

Liverpool One Liverpool, United Kingdom

Challenges

- The town centre redevelopment mixed use scheme includes 37 buildings providing retail, residential, leisure, two hotels, a bus station and 3,000 car parking spaces. It comprises separate buildings, rather than the more usual enclosed shopping centre design and includes extensive highways works, public realm provision and transport interchanges.
- Information collection on such a vast scheme proved difficult in the early stages, however, once other consultants were aware of our requirements the process worked well.
- Identifying and capitalising on other elements of the M&E installations that attract enhanced relief.
- Some existing buildings in the development required extensive refurbishment. Identifying and preparing a claim for business premises renovation allowances was, therefore, possible. Again getting the design team to understand our requirements enable us to identify the qualifying costs,
- Negotiation with HM Revenue & Customs and the valuation office was carried out and a successful outcome obtained.

Solutions

- We were given access to all cost documents prepared by the clients cost consultants. This allowed us to get a good picture of the development and the associated costs.
- We were also able to carry out a forensic analysis of the enhanced capital allowances position based on our survey information from site.
- Communicating the client's capital allowances expectations to the relevant consultants and contractors.
- We carried out regular surveys photographing the various stages of the construction process to all relevant areas to enable us to understand the nature of the project.

Results

- Total allowances of circa £101 million were identified comprising a mix of plant and machinery allowances, enhanced capital allowances, hotel building allowances and business premises renovation allowances.
- Our low risk status with HM Revenue & Customs means we deliver greater certainty that allows for future tax planning.

Reflections

- The outcome was very good taking into account we had no influence over the specification at our stage of involvement.
- In the early stages of the project we struggled to obtain cost information, however, this changed once given full access to all costs contained on our computer system. Earlier access to these costs following our initial appointment would have made preparing our preliminary reports much easier.
- Undertaking a retrospective enhanced capital allowances claim was not ideal, however, the level of energy efficient equipment certified indicates the potential values that can be achieved where recognised energy systems are installed and is considered for tax planning at an early stage.



Liverpool City Council and Construction Partners sought to deliver the comprehensive redevelopment of approximately 42 acres at the heart of Liverpool's existing retail core and World Heritage Waterfront.