

1 Costing document

This appendix sets out details to substantiate the figures presented in the relevant section of the feasibility study. It has been separated due to the number of variables.

1.1 Architect led proposal

David Wilson Architects completed a preliminary cost estimate based on the two concept plans to support initial budgeting within their work.

Their methodology is based on a rule-of-thumb cost per m², with additional costs for specific items as suggested by the firm. Therefore, this is not a fully costed proposal leading from a bill of quantities but based on 'standard' estimates for similar projects, and judgements about additional costs.

During the general development of the proposal a figure of £1,500 - £2,000 per m² was cited by the architects as a useful rule-of-thumb to guide development cost, plus 10 – 12% for professional fees. This was thought to include allowance for fit-out, but the final costing exercise added these as extras and used the higher per m² cost.

The architect's costing has been broken down into distinct areas to match the various funding streams that have been identified and focus on main hall facilities, heritage facilities, changing facilities and further fitting-out, landscaping, parking, utilities etc. Professional fees are also estimated to proceed on a traditional architect-led build.

Architect costing proposal

Land purchase

Hayes field **£26,000**

Main Village Hall Facilities:

Building 525sqm (£2000/sqm) £1,050,000
Kitchen Fit Out* £25,000
Control Room + Lighting* £15,000
Renewables* £40,000
Utilities £25,000
£1,155,000

Heritage Facilities:

Building 90sqm (£2000/sqm) £180,000
Archive Conditioning + Storage Racks £20,000
£200,000

Changing Facilities:

Building 30sqm (£2000/sqm) £60,000
Fit Out* £18,000
£78,000

Landscape + Externals £60,000
Culvert, Access + Parking £50,000
£110,000

Contingency **£157,000**

Construction total £1,726,000 (Ex VAT)

Professionals/Fees/Surveys RIBA Stage 2-7 Inclusive)

Professional fees total £220,500 (Ex VAT)

Grand total £1,946,500 (Ex VAT)

This design and method of delivery is not credible given our funding and appears to represent poor value for money in many respects. It is thought to be overly conservative and the design has not been subject to any value-engineering which will clearly be necessary.

A building which does not deliver the Heritage Centre but is otherwise the same footprint would appear to cost **£1.72m** + VAT on this basis.

** - A number of items have costs derived from the architect. There may be alternative ways of reducing costs, but for consistency these have been used across all costings, and savings considered as a separate exercise later.*

1.2 Design and Build proposal

The costing provided by the architects presumes what is commonly thought of as a traditional contractual arrangement where the architects lead the project and leaves the construction contractor with no design responsibility. This is often thought to not promote cost savings and compromise, which in this case are clearly required. For another view on cost Coyde Construction Ltd were approached. They have experience of village hall construction, including Broadhempston, and constructed Brook Lane Cottages in Widecombe.

They have made many suggestions, such as simplification of the form of the building to a single structure, changes to the structural arrangements, tweaks and amendments to the number of doors and storage arrangements, and recognition of items which are not vital and might be changed to an extent.

Clearly the potential saving is a function not only of the different contractual arrangement, but mainly the resultant change in specification, which would drive down cost without compromising the delivery of the project. The form of the pricing is made up in slightly different ways to the other costing due to the format it was received in.

Multiple contract pricing option

Land purchase

Hayes field	£26,000
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Main Village Hall Facilities:

Building 525sqm (£1750/sqm)	£919,000
Kitchen Fit Out*	£included in above
Control Room + Lighting*	£15,000
Renewables*	£40,000
Utilities	£25,000
	£999,000

Heritage Facilities:

Building 90sqm (£1750/sqm)	£158,000
Archive Conditioning + Storage Racks	£20,000
	£178,000

Changing Facilities:

Building 30sqm (£1750/sqm)	£53,000
Fit Out*	£18,000
	£71,000

Landscape + Externals	£60,000
Culvert, Access + Parking	£50,000
	£110,000

Contingency	£included in above all-in figure
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Construction total	£1,384,000 (Ex VAT)
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Professional fees

Architect (subcontracted from contractor)	£25,000
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Principal/Structural designer	£15,000
Drainage Engineer (FRA + Design)	£6,000
Landscape Architect	£2,000
Archaeological Consultant	£2,500
Site Surveys + Reports	£4,500
Testing + Reports for Building Regulations	£5,500
Planning Fees	£4,500
Building Regs Fees	£3,500
Legal Fees + Land Transfer Costs	(TBC By Client)
Professional fees total	£69,000 (Ex VAT)
Grand total	£1,453,000 (Ex VAT)

A building which does not deliver the heritage centre but is otherwise the same footprint would cost **£1,257,000** + VAT on this basis.

** - A number of items have costs derived from the architect. There may be alternative ways of reducing costs, but for consistency these have been used across all costings, and savings considered as a separate exercise later.*

1.3 Multiple contracts with Steering Group co-ordination and a simplified design

Another option, which would require a highly competent Steering Group or newly formed CIO, would be to let multiple contracts for individual aspects of the build and act as the principal contractor. This may have the benefit of saving money if executed well and allow increased community involvement. However, it is complex and leaves the Committee with a larger amount of work and risk. Every contractual interface would need to be well managed, and mistakes in doing so would leave the Committee liable for extra costs. It also has a risk of apparent savings turning out to be omissions in specification, which would obviously be the Committee's risk. Further, a committee is not often the best route to deliver quick decision making which may be necessary with this option, but it is possible.

It would be necessary for the Committee to employ a number of professionals in roles to achieve competent design, appropriate health and safety and proper co-ordination and to facilitate staged release of grant funding. These roles would be, as a minimum, a principal designer, a structural designer, a mechanical and electrical designer and quantity surveyor.

WVHSG has approached a structural designer with appropriate experience in similar scale commercial buildings to consider ways to deliver a building which retains aspects of the architect's design but is based on a simplified form and using commercial construction techniques. The following costing is based on a simple steel frame building of rectangular footprint with mainly composite panel cladding, with a steel roof with standing seams which closely mimics the architect's zinc proposal.

Verbally it was suggested that a commercial steel building could be delivered for as little as £600 /m², however due to the location and less defined design a figure of £900 /m² has been used. One reason this is lower than the per m² prices stated in the design-and-build section is that the professional costs are treated as external in this costing, although they are accounted for properly.

An additional 10% contingency has been added in addition due to the perceived risks.

Whilst this option has been discussed as 'multi-contract' a large element of the saving is the design simplification, so could be delivered for a slightly higher price under a simpler 'design-and-build' basis.

Multiple contract pricing option

Land purchase

Hayes field **£26,000**

Main Village Hall Facilities:

Building 525sqm (£900/sqm) £473,000

Kitchen Fit Out* £25,000

Control Room + Lighting* £15,000

Renewables* £40,000

Utilities £25,000

£578,000

Heritage Facilities:

Building 90sqm (£900/sqm) £81,000

Archive Conditioning + Storage Racks £20,000

£101,000

Changing Facilities:

Building 30sqm (£900/sqm) £27,000

Fit Out* £18,000

£45,000

Landscape + Externals £60,000

Culvert, Access + Parking £50,000

£110,000

Contingency **£86,000**

Construction total £946,000 (Ex VAT)

Professional fees

Structural designer £20,000

Principal Designer £5,500

Quantity Surveyor £10,000

Drainage Engineer (FRA + Design) £6,000

Mechanical + Electrical Engineer £10,000

Landscape Architect £2,000

Archaeological Consultant £2,500

Site Surveys + Reports £4,500

Testing + Reports for Building Regulations £5,500

Planning Fees	£4,500
Building Regs Fees	£3,500
Legal Fees + Land Transfer Costs	(TBC By Client)
Professional fees total	£75,000 (Ex VAT)
Grand total	£1,021,000 (Ex VAT)

A building which does not deliver the heritage centre but is otherwise the same footprint would cost **£910,000** + VAT on this basis.

** - A number of items have costs derived from the architect. There may be alternative ways of reducing costs, but for consistency these have been used across all costings, and savings considered as a separate exercise later.*

1.4 Mixed contractual approaches

A reasonable and worthwhile compromise to deliver community involvement and cost saving but without multiple contractual interfaces is to plan a section of work before and after the main build for which the Committee have responsibility. These items would typically be 'enabling works' and external finishing tasks.

Reviewing the architects budgets reveals "Landscape and externals" and "Culvert, access and parking" have a budget of £110,000. These items could be delivered before and after the main build, and for a considerably lower cash cost; it has been estimated as £50,000 plus time given voluntarily. Time donated to the project could be commercially accounted for and form part of the match funding. This would allow community involvement to extend beyond fundraising and donations.

There are other items which have relatively healthy allowances which may be sufficiently stand-alone in their nature to allow these to be delivered from other vendors directly employed by the committee or on a partially or wholly voluntary basis. Examples include the following tasks:

- Fit out of changing facilities
- Some aspects of renewables
- Some aspects of kitchen fit out
- Some aspects of control room and lighting
- Contestable works in support of utility connection

In total it appears possible to reduce these costs by £40,000 by the above described approach.

A more significant saving could be achieved if these items were omitted for the time being, but this would not deliver a building which matches with all the most requested features from the community surveys.

In addition, consideration will be given to using the committee or others in the community to discharge certain costs currently listed under professional fees. The value of this has been quantified as £10,000 at this stage for the maximum community involvement scenario.

For the time being it is considered that there is a potential saving of £110,000 with these items with relatively minor additional risks being shouldered by the Committee based on the current level of experience in the group.

For the sake of costing, these savings have been applied, although for accounting purposes volunteered time would be valued at a commercial rate and counted as a donation in kind to contribute toward the community match funding element.

1.5 Alternative construction methods

There are different ways of constructing a building, and employing an off-site construction style, with modular aspects, has the potential to deliver better tolerances, energy performance, construction speed and at a potentially lower cost. As such Wernick Group were approached to provide a budget cost for the building, based on the designs provided by the architects. In order that any opportunity to save money was maximised, they were asked to use similar examples of their recent projects to use as pricing guides, as opposed to pricing exactly against the designs. They advocate a 'turn-key' price on a typical site of £1,500/m² including planning, design, groundworks and building installation. It is recognised that we will be asking for a high quality finish, may have included extra features in our initial specification list to the architects, and may expect unusual extra costs due to the location, and as such have added an allowance for this which matches that provided by the architect where appropriate. Wernick Group did not request further contingencies beyond the defined extra specification items.

Land purchase

Hayes field	£26,000
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Main Village Hall Facilities:

Building 525sqm (£1500/sqm)	£787,500
Kitchen & bar fit out	£25,000
Control Room + Lighting	£15,000
Renewables	£40,000
Utilities	£25,000
	£892,500

Heritage Facilities:

Building 90sqm (£1500/sqm)	£135,000
Archive Conditioning + Storage Racks	£20,000
	£155,000

Changing Facilities:

Building 30sqm (£1500/sqm)	£45,000
Fit Out	£18,000
	£63,000

Landscape + Externals	£60,000
Culvert, Access + Parking	£50,000
	£110,000

Professional fees	£ included in per m ² price
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Grand Total	£1,246,500 (Ex VAT)
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Again, a design excluding the heritage centre and changing facilities appears to cost £1,028,500 (Ex VAT).

1.6 Reduction in size

Following consultation with contractors and re-evaluation of the size of other community buildings visited, an option for a reduced size building which retains the architect's type of layout has been thought to be possible without compromising the vital functions of the building. This has not currently been outlined in a formal detailed drawing. It is highly likely to be carried out as a priority if community support to progress is achieved and for these calculations 400m² has been used for illustrative purposes, which is the result of reducing the footprint of nearly all spaces and by excluding the Heritage Centre. It is believed this reduction would not undermine the building's ability to accommodate the proposed uses. Such a change has the possibility of reducing *pro-rata* the cost of each delivery method to the following:

For the Architect led approach, a cost of £1.36m + VAT is expected.

For a Design-and-Build approach using the architect form, reduced in size, a cost of £1,003m +VAT is expected.

Using the multi-contract approach with simplified design with less relation to the architect form, a cost of £756,000 + VAT is expected.

For a modular, off-site constructed building a cost of £841,000 + VAT.

All prices include expenditure which as described elsewhere and may be taken out and delivered at a cost £110,000 lower.

1.7 Expected approach

It is clear that there is a mismatch between the expected available funding, which in itself is made up of a large number of different strands, and the architect led costing of the building with all the features shown. The range of potential costs are vast, with £646,000 for a 400m² building using a multi-contract method with maximum community involvement through to £1,946,500 for an architect-led build on a 645m² building with minimal community input.

It is suggested that the Heritage Centre and changing rooms can be thought of as separate, as for them to go ahead would require specific grants, which are thought to be available subject to sufficient enthusiasm from groups.

The expected approach is to pursue either a design-and-build or multi contract approach, which will have as a first task a redesign to around 400m², and a review of specification, and the expectation is that this, along with a maximum of community involvement can deliver the core hall functionality in a single phase for £646,000 which is very close to the projected available funding and therefore clear enough evidence to proceed.

The 'Design-and-Build' option priced by Coyde was based on the Architect's plans, with various scalings of footprint. A wider range redesign might reduce the cost of this option.

It is interesting to see how valuable the community input is, and this will additionally foster the sense of community ownership.

1.8 Summary

The building as proposed by the architects is relatively large and complex. They have provided a costing for planning purposes, but this does not support the continuation of this project since the projected cost is so high and does not match the available funding.

There are ways to reduce this cost, which are:

- To use alternative contractual arrangements which may be lower cost and encourage value-engineering.
- To change specifications to achieve desired building function at lower cost.
- To reduce the building footprint without reducing functionality.
- To simplify the building form.
- To introduce more elements of community input into aspects of build.

All of these approaches have been investigated by the WVHSG and the expected out-turn costs are presented here.

It is necessary to build a relatively simple building to achieve the size and functionality which the community require, but nonetheless this can be attractive and low cost to operate.

	Building options					
	Conventional build			Modular build		
	Including Heritage Centre (645m ²)	Excluding Heritage Centre (550m ²)	Redesigned smaller excluding Heritage Centre(400m ²)	Including Heritage Centre (645m ²)	Excluding Heritage Centre (550m ²)	Redesigned smaller excluding Heritage Centre(400m ²)
Funding indicated	£692,000.00	£592,000.00	£592,000.00	£692,000.00	£592,000.00	£592,000.00
Delivery method						
Traditional, architect-led	£1,946,500.00	£1,640,000.00	£1,360,000.00			
Design-and-Build of building similar to Architect's plans	£1,453,000.00	£1,257,000.00	£1,003,000.00	£1,246,500.00	£1,028,500.00	£859,000.00
Multi-contract of entire project with significantly simplified building form	£1,021,000.00	£910,000.00	£756,000.00			
Multi contract with maximum community work and simplified building form	£911,000.00	£800,000.00	£646,000.00			
Design and build core build with community enabling work and landscaping	£1,343,000.00	£1,147,000.00	£893,000.00	£1,191,500.00	£933,000.00	£764,000.00

Key	Exceeds funding available to large extent (>50% over)	Exceeds funding available to lesser extent (<50% over)	Appears to broadly match funding available (<10% over)
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