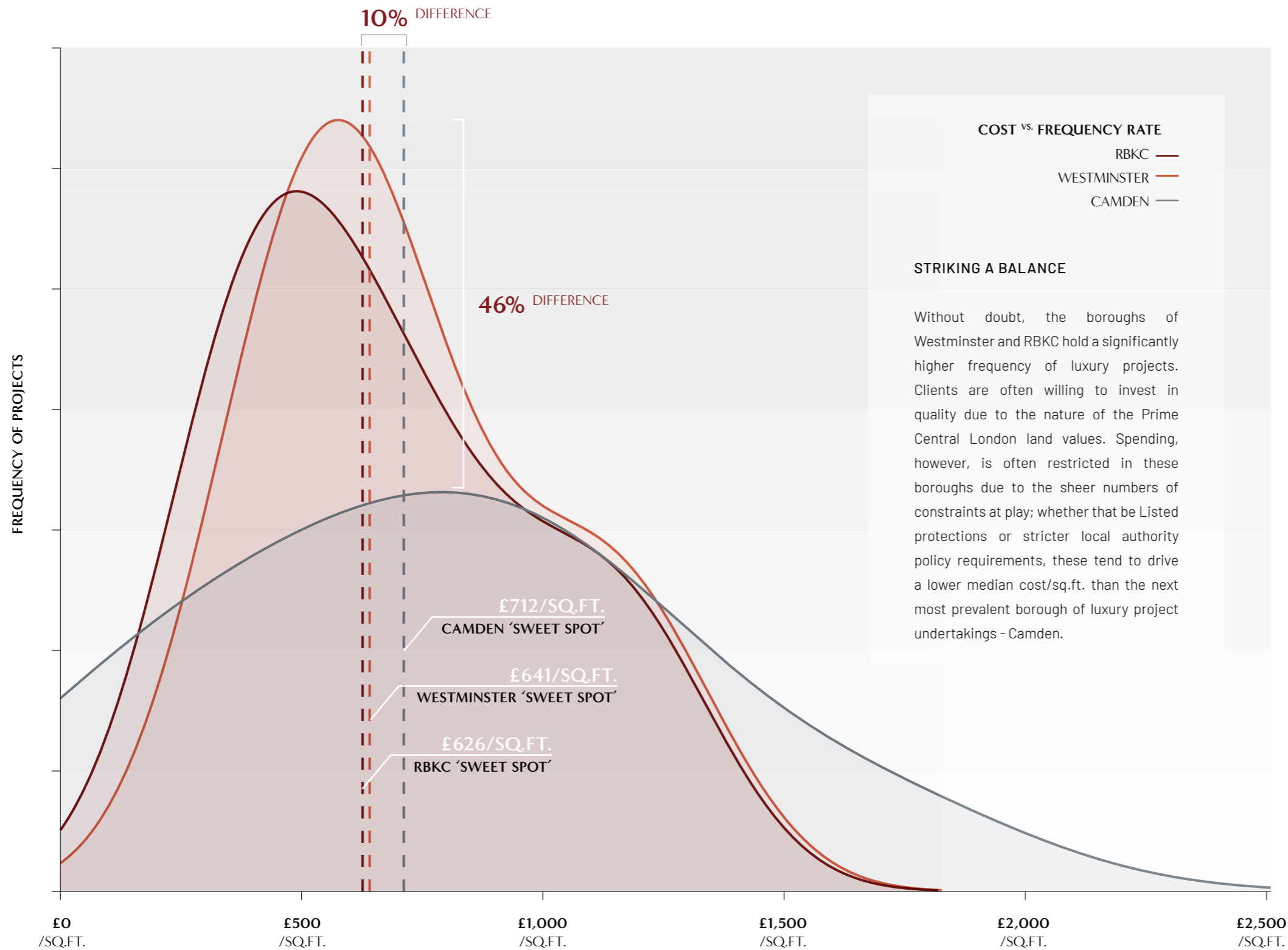


FIG. 31. PRIME CENTRAL LONDON (PCL) MEDIAN COST/SQ.FT.

Camden and other outer boroughs of London have fewer restrictions, and there is greater scope for creating sizeable new-build properties with significant basements and larger footprints. New construction is inherently more expensive than refurbishment, which explains the higher 'sweet-spot' project spend found in these areas.

That being said, it is observable that there are considerably fewer of these luxury projects to go 'whale-hunting' for, and with a much greater frequency (46%) found in the Prime Central London boroughs. There's only a marginally-less project spend 'sweet-spot' (10%) - perhaps it's better to go tuna fishing!



EXPERT OPINION

MAREK WOJCIECHOWSKI
PRINCIPAL | MWA



5.0 TIME



HOW LONG WILL MY PROJECT TAKE?



EXPERT OPINION

TOM CROFT
FOUNDER | THOMAS CROFT ARCHITECTS

In my experience, working with Listed versus non-Listed buildings doesn't necessarily require more time; the constraints at-play within a historic building - an existing structure, for example - can actually make design decisions much easier, whereas a new-build on a greenfield site can offer almost too many options which proves very time-consuming.



KEY INSIGHT **57%** SAID
PROJECT TIMELINES OVER
THE PAST 12 MONTHS **INCREASED**

● THE REDBOOK HOUSE, A NON-LISTED, 6,600 SQ.FT. REDEC./REFURB./NEW-BUILD IN LONDON, WOULD TYPICALLY TAKE 28 MONTHS FROM INCEPTION TO COMPLETION.

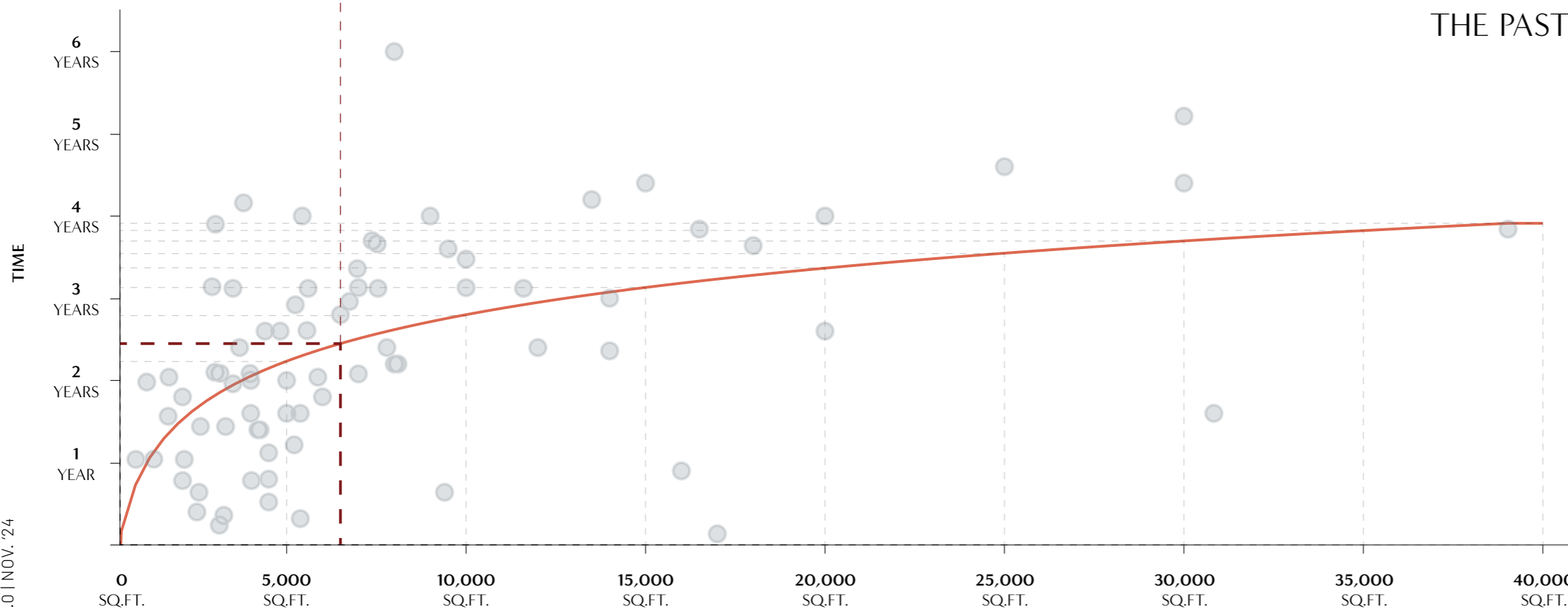


FIG. 32. TIME VS. SQ.FT.

PROJECT SIZE VS. TIME

This graph allows clients to ascertain how long their project is likely to take to complete, depending on the size of the property. A quick glance shows that the majority of projects take between one and three years. Interestingly, time doesn't increase exponentially as the size of the property doubles or triples. That's because the pre-construction phase, which takes in design and Planning, is roughly similar across all projects. While the technical detailing of a larger property will take longer, once the project is on site, there will typically be a larger team at work.

WHERE & WHY THE DELAY?

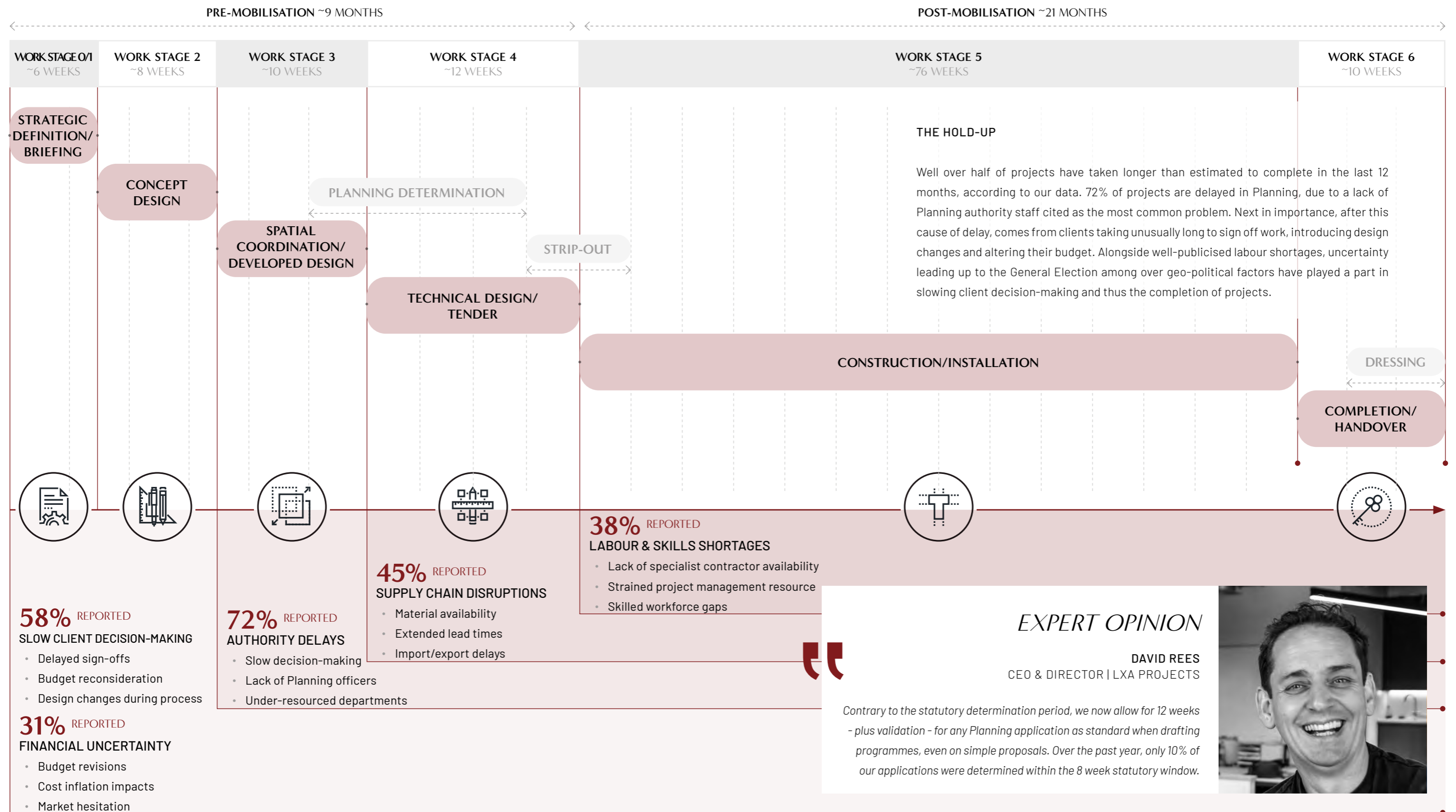


FIG. 33. TYPICAL PROJECT TIMEFRAMES

45+ TECHNIQUES INCLUDING:	TIME SAVINGS
Accelerated project-team assembly	1 month
Dedicated client-representative acceleration	1 month
Double-shift contractor working	3+ months
Prioritised service by consultants	1+ months
Pre-prepared consultant/contractor contract suite	2 months
Working drawings at-risk by design team	2 months
Financial account-management system	1 month
Negotiated contractor-tender process	2 months
Architect/interior designer sprint studies in parallel	1 month

FIG. 34. TIME-SAVING STRATEGIES

REDBOOK FASTTRACK

FOR THOSE WHOSE PRIME CONCERNS ARE TIME AND QUALITY, THIS IS THE ULTIMATE IN WHITE-GLOVE SERVICE AND DELIVERS PROPERTY PROJECTS UP TO 30% FASTER THAN NORMAL IN THE INDUSTRY – AT A NOMINAL COST UPLIFT.



AIDAN MORTIMER
DIRECTOR OF FASTTRACK PROJECTS | REDBOOK AGENCY

Having run a super-prime construction firm for 30 years and expedited projects internationally, particularly in the US, I know what it takes to deliver high-end projects with demanding deadlines. The key with Fast Track is that all parties involved completely invest in the ownership of the project ensuring that it will deliver on time, to a high quality and within budget.

ACCELERATING YOUR PROJECT

HOW IT WORKS

RedBook has launched a new service for expediting significant property projects.

As well as time saving techniques, RedBook FastTrack uses specially tailored risk-mitigation techniques to keep projects on the expedited project programme.

AIMING FOR A TIME SAVING OF 30%, FOR LESS THAN 10% COST UPLIFT

TYPICAL TIME RISKS

- ! Planning approval
- ! Supply chain breakdowns
- ! Client-decision delay

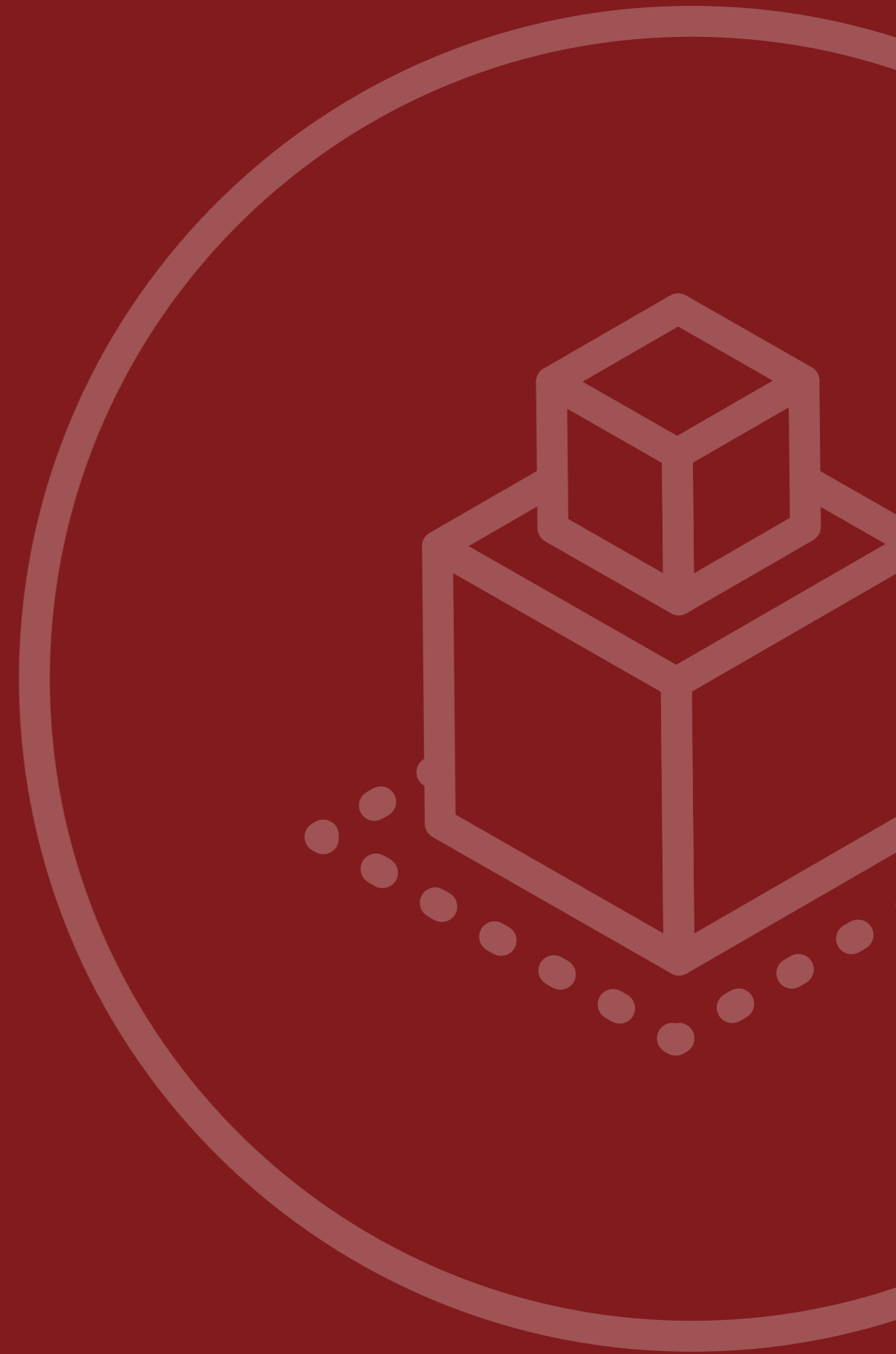
To make these time savings at every stage of a project, we deploy 45 robust acceleration techniques and 25 proven risk-mitigation strategies, all of them compiled in a unique FastTrack 'Playbook'.

MITIGATION

- ✓ Planning performance agreements
- ✓ Forward purchasing of building materials
- ✓ Dedicated Client Representative

The service is not for every project or client. It will only be offered to 6 clients a year as the level of expertise and commitment required from project teams is in limited supply.

6.0 PLANNING & HERITAGE



NAVIGATING THE PLANNING LANDSCAPE WITH REDBOOK

EXPERT OPINION

STU ASHFORD ARB
SENIOR PROJECT GUARDIAN | REDBOOK
AGENCY



Post-Grenfell building safety regulations have added another layer of complexity for design and delivery professionals, especially for residential projects in buildings exceeding 18m in height. Such applications now require oversight by the independent Building Safety Regulator rather than local authorities; as of October 2024, a concerning 14% of applications had been approved. As the industry anticipates a rebound in Planning application volumes next year, addressing the resource limitations within local authorities and streamlining regulatory processes are vital to avoid further bottlenecks, and to ensure the timely delivery of luxury projects.

A STATUTORY MINEFIELD

The UK luxury project industry has faced substantial regulatory challenges over the past 12 months, particularly in Planning approvals and post-Grenfell building regulations. Planning application volumes have dropped by 20% in PCL and the Prime Home Counties, largely due to increased complexity and extensive documentation requirements, as well as political and financial uncertainty in the market. A reported shortage of Planning officers has also contributed to longer validation periods and timely delays.

Despite an improvement in determination times since 2023, these gains are deceptive, driven by the lower application volumes rather than genuine efficiency improvements. Industry feedback indicates that the benchmark timeline for Planning approvals now often extends to 12 weeks, a significant increase from the statutory 8 weeks, reflecting the broader resource constraints within local authorities.

Before engaging a team of costly professionals, RedBook prides itself on our ability to compile Project Appraisals for clients before they commit to buying a property. Owing to our in-house knowledge - and drawing upon our roster of leading Partners in the Planning sphere spanning both London and country settings - these appraisals provide guidance ahead of embarking upon a project so as to de-risk a client's position. Typically, we capture top-line Planning and statutory considerations alongside indicative costings and timeframes.

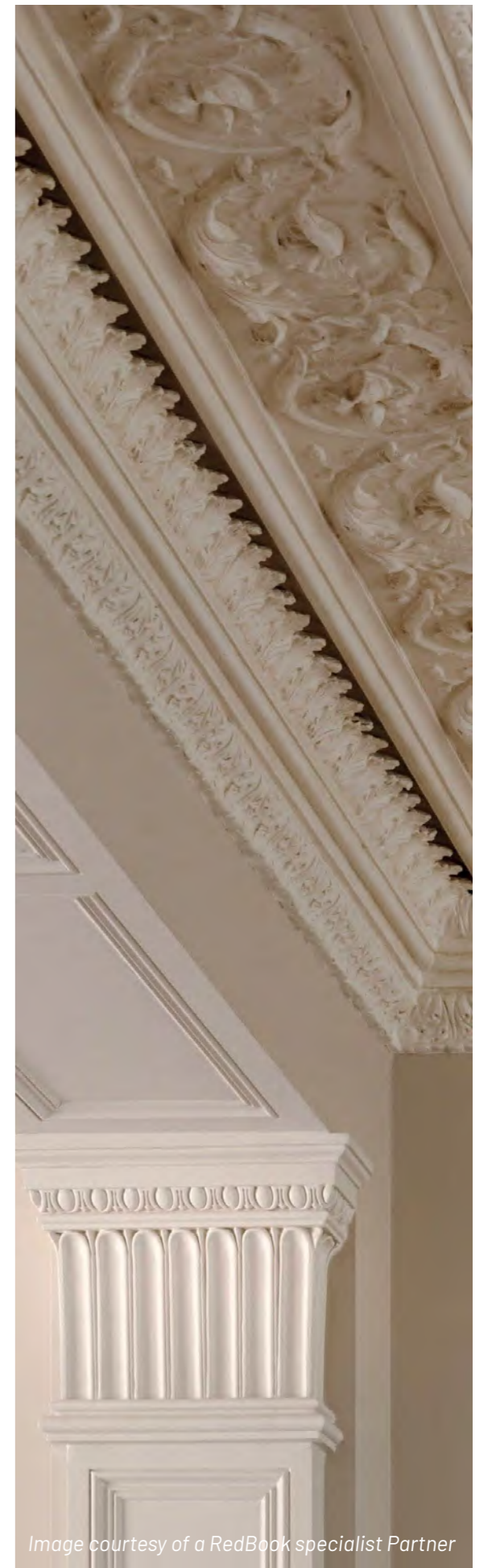
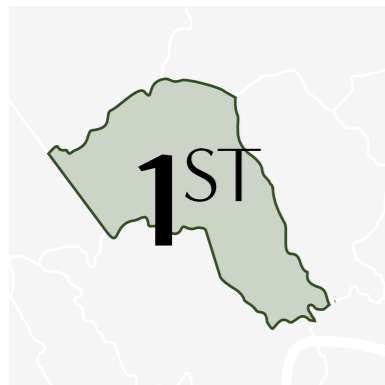


Image courtesy of a RedBook specialist Partner

BATTLE OF THE BOROUGHES

LONDON BOROUGH OF CAMDEN



AVG. DECISION TIME

● 14.9 WEEKS

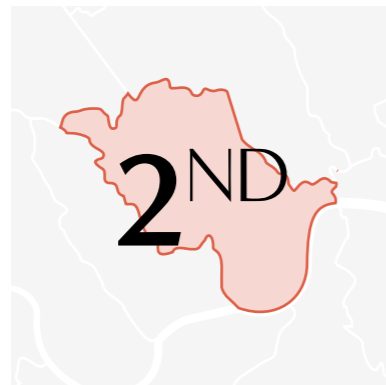
OVERALL APPROVAL RATE

● 85.6%

LISTED APPROVAL RATE

● 84.2%

CITY OF WESTMINSTER



AVG. DECISION TIME

● 16.4 WEEKS

OVERALL APPROVAL RATE

● 82.9%

LISTED APPROVAL RATE

● 82.5%

ROYAL BOROUGH OF KENSINGTON & CHELSEA



AVG. DECISION TIME

● 10.1 WEEKS

OVERALL APPROVAL RATE

● 72.6%

LISTED APPROVAL RATE

● 78.1%

FIG. 36. PRIME CENTRAL LONDON SCORING METRICS

KEY INSIGHTS

85% BASEMENT APPROVAL RATE
WESTMINSTER

60% BASEMENT APPROVAL RATE
RBKC



Image courtesy of a RedBook specialist Partner

PLANNING: PRIME CENTRAL LONDON

PLANNING DELAYS

Planning authorities are taking longer to process Planning applications than they used to take before the COVID pandemic. The causes of these chronic delays include staffing shortages as a result of budget cuts, and a backlog of applications. Figures show that the average time for an application decision is falling, however.

To date this year, applications have taken on average - across the three main boroughs - 13.8 weeks to be decided on, compared to 15.5 weeks in 2019. In further positive news, approval rates were up by 6.9% compared to pre-pandemic.



Planning authorities are becoming increasingly reluctant to engage in negotiation following the submission of an application. This means that applicants either have to engage in lengthy pre-application discussions with Planning authorities prior to submission, and in some cases the delays discourage applicants pursuing more innovative designs due to the risk and time involved. As pre-application times are not recorded, the data does mask a general increase in Planning process overall.

EXPERT OPINION

TIM MILES
PARTNER | MONTAGU EVANS



CAMDEN	2019	2023	2024	5 YR +/-	1 YR +/-
Avg. decision time (weeks)	23.1	19.6	14.9	-35.7%	-24.0%
Determinations to exceed 12 weeks	51.9%	65.9%	44.0%	-15.3%	-33.2%
Overall approval rate	74.0%	94.1%	85.6%	+15.6%	-9.0%
Approval rate inc. basement	81.4%	77.4%	80.4%	-1.2%	+3.9%
Approved applications inc. lift (5 yr avg.)	---	---	42.9%	---	---
Approved applications inc. pool (5 yr avg.)	---	---	76.9%	---	---

WESTMINSTER	2019	2023	2024	5 YR %+/-	1 YR %+/-
Avg. decision time (weeks)	13.5	17.7	16.4	+21.7%	-7.3%
Determinations to exceed 12 weeks	29.7%	53.6%	46.1%	+55.1%	-14.1%
Overall approval rate	80.1%	82.0%	82.9%	+3.5%	+1.1%
Approval rate inc. basement	80.8%	78.3%	84.6%	+4.8%	+8.1%
Approved applications inc. lift (5 yr avg.)	---	---	79.2%	---	---
Approved applications inc. pool (5 yr avg.)	---	---	76.0%	---	---

RBKC	2019	2023	2024	5 YR %+/-	1 YR %+/-
Avg. decision time (weeks)	9.8	11.5	10.1	+3.1%	-12.6%
Determinations to exceed 12 weeks	15.6%	27.2%	22.8%	+46.0%	-16.2%
Overall approval rate	71.5%	71.4%	72.6%	+1.5%	+1.7%
Approval rate inc. basement	63.1%	57.1%	60.0%	-4.9%	+5.0%
Approved applications inc. lift (5 yr avg.)	---	---	57.5%	---	---
Approved applications inc. pool (5 yr avg.)	---	---	72.4%	---	---

PCL AVERAGE	2019	2023	2024	5 YR %+/-	1 YR %+/-
Avg. decision time (weeks)	15.5	16.3	13.8	-10.8%	-15.3%
Determinations to exceed 12 weeks	32.0%	48.9%	37.6%	+16.1%	-23.1%
Overall approval rate	75.2%	82.5%	80.4%	+6.9%	-2.6%
Approval rate inc. basement	75.1%	70.9%	75.0%	-0.1%	+5.8%
Approved applications inc. lift (5 yr avg.)	---	---	59.8%	---	---
Approved applications inc. pool (5 yr avg.)	---	---	75.1%	---	---

FIG. 35. PRIME CENTRAL LONDON PLANNING PERFORMANCE

BATTLE OF THE HOME COUNTIES

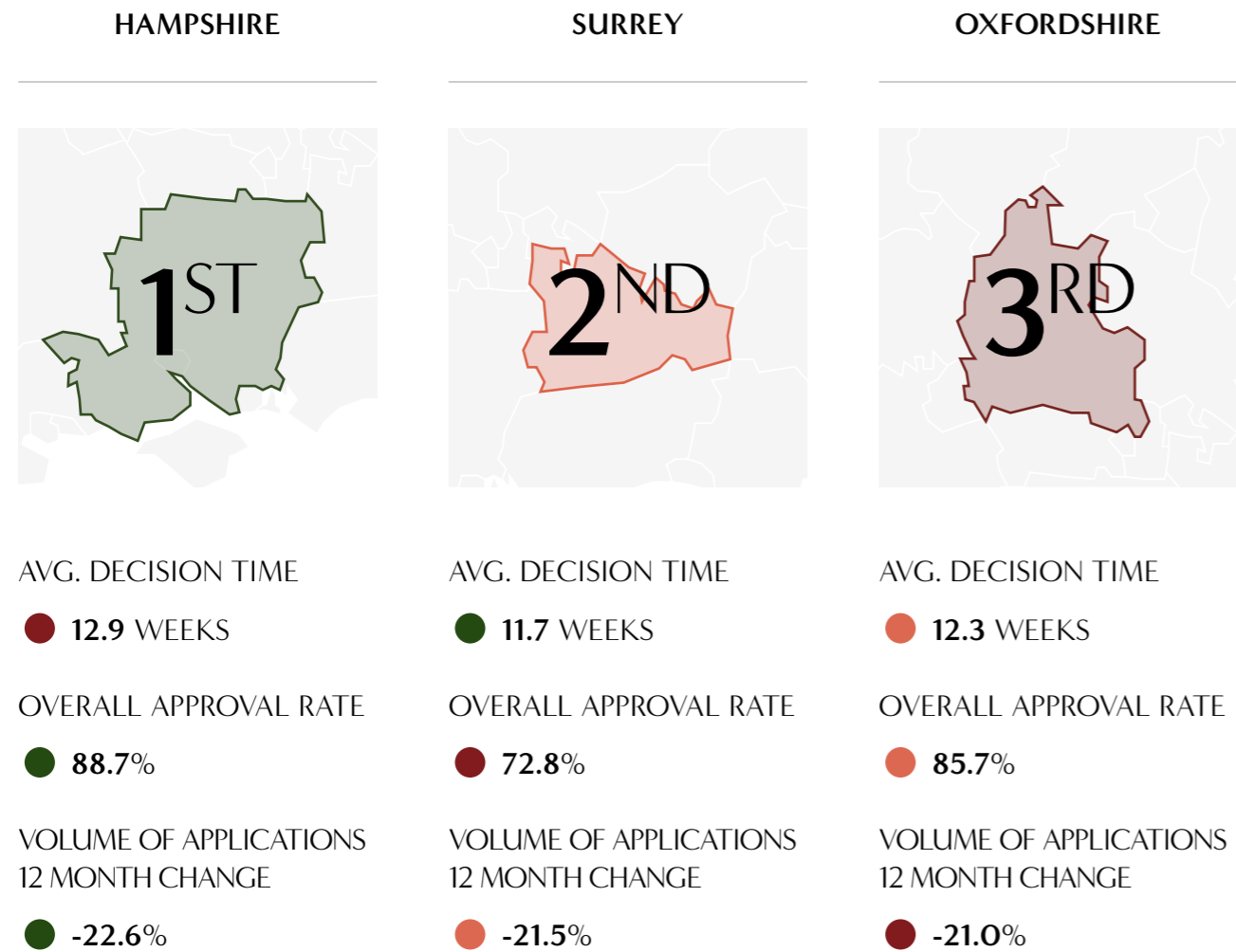


FIG. 38. PRIME HOME COUNTIES SCORING METRICS

KEY INSIGHT

61% APPROVAL RATE ACROSS
NEW-BUILD APPLICATIONS



Image courtesy of a RedBook specialist Partner

HAMPSHIRE	2019	2023	2024	5 YR +/-	1 YR +/-
Avg. decision time (weeks)	13.5	12.8	12.9	-4.7%	+0.8%
Determinations to exceed 12 weeks	29.00%	36.0%	37.4%	+29.0%	+4.0%
Overall approval rate	85.0%	89.7%	88.7%	+3.3%	-1.1%
Approval rate inc. basement	80.0%	83.3%	71.4%	-10.7%	-14.3%
Approved applications inc. pool (5 yr avg.)	---	---	80.5%	---	---

OXFORDSHIRE	2019	2023	2024	5 YR %+/-	1 YR %+/-
Avg. decision time (weeks)	10.2	14.7	12.3	+20.3%	-16.4%
Determinations to exceed 12 weeks	17.8%	42.5%	32.5%	+82.6%	-23.6%
Overall approval rate	84.9%	86.8%	85.7%	+1.0%	-1.3%
Approval rate inc. basement	94.3%	79.3%	90.1%	-44.4%	+13.6%
Approved applications inc. pool (5 yr avg.)	---	---	77.3%	---	---

SURREY	2019	2023	2024	5 YR %+/-	1 YR %+/-
Avg. decision time (weeks)	10.0	12.8	11.7	+17.5%	-8.3%
Determinations to exceed 12 weeks	13.4%	31.9%	23.1%	+72.7%	-27.5%
Overall approval rate	80.1%	72.0%	72.8%	-9.0%	+1.2%
Approval rate inc. basement	79.3%	71.9%	76.0%	-4.2%	+5.7%
Approved applications inc. pool (5 yr avg.)	---	---	74.6%	---	---

HOME COUNTY AVERAGE	2019	2023	2024	5 YR %+/-	1 YR %+/-
Avg. decision time (weeks)	11.2	13.4	12.3	+9.5%	-8.4%
Determinations to exceed 12 weeks	20.1%	36.8%	31.0%	+54.5%	-15.7%
Overall approval rate	83.6%	82.8%	82.4%	-1.4%	-0.5%
Approval rate inc. basement	84.5%	78.2%	79.2%	-6.3%	+1.3%
Approved applications inc. pool (5 yr avg.)	---	---	77.5%	---	---

FIG. 37. PRIME HOME COUNTIES SCORING METRICS

PLANNING: PRIME HOME COUNTIES

On top of navigating already complex Planning policy for development in the countryside, we are seeing typical project timelines often extended by as much as three times. This is in part due to stretched resources in local Planning authorities, but also a lack of industry-wide experience in dealing with such a specialised Planning application, in particular where homes are to be delivered under the 'exceptional country house' clause (currently Paragraph 84e).

SLOWER IN THE COUNTRY

The time it takes for planners in our top three Home Counties to come to a decision on an application has increased by 9.5% since 2019, although things have improved from 2023, indicating that the numbers are going in the right direction. Councils were overwhelmed with a high number of Planning applications after restrictions eased following the first lockdown. The exodus from cities and towns to the countryside left many departments struggling to cope and the effects of this are still being felt today. Overall, approval rates have dropped off slightly since before the pandemic.

Looking at the Home Counties, Hampshire is in the overall lead thanks to an overall approval rate of 88.7%. Applications across the three counties take a similar time to process, with Surrey being the most efficient at 11.7 weeks. Across the board, the number of applications has dropped year-on-year, possibly pointing to some uncertainty leading up to the General Election and the much anticipated Autumn Budget in October this year.

EXPERT OPINION

WILLIAM FRY
FOUNDER | RURAL SOLUTIONS



EXPERT OPINION

SIMON THURLEY
 FORMER CEO | ENGLISH HERITAGE
 ADVISORY BOARD MEMBER | REDBOOK AGENCY



RedBook's research confirms what I have observed over a long period: for people who like the idea of a Listed property, and go about making sensible proposals to alter it, there is not a great time or cost premium. In fact, in many cases, renovating a Listed building, can be more straightforward than one that is not Listed. There are, of course, many caveats to this finding, but in general terms I think it should reassure people that when you buy a Listed house you are not necessarily also buying yourself a basket of financial and planning problems. That is good news!

IS THE CHARM REALLY WORTH IT?

The concept of Listed buildings was introduced in the UK during the Second World War as a way of determining which buildings should be rebuilt if they were damaged by bombing. Shortly after the end of the war, the first list of buildings that had special historical or architectural importance was compiled.

For decades after, owners sought out Listed buildings, celebrating the opportunity to become custodians of a historic piece of the country's built environment. However, when the Treasury removed zero-rating VAT on alterations in 2012, some became wary about taking on the responsibility and upkeep of such buildings.

The common belief was that trying to make changes to a Listed building was a complex, frustrating, and time-consuming process. Our data analysis challenges this view. When comparing the metrics of the time involved and navigating the planning process, it's clear that typically Listed buildings fare better overall than non-Listed buildings. While Listed building projects can cost more because they often require specialist professionals and craftsmen with artisanal skills, they can often go through planning more quickly and take less time to complete. The message here is that Listed buildings are not as problematic as many believe, and there is significant satisfaction in bringing a historic property into the 21st century, ensuring it's match-fit for decades to come.



EXPERT OPINION

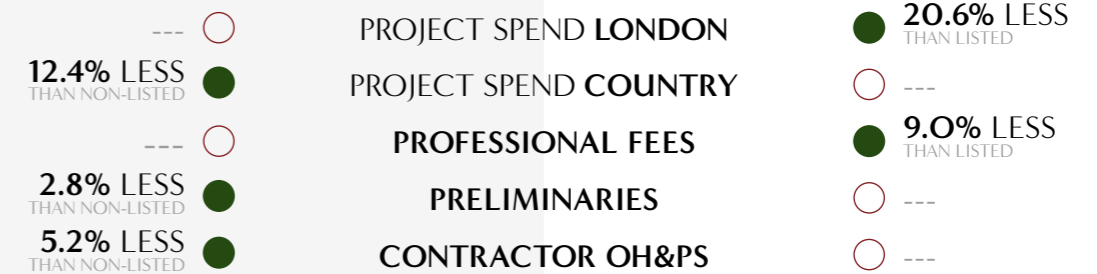
TANVIR HASAN
 DIRECTOR EMERITUS | DONALD INSALL ASSOCIATES

Buying a historical property is to buy a living piece of British history and culture - like a work of art. Although undertaking a project on a Listed building project is likely a more complex undertaking, the trade-off and end result is certainly worth it.

LISTED vs. NON-LISTED



PROJECT SPEND



PROJECT TIMELINE



LISTED BUILDING CONSENT & PLANNING



FIG. 39. LISTED vs. NON-LISTED SCORING METRICS

7.0 WHAT DO CLIENTS WANT?



WHAT DESIGN STYLES ARE CURRENTLY MOST POPULAR?

INTERIOR DESIGN STYLES CLIENTS HAVE BEEN GRAVITATING TOWARDS OVER THE PAST 12 MONTHS -

EXPERT OPINION



PETER MIKIC
FOUNDER & CEO | PETER MIKIC INTERIORS

Over the past year or so, we've certainly noticed that clients are expecting a more luxurious look to their homes than ever before. We strive to offer something unique so to set our projects apart from any generic development. Art is just as important as FF&E here - the two go hand-in-hand, and to our pleasant surprise, clients are becoming increasingly receptive to artist collaborations and artisan craftsmanship.

INTERIOR DESIGN STYLES

The terms 'quiet luxury' and 'timeless decoration' pervade the prime and super-prime interior design world today. The mantra to 'buy-once-and-buy-well' means many clients are turning their backs on throwaway culture and its environmental impact. This helps explain why traditional design styles are proving the most popular today, representing nearly a quarter of projects. Clients are investing in bespoke pieces made of dark wood, luxurious textures, natural materials and traditionally shaped furniture that is built to last.

Clients working in finance and those who have set up their own businesses tend to favour classic contemporary and contemporary interiors, which together make up 29% of projects. Clean lines and modern features create a sophisticated and uncluttered look, with the focus again on natural materials such as wood and stone. Entrepreneurs, who are keen to create distinguish their homes from familiar social media norms, tend to favour high levels of personalisation and customisation.



FIG. 40. INTERIOR DESIGN STYLE POPULARITY

WHAT INTERNAL AMENITIES ARE IMPORTANT?

MUST-HAVE ELEMENTS

The previous rise of TV- and movie-streaming and the decline of traditional cinemas has driven an increase in the numbers of clients installing home cinemas. The comfort and simple convenience of watching films at home without having to deal with crowds or other people means that they are the most popular amenity in projects today.

Not far behind and on the rise are at-home wellness rooms, with ice baths and personal saunas being incorporated into homes to aid physical and mental wellbeing.

Smart home automation, which allows remote access to appliances and systems, still feature heavily as the third most important priority for clients. Wine cellars and tasting rooms are more popular than home offices today, suggesting that we have reached the peak of working from home.



EXPERT OPINION

MAX DE ROSEE
FOUNDER | DE ROSEE SA

In the last 12 - 18 months, we've really noticed clients engaging more thoughtfully in how they will use their home. With more people working remotely, they are spending more time than ever at home. Clients are also happy to invest design in so-called 'serving spaces': halls, boot rooms, pantries, utility rooms, etc. Functional rooms that make the headline rooms work better - the sitting rooms, dining rooms, kitchens and bedrooms.

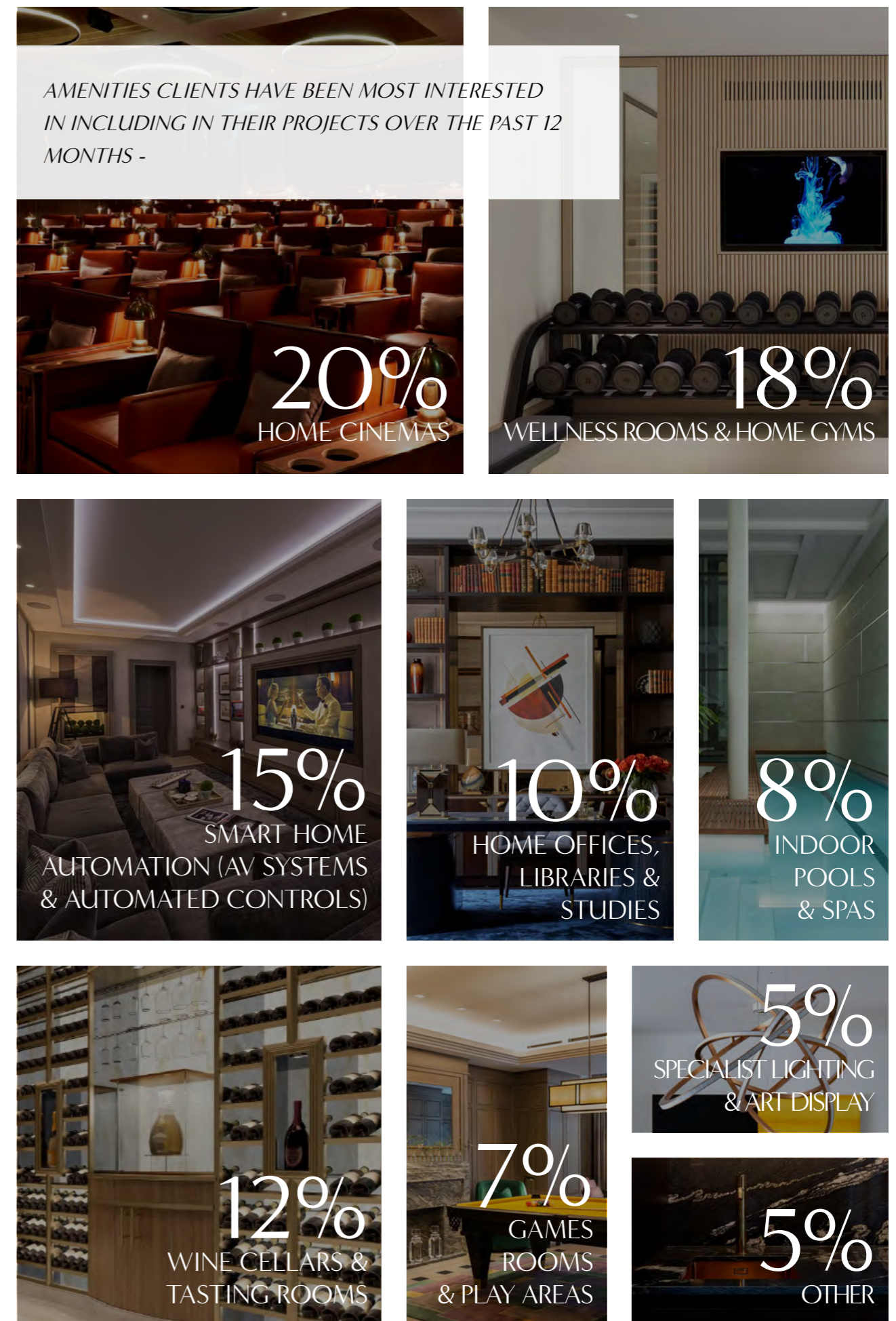
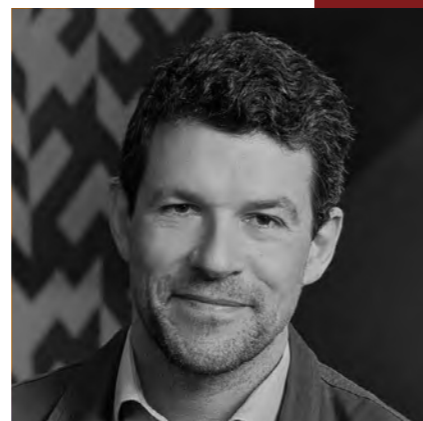


FIG. 41. INTERIOR AMENITY PROVISION POPULARITY

THE IMPORTANCE OF AUDIO-VISUAL

EXPERT OPINION



IAIN WATSON
CEO | DAVID COLLINS STUDIO



Interestingly, while home automation remains significant and is not going to go away, many clients are now looking for a balance between digital and analogue. This shift points to a renewed appreciation for tactile and personal elements within luxury spaces.

WE SAID: 'HOME AUTOMATION HAS LED TO AN OVERLY DIGITISED ENVIRONMENT; CLIENTS ARE REVERTING TO A MORE ANALOGUE EXPERIENCE.'



FIG. 42. PREFERENCE FOR ANALOGUE EXPERIENCES

THE RIGHT BALANCE

When the smart-home first arrived - allowing heating, lighting, AV and appliances such as ovens to be controlled remotely - it was heralded as making life easier for us all. However, a decade or so on, an increasing number of homeowners have found it has perversely made life more complicated. And frustrated by having to deal with complicated programs or banks of buttons on lighting systems. Many clients are turning their backs and requesting analogue solutions such as simple toggle switches.



Image courtesy of a RedBook specialist Partner

BUDGET PRIORITISATION: WHAT MATTERS MOST?

BASE-BUILD

EXPERT OPINION

ROSS SHARPE
DIRECTOR | YIANGOU



We find that many clients of high-end projects tend to prioritise large, bespoke glazing solutions, such as floor-to-ceiling windows and specialist glazing (i.e. anti-glare, advanced thermal properties etc). This tendency is usually in favour of creating light-filled spaces and seamless indoor-outdoor transitions which ultimately enhance the property's functionality and luxury appeal. We have also observed greater budgets apportioned to smart HVAC systems and state-of-the-art AV kit.

BASE-BUILD

The base build refers to its primary structure, including the walls, floors and ceilings - the core elements and systems that make up the building's backbone. Our data shows that the vast majority of budget spend (65%) is allocated to these behind-the-scenes elements. They include wall and floor structures, external envelope cladding, as well as heating and cooling systems hidden away in ducts and joinery. These fundamentals must be prioritised before decorative schemes can be considered, without which a truly luxury property finish can not be achieved.

As the trend for rooms filled with natural light grows, clients are investing in windows and glazing with thermal properties to counter the impact of heat and sunlight. Interestingly, energy and sustainable energy systems take up 15% of a budget; we predict this figure to grow over the coming years with ever-increasing pressure on policy to ensure thermally efficient homes in the winter and protect against overheating in the summer. Lighting - a subject much discussed within the design press - is a relatively minor consideration when it comes to budget spend, especially given the demands for natural light in line with the wellbeing trends we have witnessed.

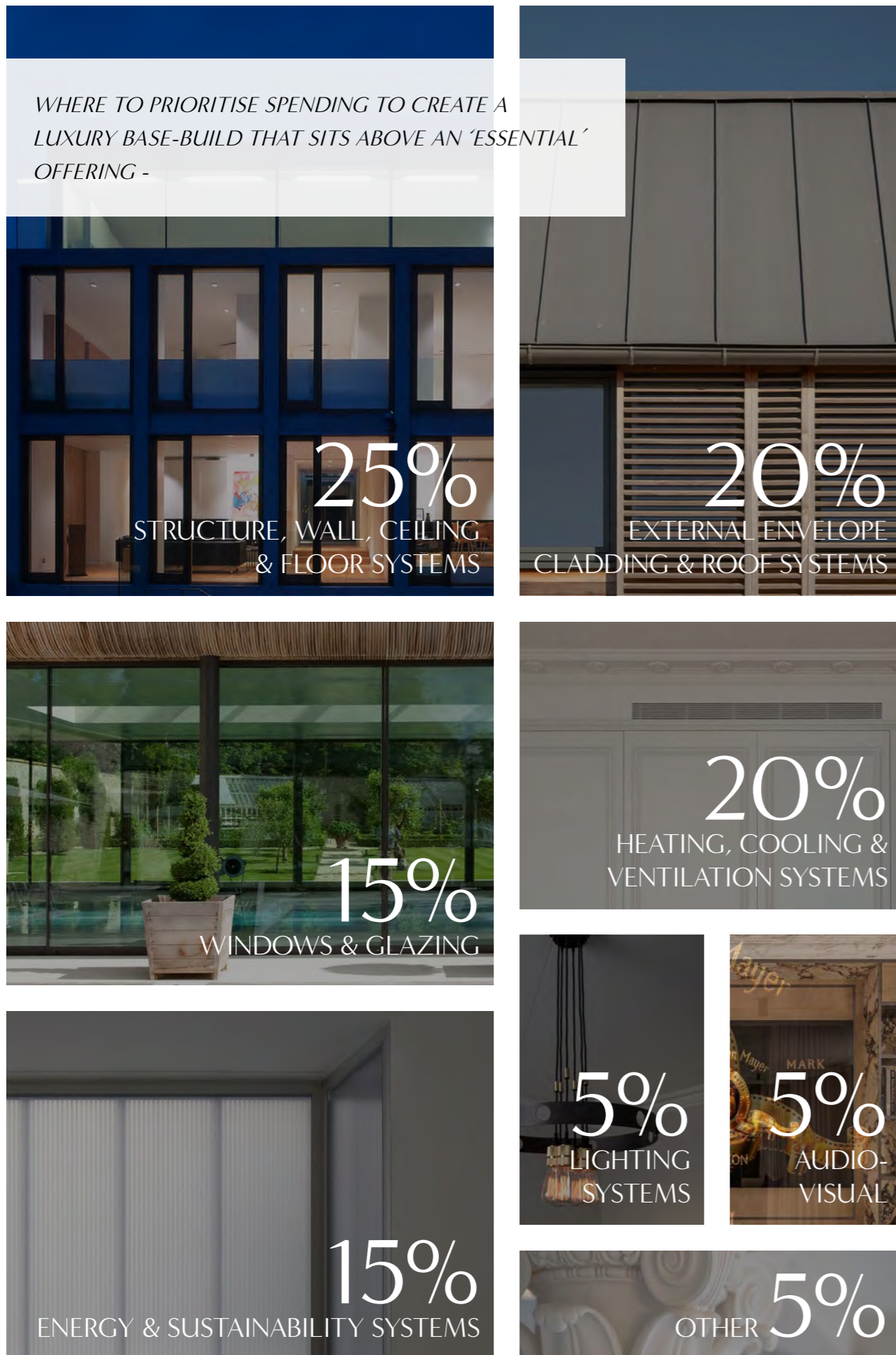


FIG. 43. BASE-BUILD SPENDING TENDENCIES

BUDGET PRIORITISATION: WHAT MATTERS MOST? FINISHES

EXPERT OPINION

KAREN HOWES
FOUNDER & CEO | TAYLOR HOWES DESIGN



Bespoke joinery has featured in the majority of our work - approximately 60% of our projects, with clients increasingly seeking custom cabinetry that adds exclusivity. Kitchens are another focus, with many projects featuring custom designs, often incorporating high-end materials like unique stone or metal accents. Decorative detailing and specialist floor finishes tend to further set these interiors apart, with touches like precious stone inlays and custom parquet patterns.

WHERE TO PRIORITISE SPENDING TO CREATE A LUXURY FINISH THAT SITS ABOVE AN 'ESSENTIAL' OFFERING -

FINISHES

Bespoke joinery is considered as the ultimate in tailored storage so it's perhaps no surprise that this, together with specialist (often hand-made) kitchens, make up 43% of budget priority. In high-budget projects, bespoke joinery will feature in almost every room from bookshelves in sitting rooms to wardrobes, shelves and drawers in dressing rooms through to open and closed storage in boot rooms and pantries. Using talented artisanal skills, made-to-measure joinery adds unique creativity to a house.

It's generally recognised that floor surfaces will have as much of a design statement on a room as wallpaper or paintwork, which explains why special floor finishes come third in the order of budget priority. Marble, for example, immediately adds a sense of glamour and luxury to a room. Together, decorative detailing and specialist wall treatments are prioritised over luxury sanitaryware.



FIG. 44. FINISHES SPENDING TENDENCIES

WHAT DO CLIENTS WANT FROM THEIR GARDEN?



EXPERT OPINION

JO THOMPSON
FOUNDER | JO THOMPSON LANDSCAPE & GARDEN DESIGN



The importance of landscape design should not go overlooked. An integral part of the home, the garden provides a whole new way of living, as well as anchoring the house to its location and, of course, providing food and habitat for much-needed pollinators and wildlife. Let's also not forget their additional monetary value to a property.

GARDENS

Over the past few years, more people have come to appreciate gardens as much an extension of living space as a place to grow plants and flowers. This has led to an increased interest in investing in garden design. In terms of styles, clients show a preference for classic English country gardens, a long-favoured idiom popularised by influential writers such as Gertrude Jekyll. Wildflower meadows have the benefit of being low maintenance, a popular consideration with clients with backgrounds in finance and business, but they also encourage biodiversity and wildlife. This chimes well with those who have inherited their wealth and are looking to future generations. As well as being sustainable, more are finding satisfaction - and, if prepared to get hands dirty, the ability to disconnect from technology - in developing and nurturing productive kitchen gardens. Formal, structured and contemporary design styles are currently less in vogue.

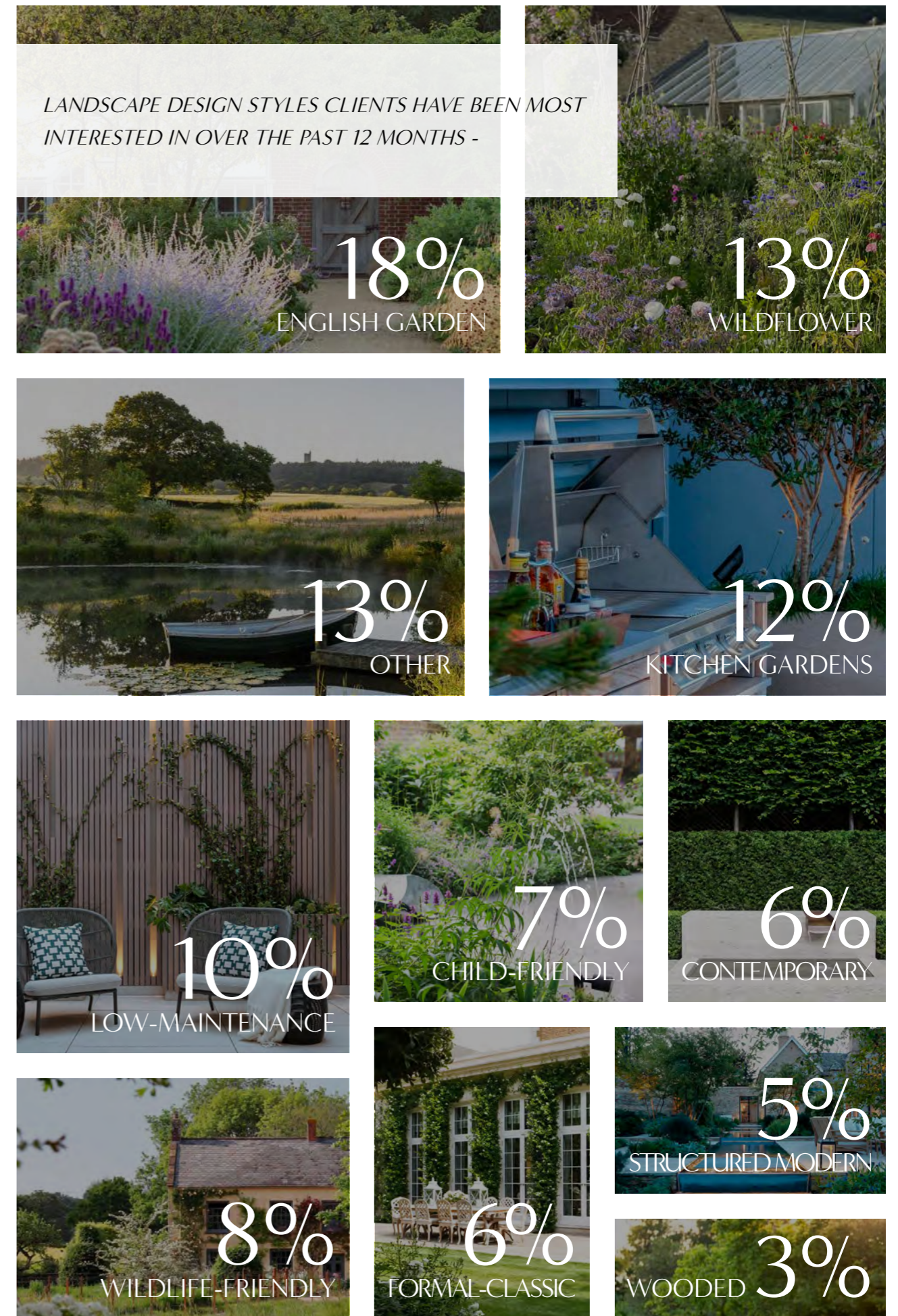


FIG. 45. LANDSCAPE DESIGN STYLE POPULARITY

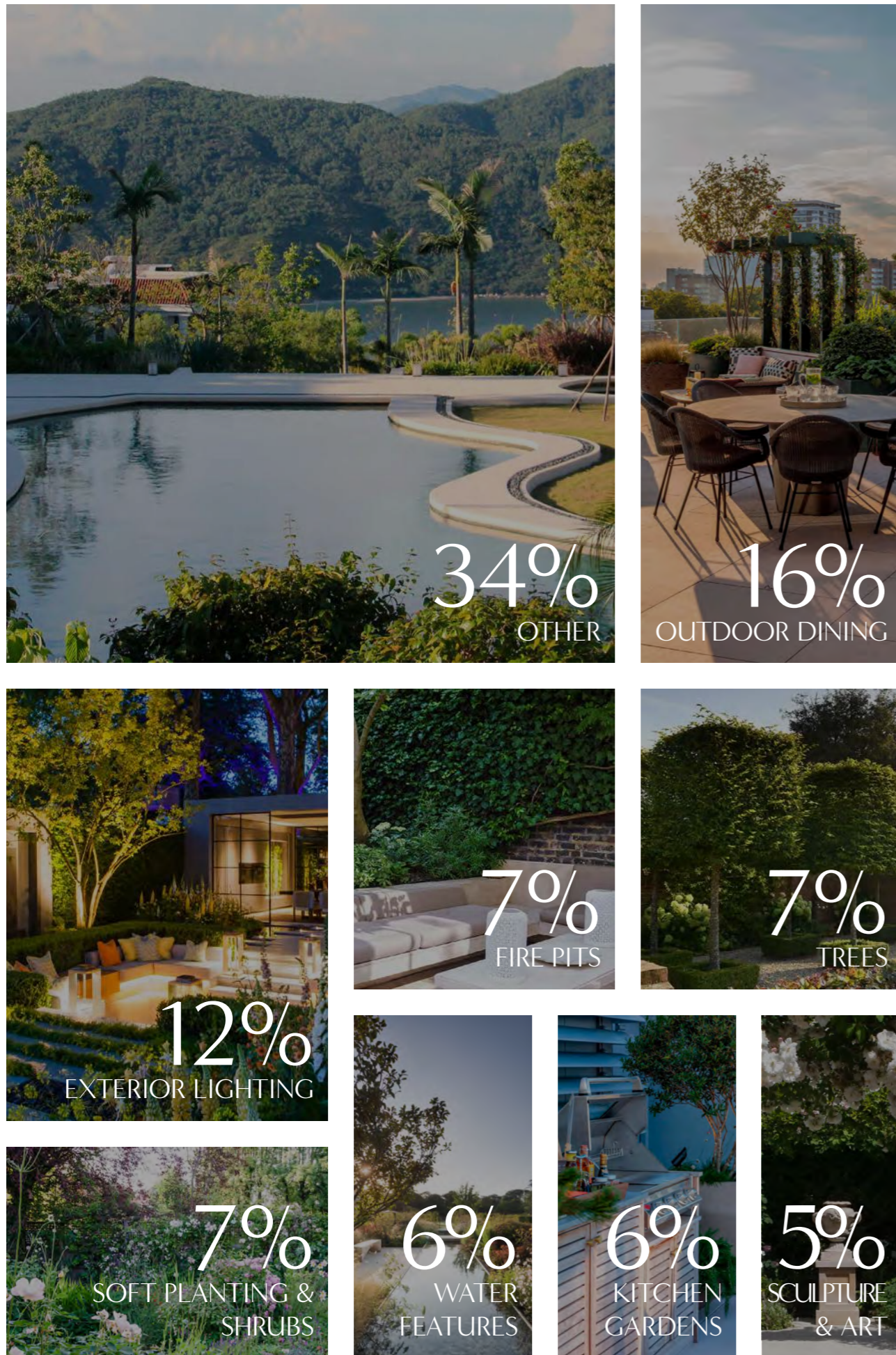


FIG. 46. EXTERNAL AMENITY PROVISION POPULARITY

EXTERNAL AMENITIES

EXPERT OPINION

RANDLE SIDDELEY
FOUNDER | RANDLE SIDDELEY LTD.

It's clear that outdoor amenities are more popular than ever, as clients look to enrich their landscapes to foster connection and leisure. Features like outdoor kitchens, dining areas and fire pits have become essentials, particularly in the past year, as clients increasingly prioritise spaces for relaxation and gathering. Lighting inclusion has also moved from the 'wishlist' to becoming something that is part of the brief.

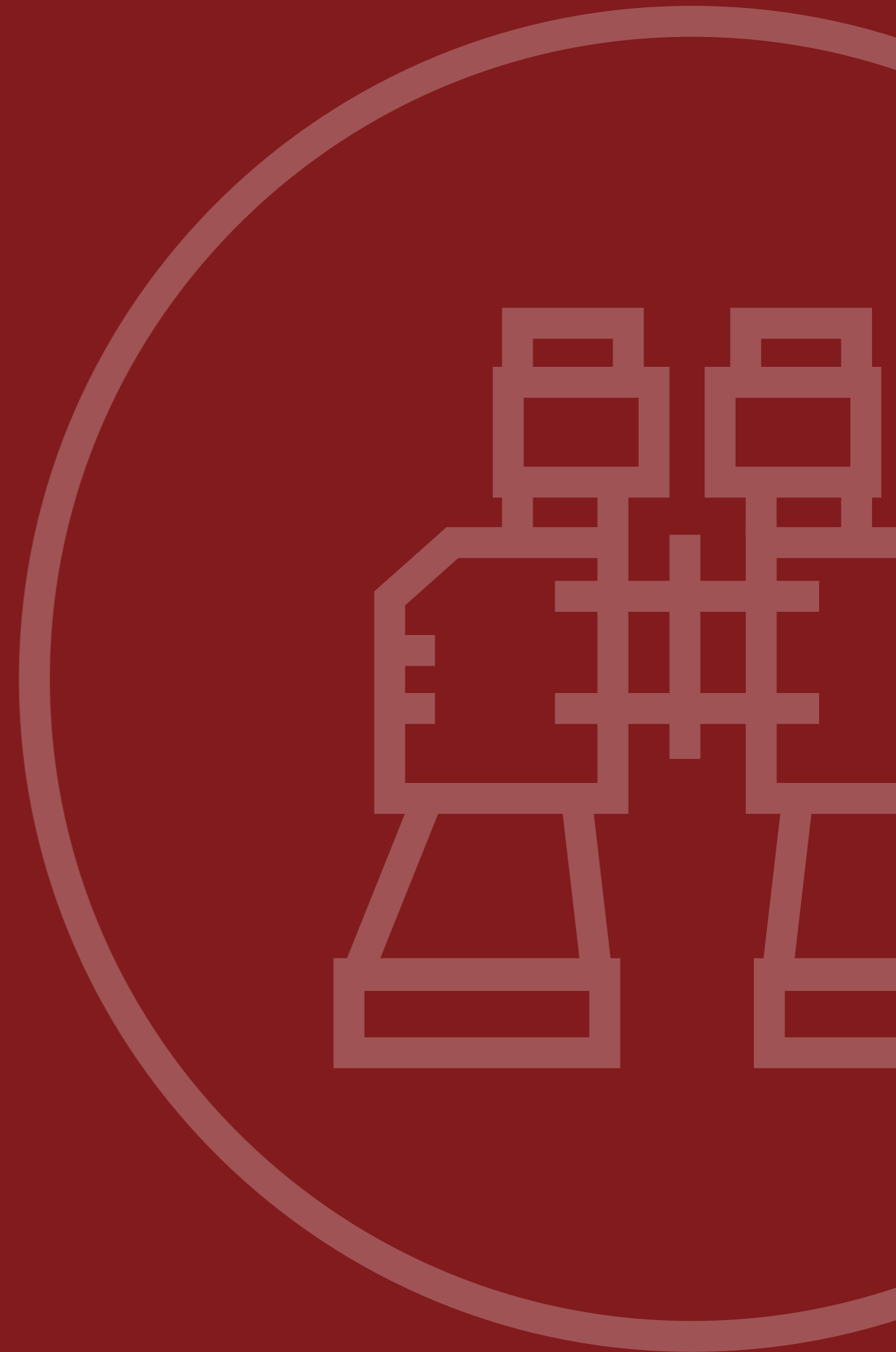


OUTSIDE THE HOME

The recent expansion in ranges of all-weather fabrics and materials such as faux rattan has led to a growth in the design (and price) of garden furniture. Many interior and garden designers are asked to design what are essentially outdoor sitting and dining rooms complete with sofas, chairs, dining tables and coffee tables that will withstand being left outside for periods of time (if not for the whole year).

What is often overlooked, however, is the cost of these pieces. Our data shows that furniture will take up the most significant slice of a garden amenity budget. Other considerations include low maintenance plants, trees and water features. Fire pits, which extend the season that gardens can be enjoyed into the shoulder months of spring and autumn, currently sit relatively low down the list of priorities.

8.0 OUR PREDICTIONS





CLIENTS

OUR PREDICTIONS

The RedBook Index predicts that American, Chinese, and Middle Eastern (U)HNW clients will seek to capitalise on the projected exit of UK-domiciled high-net-worth individuals. American clients are expected to increase their share of the UK luxury property market due to continued favourable economic conditions and currency strength, while Chinese investment will rebound with a reported 20% year-on-year increase, driven by the UK's stable market and educational opportunities. Trade and tariff tensions with the US are also likely to compound these demands. Middle Eastern buyers continue to diversify their investment portfolios whilst the region's wealth booms, meaning a continued investment into the UK property market.

EXPERT OPINION

LORD ANDREW HAY
CHAIRMAN | REDBOOK AGENCY



The UK luxury property market stands poised for a new chapter. It faces challenges from the anticipated loss of UK & EU HNWIs, but in their absence, we expect to see robust interest from US, Chinese, and GCC-based UHNWIs looking to capitalise on what is otherwise a politically stable market. In the coming year, we expect three key trends to drive this dynamic market: first, a rising demand for turnkey luxury residences, appealing to time-poor international investors who prioritise convenience and swift returns; second, an increased focus on sustainable and well-being-led developments, as buyers seek properties with energy-efficient features and wellness at their core; and finally, the expansion of ultra-prime regional markets. While Central London will remain a focal point, premium locations such as Surrey and the Cotswolds are set to gain traction, attracting investors drawn by countryside estates and evolving lifestyle preferences. These trends collectively underscore the UK's appeal as a stable, high-quality investment destination for global wealth.



Image courtesy of a RedBook specialist Partner



COSTS

OUR PREDICTIONS

The RedBook Index predicts that luxury construction costs will increase by 4% in the next 12 months. Construction costs will continue to be influenced by supply chain disruptions, and a shortage of skilled labour, exacerbated by post-Brexit immigration policies that continue to persist. Innovations in construction technology may improve efficiency, but the bespoke nature of luxury projects will continue to drive costs.

EXPERT OPINION

TOM ADAMS
CEO | REDBOOK AGENCY



From our market research across both the luxury project world and that of the wider construction industry, it seems that costs will continue to rise for the next 12 months but thankfully not on the same trajectory as previous years. I do believe that the many significant geo-political factors currently at play will dictate the rate.

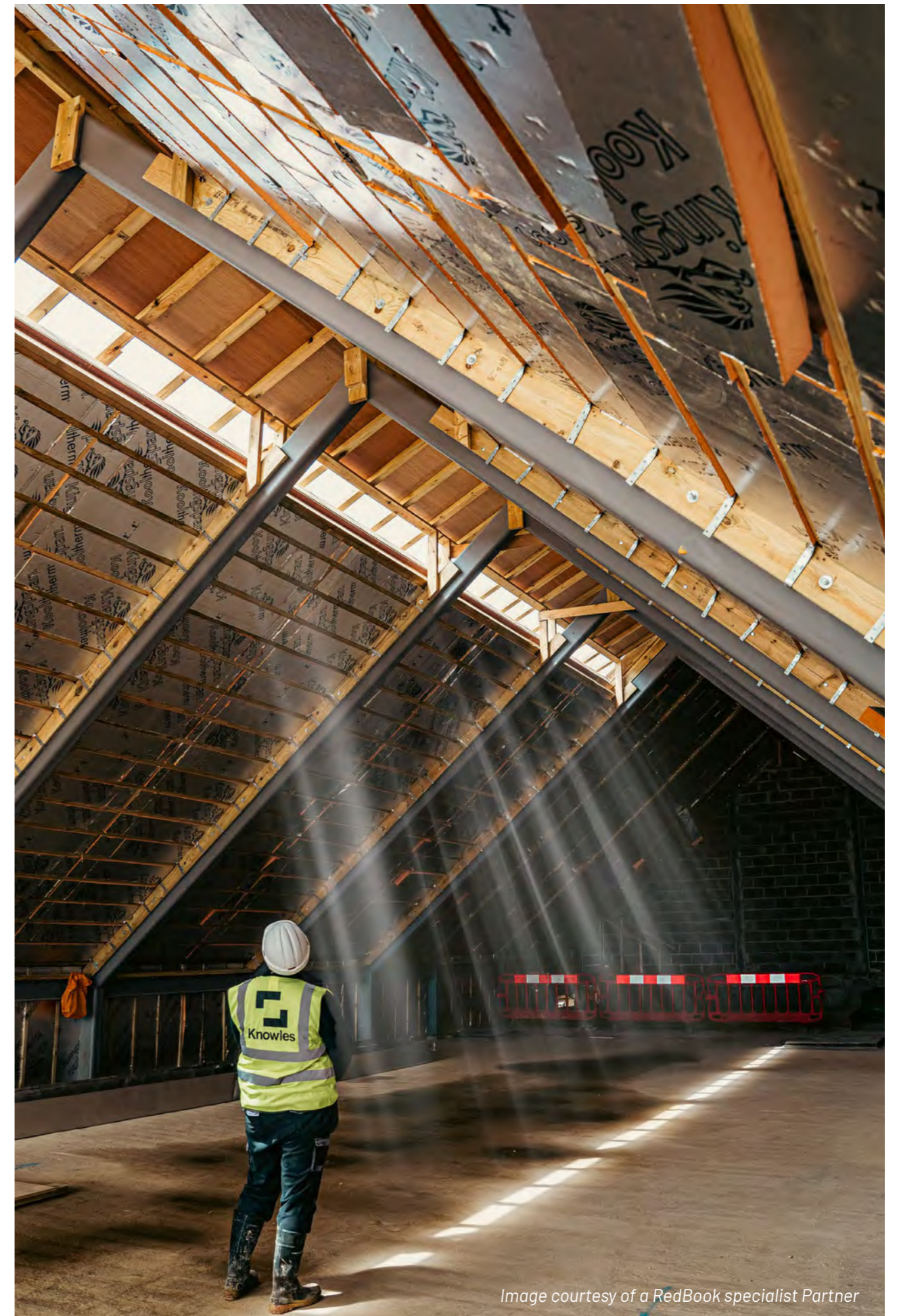


Image courtesy of a RedBook specialist Partner



TIMELINES & PLANNING

OUR PREDICTIONS

PRE-MOBILISATION

Project timelines will be affected by government policies and legislative changes. The UK government's planned stamp duty revisions in 2025 may accelerate transactions in 2024, influencing project timelines due to swift client decision making in the short to medium term. This will have an adverse affect on planning as we expect application volumes to increase, therefore increased decision times.

POST-MOBILISATION

New building safety regulations under the UK's Building Safety Bill are expected to extend construction timelines by 10% due to compliance requirements. Another key factor supporting this is the expected increase in demand from the wider construction industry, coupled with the depleted labour work force.

PLANNING

The RedBook Index predicts that Planning volumes will increase by circa 20% to where they have been over the past few years, causing applications to take roughly 8% longer. Much anticipated planning reforms will aim to reduce the approval time from national averages of 13 weeks to 8 weeks, but local authorities will face challenges in maintaining this momentum, due to increased demand and skill shortages in staffing.

EXPERT OPINION

ROSS HOWLETT
MANAGING PARTNER | ROSSCO PROPERTY



Project timeframes are likely to extend further over the next 12 months, primarily due to a flawed Planning system. The new government will need to overhaul this system to meet their housing targets. Now, more than ever, clients must carefully select experienced professionals with deep expertise in navigating application processes. Increasingly, we're seeing permissions denied for issues that could have been resolved earlier in the process.

My advice to all clients would be to go 'above and beyond' the requirements with experts who offer full scopes of service to make sure they aren't caught out.

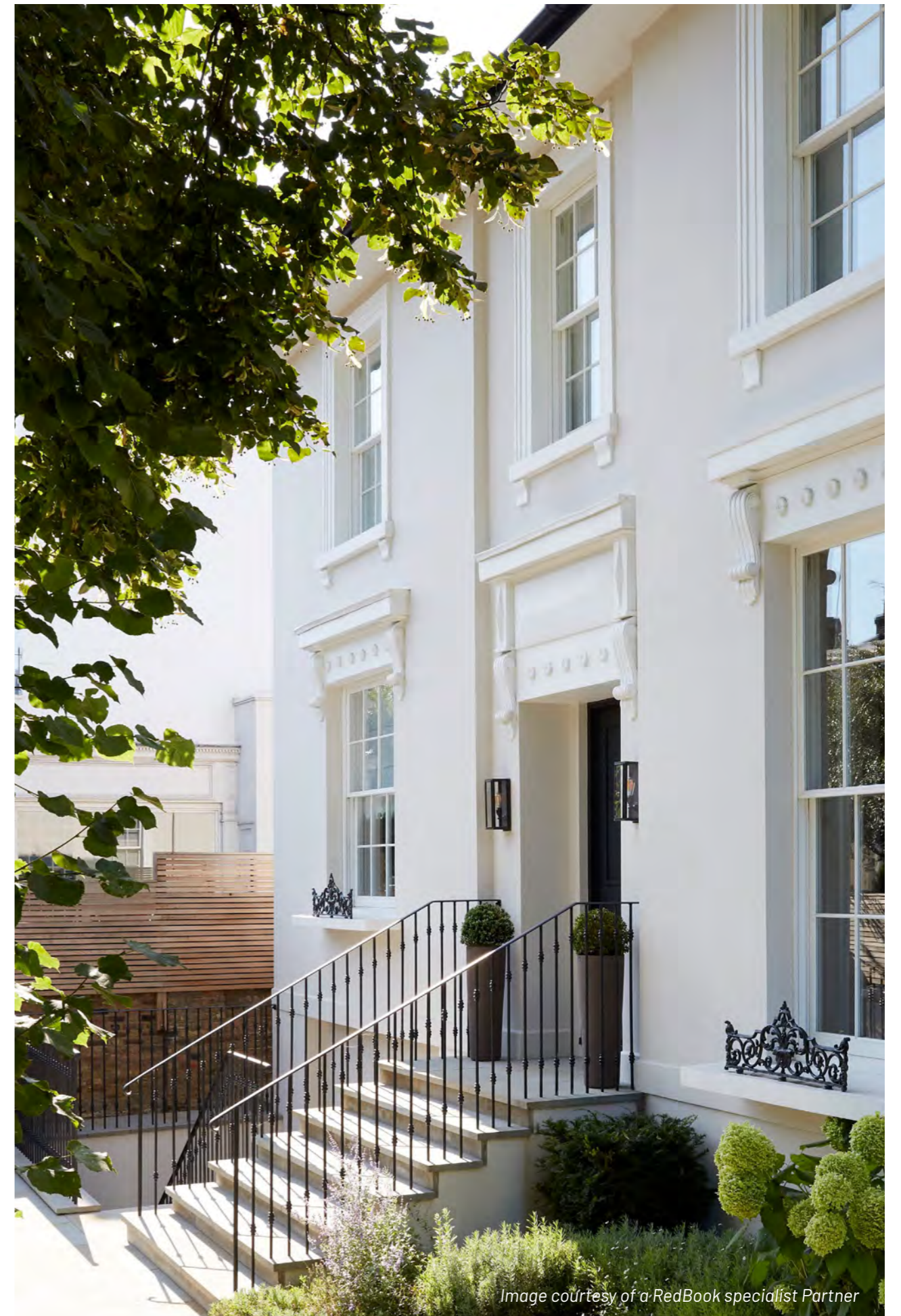
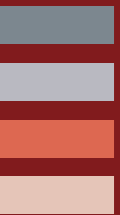


Image courtesy of a RedBook specialist Partner



DESIGN TRENDS

OUR PREDICTIONS

We anticipate a continued shift away from image-led interiors toward spaces that truly resonate with meaning and purpose. As clients increasingly prioritise interiors that go beyond mere visual impact, designers will have greater opportunities to explore intimate scales, intricate details, and celebrate fine craftsmanship. Expect to see more solid timbers with matte custom waxes, indigo-dyed veneers, and items such as handwoven alpaca alongside striking elements like stainless steel cabinetry. The era of white curved sofas, peak brass accents, and polished cream marble slabs is likely nearing its end, giving way to designs that emphasize depth, materiality, and quality.

EXPERT OPINION

TOM BARTLETT
FOUNDER | WALDO WORKS



A strong 'new-traditionalist' movement is anticipated to continue evolving, blending traditional forms and bold colours with a heightened focus on craftsmanship and longevity. Commercial interiors, often a testing ground for residential design, will likely shape this transition, as hotels and public spaces push theatrical concepts that can be refined for private residences. We expect British design to remain at the forefront of residential interiors, as clients grow more drawn to designs that convey character and opinion.

In the coming years, clients will likely seek interiors that are fresh and innovative, yet subtle and tasteful - features like softly glowing dressing rooms, open-air cinemas, and adaptable floor plans that enhance their home experience - not 'for show,' but for personal enjoyment and lasting comfort.



Image courtesy of a RedBook specialist Partner

Only 'Founding Contributors' amongst RedBook's roster of design and delivery Partners who took part in our data collection exercise this year benefit from the many exclusive industry insights - average salaries, charge-out rates, fee structures, to name a few. To partake and benefit next year, please enquire via - index@redbookagency.com

9.0 FOUNDING CONTRIBUTOR INSIGHTS



RedBook

PROJECT DIRECTORS

RedBook are Project Directors, providing personalised team assembly and delivery for high value private-client homes.

WHAT WE DO

RedBook has over **15 years of experience**, delivering nearly **350 high-value projects**. We represent **200+ best-in-class design and delivery firms** to create tailored project teams. Between RedBook and our Advisory Board, we only introduce **trusted and verified professionals** to our clients. Our stable of Partner talent includes -

-  Architects
-  Interior Designers
-  Landscape Designers
-  Planning Consultants
-  Quantity Surveyors
-  Project Managers
-  Contractors

At RedBook, we tailor-make professional teams based on our clients' personalities, tastes and project requirements. Consequently, we facilitate a smooth delivery with outstanding results, all the while mitigating risk to the client.

T - 020 7060 6222

E- index@redbookagency.com

W - redbookagency.com

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