

## **Appendix 2**

**Hall and Partners (Special Projects) Ltd**

**Order of Cost Estimate with Commentary & Approach**

**SITE A : SWAN CENTRE****OPTION 1: LEISURE CENTRE (ONLY)**

Section	Description	Qty	Unit	Rate (£)	Amount (£)
1	<b>Demolitions and Site Clearance</b> Demolish existing facilities - Existing Swan Centre and associated hardstanding and the like (Provisional Allowance)		<b>Item</b>		<b>500,000</b>
2	<b>Buildings</b> Function: 562.11 Sports Centre / recreation centres inc swimming pools  <i>Leisure Centre</i>	5,000	m <sup>2</sup>	2,699	<b>13,495,000</b>
	Rate per m <sup>2</sup> gross internal floor area for the Building Cost including preliminaries based upon BCIS Median Rate rebased to 2Q2018 and Berwick upon Tweed				
3	<b>External Works</b> Site Works, Drainage, External Services and Minor Building Works  Sport Pitches Provision of 1No. Full Size Football pitch to Sport England Standard Provision of 2No. 4G Multi use Games area including floodlighting, drainage and fencing.		<b>Item</b>		<b>3,326,903</b>
			<b>Item</b>		<b>150,000</b>
			<b>Item</b>		<b>1,000,000</b>
4	<b>Site Infrastructure Works</b> (Provisional Allowance)		<b>Item</b>		<b>250,000</b>
	<b>Sub Total £</b>				<b>18,721,903</b>
5	<b>Contingency (5%)</b>				936,095
6	<b>Price and Design Risk (2.5%)</b>				468,048
7	<b>Inflationary Cost Uplift</b> From 2Q 2018 to 4Q 2019 (4.11%)				769,470
	<b>Construction Cost Total £</b>				<b>20,895,516</b>

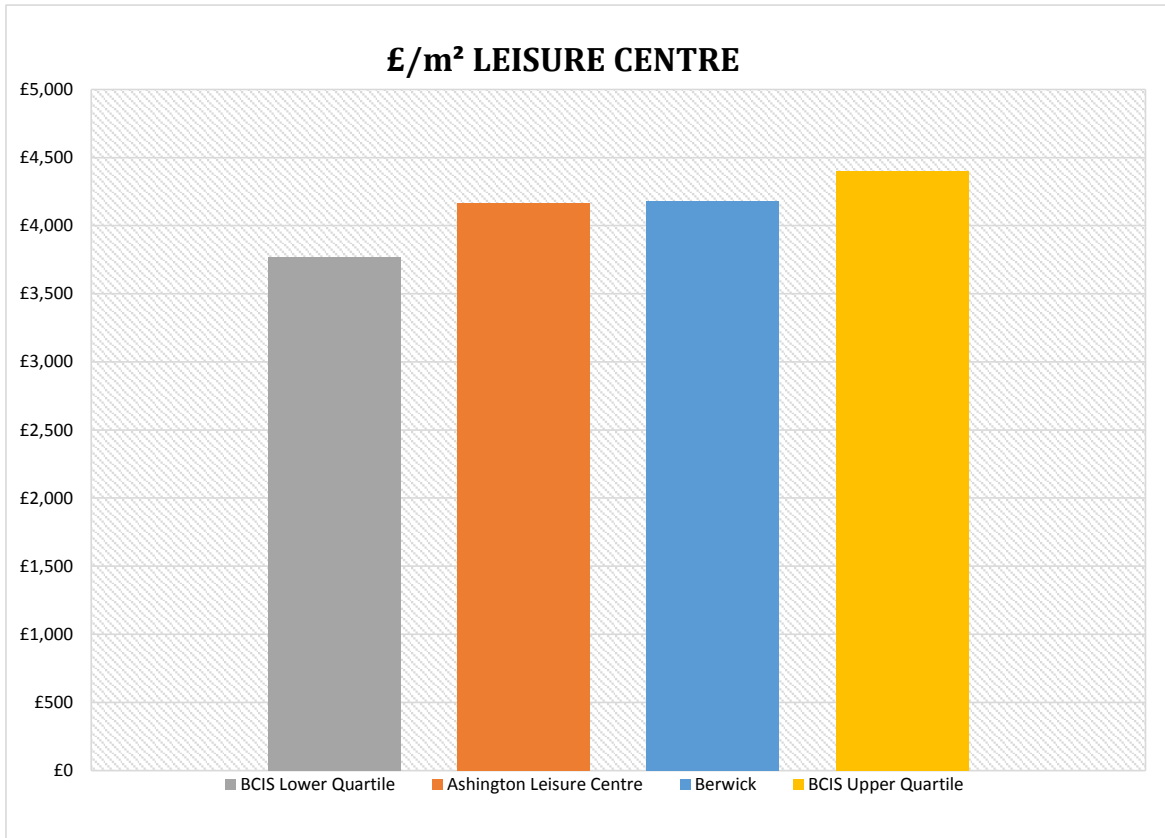
FOR EXCLUSIONS REFER : COMMENTARY AND APPROACH

**SITE A : SWAN CENTRE**

**OPTION 1: LEISURE CENTRE (ONLY)**

Berwick £20,895,516 / 5,000m<sup>2</sup> = £4,179/m<sup>2</sup>

	LQ	Ashington	Berwick	UQ
	3,767	4,168	4,179	4,405



**SITE A : SWAN CENTRE****OPTION 2: LEISURE CENTRE AND HEALTH CENTRE**

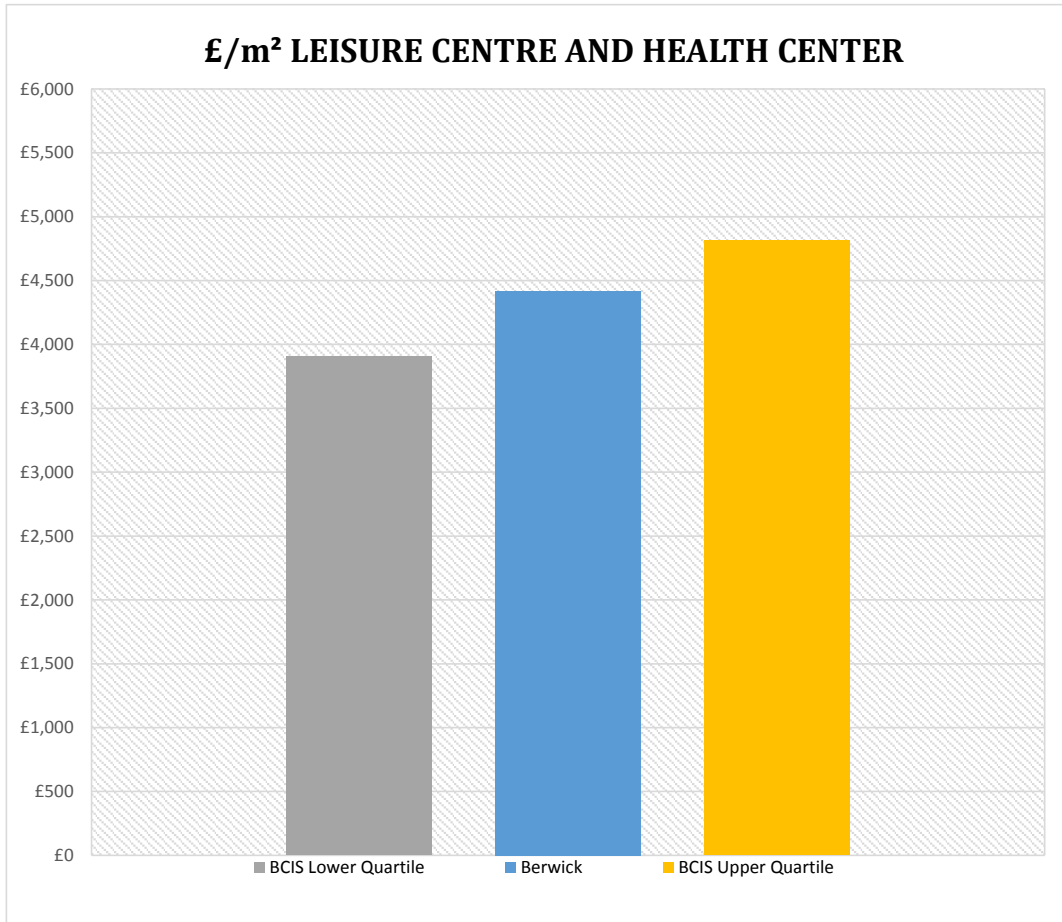
Section	Description	Qty	Unit	Rate (£)	Amount (£)
1	<b>Demolitions and Site Clearance</b> Demolish existing facilities - Existing Swan Centre and associated hardstanding and the like (Provisional Allowance)		<b>Item</b>		<b>500,000</b>
2	<b>Buildings</b> Function: 562.11 Sports Centre / recreation centres inc swimming pools  <i>Leisure Centre</i> Rate per m <sup>2</sup> gross internal floor area for the Building Cost including preliminaries based upon BCIS Median Rate rebased to 2Q2018 and Berwick upon Tweed  Function: 412. General hospitals, GP hospitals, Cottage hospitals  <i>Health Centre / Community Hospital</i> Rate per m <sup>2</sup> gross internal floor area for the Building Cost including preliminaries based upon BCIS Median Rate rebased to 2Q2018 and Berwick upon Tweed	5,000	m <sup>2</sup>	2,699	13,495,000
		6,133	m <sup>2</sup>	3,155	19,349,615
3	<b>External Works</b> Site Works, Drainage, External Services and Minor Building Works  Sport Pitches Provision of 1No. Full Size Football pitch to Sport England Standard Provision of 2No. 4G Multi use Games area including floodlighting, drainage and fencing.		<b>Item</b>		<b>8,122,003</b>
			<b>Item</b>		<b>150,000</b>
			<b>Item</b>		<b>1,000,000</b>
4	<b>Site Infrastructure Works</b> (Provisional Allowance)  <b>Economies of Scale</b> Cost efficiency of locating both Leisure and Health facilities on same site. (Potential reduction in Preliminaries)		<b>Item</b>		<b>700,000</b>
			<b>Item</b>		<b>-400,000</b>
	<b>Sub Total £</b>				<b>42,916,618</b>
5	<b>Contingency (5%)</b>				2,145,831
6	<b>Price and Design Risk (2.5%)</b>				1,072,915
7	<b>Inflationary Cost Uplift</b> From 2Q 2018 to 4Q 2019 (4.11%) Leisure Centre From 2Q 2018 to 4Q 2020 (8.57%) Health Centre				811,717 2,261,243
	<b>Construction Cost Total £</b>				<b>49,208,325</b>

FOR EXCLUSIONS REFER : COMMENTARY AND APPROACH

**SITE A : SWAN CENTRE**

**OPTION 2: LEISURE CENTRE AND HEALTH CENTRE**

	LQ	Berwick	UQ
Berwick £49,208,325 / 11,133m <sup>2</sup> = £4,420/m <sup>2</sup>	3,905	4,420	4,813



**SITE B : BERWICK INFIRMARY SITE****HEALTH CENTRE**

Section	Description	Qty	Unit	Rate (£)	Amount (£)
1	<b>Demolitions and Site Clearance</b> Demolition of existing facilities - Existing Infirmary and associated hardstandings and the like (Provisional Allowance).		Item		<b>500,000</b>
2	<b>Buildings</b> Function: 412. General hospitals, GP hospitals, Cottage hospitals  <i>Health Centre / Community Hospital</i> Rate per m <sup>2</sup> gross internal floor area for the Building Cost including preliminaries based upon BCIS Median Rate rebased to 2Q2018 and Berwick upon Tweed	6,133	m <sup>2</sup>	3,155	<b>19,349,615</b>
3	<b>External Works</b> Site Works, Drainage, External Services and Minor Building Works		Item		<b>4,795,100</b>
4	<b>Site Infrastructure Works</b> (Provisional Allowance)		Item		<b>350,000</b>
	<b>Sub Total £</b>				<b>24,994,715</b>
5	<b>Contingency (5%)</b>				1,249,736
6	<b>Price and Design Risk (2.5%)</b>				624,868
7	<b>Inflationary Cost Uplift</b> From 2Q 2018 to 4Q 2019 (4.11%)				1,027,283
	<b>Construction Cost Total £</b>				<b>27,896,601</b>

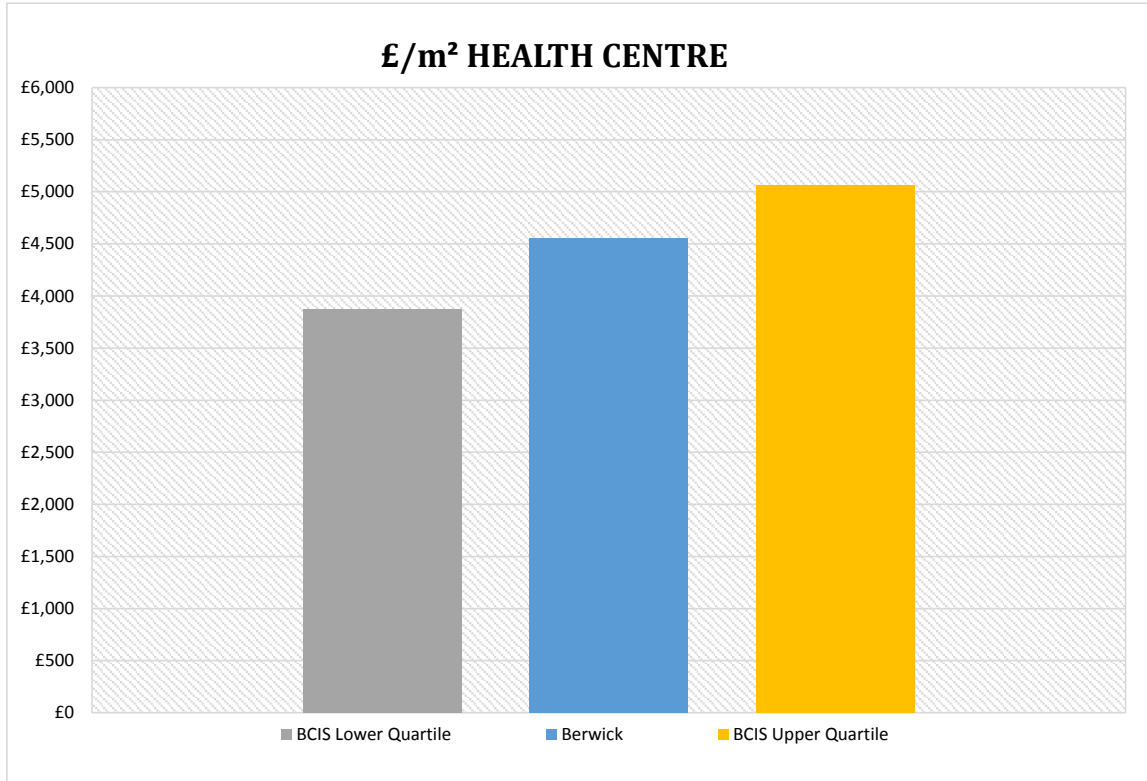
FOR EXCLUSIONS REFER : COMMENTARY AND APPROACH

**SITE B : BERWICK INFIRMARY SITE**

**HEALTH CENTRE**

Berwick £27,896,601 / 6,133m<sup>2</sup> = £4,549/m<sup>2</sup>

LQ	Berwick	UQ
3,868	4,549	5,060



**SITE C : SETON HALL AND SITE ADJACENT****HEALTH CENTRE**

Section	Description	Qty	Unit	Rate (£)	Amount (£)
1	<b>Demolitions and Site Clearance</b> Demolition of existing facilities - Existing Fire Station, Seton Hall and associated hardstandings and the like (Provisional Allowance).		<b>Item</b>		<b>250,000</b>
2	<b>Buildings</b> Function: 412. General hospitals, GP hospitals, Cottage hospitals  <i>Health Centre / Community Hospital</i> Rate per m <sup>2</sup> gross internal floor area for the Building Cost including preliminaries based upon BCIS Median Rate rebased to 2Q2018 and Berwick upon Tweed	6,133	m <sup>2</sup>	3,155	19,349,615
3	<b>External Works</b> Site Works, Drainage, External Services and Minor Building Works		<b>Item</b>		<b>4,795,100</b>
4	<b>Site Infrastructure Works</b> (Provisional Allowance)		<b>Item</b>		<b>1,200,000</b>
	<b>Sub Total £</b>				<b>25,594,715</b>
5	<b>Contingency (5%)</b>				1,279,736
6	<b>Price and Design Risk (2.5%)</b>				639,868
7	<b>Inflationary Cost Uplift</b> From 2Q 2018 to 4Q 2019 (4.11%)				1,051,943
	<b>Construction Cost Total £</b>				<b>28,566,261</b>

FOR EXCLUSIONS REFER : COMMENTARY AND APPROACH

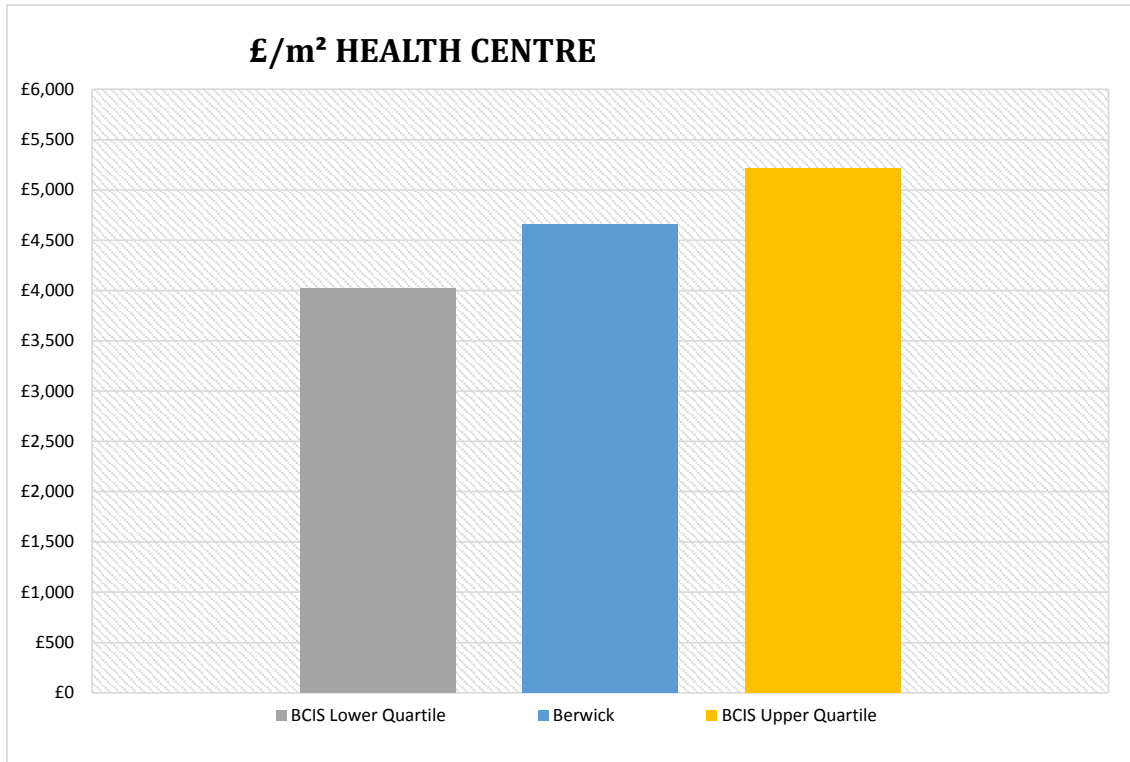


**SITE C : SETON HALL AND SITE ADJACENT**

**HEALTH CENTRE**

Berwick £28,566,261/ 6,133m<sup>2</sup> = £4,658/m<sup>2</sup>

LQ	Berwick	UQ
4,023	4,658	5,215



**SITE E : NEWFIELDS SITE**

**HEALTH CENTRE**

Section	Description	Qty	Unit	Rate (£)	Amount (£)
1	<b>Demolitions and Site Clearance</b>		<b>Item</b>		<b>0</b>
2	<b>Buildings</b> Function: 412. General hospitals, GP hospitals, Cottage hospitals  <i>Health Centre / Community Hospital</i> Rate per m <sup>2</sup> gross internal floor area for the Building Cost including preliminaries based upon BCIS Median Rate rebased to 2Q2018 and Berwick upon Tweed	6,133	m <sup>2</sup>	3,155	19,349,615
3	<b>External Works</b> Site Works, Drainage, External Services and Minor Building Works		<b>Item</b>		<b>4,795,100</b>
4	<b>Site Infrastructure Works</b> (Provisional Allowance)  <b>Sub Total £</b>		<b>Item</b>		<b>1,700,000</b>  <b>25,844,715</b>
5	<b>Contingency (5%)</b>				1,292,236
6	<b>Price and Design Risk (2.5%)</b>				646,118
7	<b>Inflationary Cost Uplift</b> From 2Q 2018 to 4Q 2019 (4.11%) Health Centre				1,062,218
	<b>Construction Cost Total £</b>				<b>28,845,286</b>

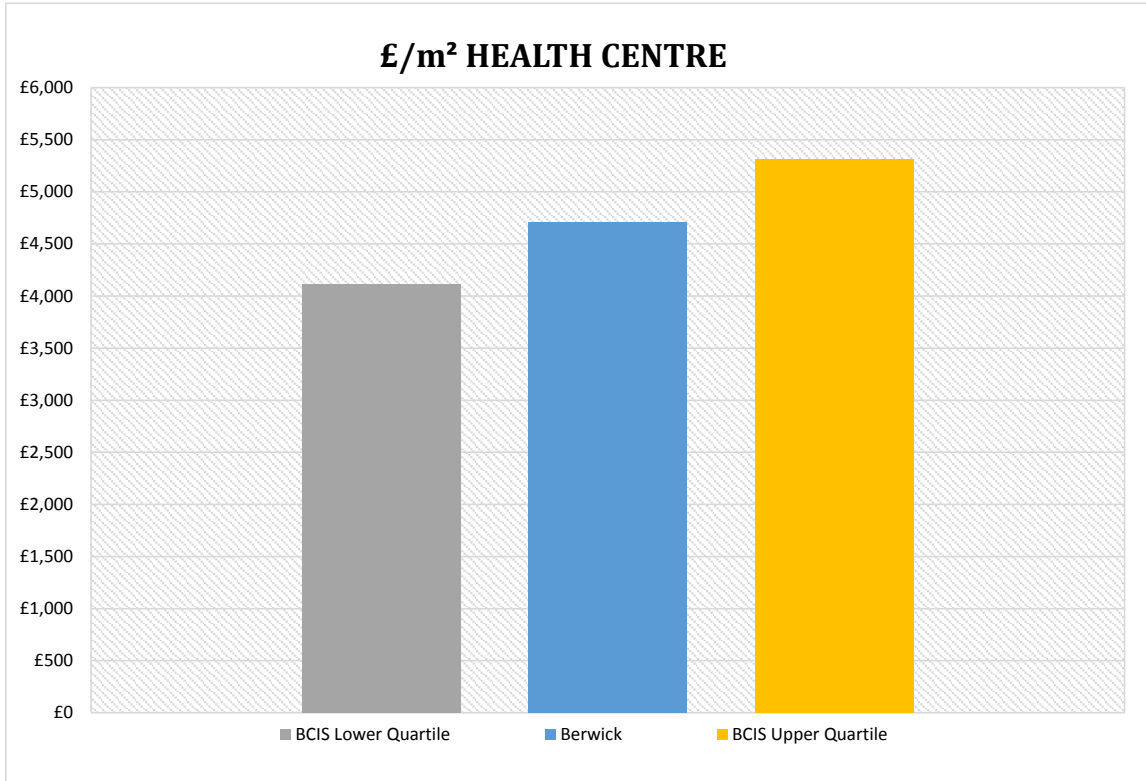
**FOR EXCLUSIONS REFER : COMMENTARY AND APPROACH**

**SITE E : NEWFIELDS SITE**

**HEALTH CENTRE**

Berwick £28,845,286 / 6,133m<sup>2</sup> = £4,703/m<sup>2</sup>

LQ	Berwick	UQ
4,114	4,703	5,306



# Berwick Leisure and Health Centre

## Order of Cost Estimate

### Commentary and Approach

#### *Introduction*

The purpose of this order of Cost Estimate is to predict the estimated construction cost of the scheme proposals currently under review. The intention is to gather all relevant information available at the date of publication in order to establish the estimated construction cost based upon the function, size, quality expectation and proposed programme for the project.

#### *Risk Statement*

This order of Cost Estimate has been prepared on very limited design information and should be viewed as a cost framework within which design development and risk evaluation can take place.

Due to the limited nature and extent of information available we have, by necessity, made assumptions in relation to the general level of specification proposed and quality expectations envisaged.

Certain provisional cost allowances have been included pending further investigations, surveys and clarification works.

We strongly recommend that as the design proposals develop a firming up exercise is carried out in relation to the assumptions pricing information and data we have used as a means of cost checking, updating and monitoring.

#### *Approach*

Our approach to the preparation of this order of Cost Estimating is outlined below:

An order of Cost Estimate has been prepared for each of the sites under consideration within Berwick upon Tweed.

Each estimate is built up utilising the following Sections / Cost headings and our approach to developing costs within each section is detailed below:

#### Section 1 – Demolitions and Site Clearance.

Provisional cost allowances have been made for demolition and removal (as necessary) of existing facilities currently occupying the various sites.

We recommend that site specific quotations are obtained from specialist demolition contractors for these works following receipt of appropriate pre-demolition asbestos survey, structural reports and information from statutory utility providers.

## Section 2 – Buildings

As Chartered Surveyors Hall and Partners subscribes to the BCIS (Building Cost Information Service) which is part of the RICS and is a provider of cost and price information for the UK contractor industry.

The BCIS provides statistical analysis of prices and costs sampled from the industry which represent general price levels and distribution.

We have used BCIS in order to develop our Order of Cost Estimates for this scheme utilising & cost per m<sup>2</sup> approach.

In each instance we have used the median (mid-point) rate per m<sup>2</sup> for each of the Buildings proposed, (excluding external works and contingencies, with preliminaries apportioned) and expressed this as £ per m<sup>2</sup> of gross internal floor area.

This £ per m<sup>2</sup> has been adjusted and rebased for both time (an inflationary increase to current day price levels) and location (to Berwick upon Tweed).

Extracts from BCIS £/m<sup>2</sup> studies for the following building functions are included as an appendix to our Order of Cost Estimate.

- 562.11 Sports Centre / recreation centres inc swimming pools.
- 412. General hospitals, GP hospitals, Cottage hospitals.

## Section 3 – External Works

This section of our Order of Cost Estimate relates to Site Works (Hard and Soft landscaping including highways, footpaths, car parking, site enclosure and division) Drainage (Foul and surface water) and External Services (water, Electric, gas, and BT main supplies from utility providers).

**NB:** The rate per m<sup>2</sup> applied for the Buildings (above) excludes external works.

We have developed the cost for the External Works Section by abstracting and adapting costs from schemes of a similar scale and nature to those currently proposed.

eg) The External works costs for the proposed Berwick Leisure Centre is derived from the known External Works Costs for the recently completed Leisure Centre in Ashington.

#### Section 4 – Site Infrastructure Works

This section of our estimate relates to elements of work that will be required to each of the respective sites to suit the current proposals.

They include revised access / egress arrangements including adaptations or extensions to existing highways, provision of roundabouts, upgrading of existing utility services, drainage and the like.

#### Section 5 – Contingences

A contingency allowance of 5% has been included within each of our Order of Cost Estimates to cater for the client's risk of unforeseen costs and expenditure.

#### Section 6 – Price and Design Risk

An allowance of 2.5% has been included within each of our Order of Cost Estimate to cater for potential risk's associated with design development and pricing.

#### Section 7 – Inflationary Cost Uplift

We have used BCIS indices to predict the inflationary cost effect relation to the proposed construction programme for each of schemes proposed.

#### *EXCLUSIONS*

Our Order of Cost Estimates assumes vacant possession of each of the sites and exclude the following:-

##### **Inflation**

Inflation beyond the base dates shown

##### **Fees**

Professional fees

Legal fees

Planning fees

Building control fees

Adoption fees

Site investigation/topographical survey fees

Structural Survey fees

Environmental assessment fees

## **Works Requiring Local Authority/Statutory Approval**

Commuted sums  
Archaeological matters  
Party wall matters and associated costs  
Works required by the Environment Agency

## **Site Related Costs**

Land purchase/Building acquisition costs  
Costs relating to wayleaves/easements/right of way across the site  
Abnormal ground conditions  
Remediation works  
Costs relating to contaminated land  
Asbestos removal from existing buildings  
Costs associated with road closures/stopping up orders

## **Site Related Costs Continued**

Retaining walls/Structures  
Flood defence works

## **Development Costs**

Management company costs  
Finance costs  
Developers overheads and profit

## **Generally**

Crane over sailing issues  
End user "fit out" costs  
Decanting of existing properties  
Specialist works and installations  
Window cleaning apparatus  
Loose fixtures and fittings  
VAT