



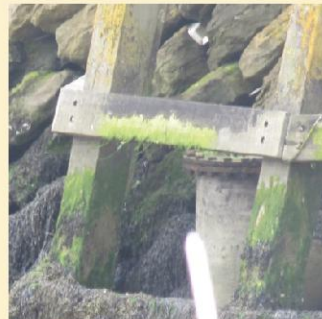
Princes Parade, Hythe

Planning Application Y17/1042/SH

Additional Information and Clarification - April 2018

Appendix 03

Viability Cost Appraisal Report



RIBA Stage 2 Cost Plan Report (Rev 1)

Shepway Sports Centre Viability Report

BETTERIDGE & MILSOM

27th February 2018

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STAGE 2 - VIABILITY COST REPORT
Updated 27/02/2018

B&M Ref. 3495

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2. Project Description
3. Statement of Cost
4. Cost Plan
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- A** - Nickolls Quarry - Stage 2 Cost Plan Report - Rev 2 (3397m2 & 3013m2 Schemes)
- B** - Princes Parade Viability Cost Appraisal Report (Phases 1-2) (3397m2 Scheme)
- C** - Princes Parade Cost Plan Summary (Two-Storey scheme 3397m2 Scheme)
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1 - Executive Summary

This report is to outline and evaluate the viability options for proposals to provide a leisure facility located at the Nickolls Quarry Site or Princes Parade Site. Details are included within this report under ***Project Description***.

Cost details are included within this report under ***Statement of Cost***.

We have also made some commentary and have provided ***Conclusions & Recommendations***.

2 - Project Description

The project is to provide the following facilities to either the Princes Parade site or Nickolls Quarry site.

The leisure centre provides two indoor swimming pools, changing rooms, café and fitness suites. Public spaces shall include a playground and public walkways. 144 off street parking spaces shall be provided for visitors to the leisure facilities.

There will be ground remediation works required to the Prince Parade site, these will need to occur even if the scheme does not proceed on the Princes Parade site. These costs have been included for all options as required.

3 - Status of Cost Plan

This document is a RIBA Stage 2 cost plan (also known as Formal Cost Plan 1) and is an intrinsic part of the Stage 2 Report. The level of this report is based on RIBA Works Stage 2: Concept Design being the following: -

Implementation of Design Brief and preparation of additional data [from previous stages]. Preparation of Concept Design including outline proposals for structural and building services systems, outline specifications and Formal Cost Plan 1. Review of procurement route.

This cost plan has been produced by reviewing each Element of the project. It should be noted that elemental cost planning is an iterative process, which is performed in steps of increasing detail as more design information becomes available. Therefore, this cost plan is based on information available at this stage.

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4 - Statement of Cost

The Nickolls Quarry and Princes Parade Site breakdown of income source and Shepway District Council contribution is as follows: -

	Nickolls Quarry – 3397m2 Scheme	Princes Parade – 3397m2 Scheme
NQ s106	£5,175,120.00	£4,792,344.50
South Road Site	£5,000,000.00	£5,000,000.00
CIL - Princes Parade Site	-	£1,184,533.00
Affordable Housing S106	-	£1,400,000.00
Princes Parade Land Value	-	£14,300,000.00
Total Income Source	£10,175,120.00	£26,676,877.50
	Nickolls Quarry – 3397m2 Scheme	Princes Parade – 3397m2 Scheme
Project Cost estimate	£26,038,291.00	£30,722,946.00
Less total source income	-£10,175,120.00	-£26,676,877.50
Total SDC Contribution	£15,863,171.00	£4,046,068.50

A further cost exercise has taken place to calculate the project cost and SDC contribution for a smaller scheme with a GIFA of 3013m2 (refer to Annexes A & D), which has been submitted for planning and reduces the council's requirement for contribution, as follows:-

	Nickolls Quarry – 3013m2 Scheme	Princes Parade – 3013m2 Scheme
NQ s106	£5,175,120.00	£4,792,344.50
South Road Site	£5,000,000.00	£5,000,000.00
CIL - Princes Parade Site	-	£1,184,533.00
Affordable Housing S106	-	£1,400,000.00
Princes Parade Land Value	-	£14,300,000.00
Total Income Source	£10,175,120.00	£26,676,877.50
	Nickolls Quarry – 3013m2 Scheme	Princes Parade – 3013m2 Scheme
Project Cost estimate	£24,041,291.00	£28,784,946.00
Less total source income	-£10,175,120.00	-£26,676,877.50
Total SDC Contribution	£13,866,171.00	£2,108,068.50

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5 - Cost Plan

The cost plans prepared by Betteridge and Milsom have been included within Annexe A (Nickolls Quarry), Annexe B (Princes Parade). The Princes Parade scheme has been based on the cost plan prepared for the two-storey scheme as shown within Annexe C. The cost plan for the reduced scheme for Princes Parade in line with planning application is included in Annexe D.

6 - Conclusions & Recommendations

Nickolls Quarry and Princes Parade cost plans have been compared to demonstrate the costs for Nickolls Quarry option 1 (Annexe A) against Princes Parade option (Annexe B) costs and the subsequent contributions Shepway District Council will need to make to each option.

Based on the above information / costs Shepway District Council will currently need to contribute **£13,866,171** for the 3013m² Nickolls Quarry option or **£2,108,068.50** for the 3013m² Princes Parade option, with the following breakdown shown below: -

Nickolls Quarry – Two – Storey Scheme (3013m² GIFA)

£24,041,291.00	Expenditure for construction of Option 3
(£10,175,120.00)	Income from External Sources (S106 / South Road Site Works)
£13,866,171.00	Shepway District Council Contribution

Princes Parade – Two – Storey Scheme (3013m² GIFA)

£28,784,946.00	Expenditure for construction of Planning Application Option
(£26,676,877.50)	Income from External Sources (S106 / South Road Site Works / Princes Parade Site)
£2,108,068.50	Shepway District Council Contribution

Therefore, based on the cost reports produced, the Princes Parade scheme is the most viable option.

Annexe A

Nickolls Quarry – Stage 2 Cost Plan Report (3 Options)

RIBA Stage 2 Cost Plan Report (Rev 2)

Shepway Sports Centre Nickolls Quarry

BETTERIDGE & MILSOM

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**STAGE 2 COST PLAN REPORT
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Appendices

- A** - Cost Plan Estimate – Option 1 – Two Storey Scheme (3397m² GIFA)
- B** - Cost Plan Estimate – Option 2 – One Storey Scheme (3791m² GIFA)
- C** - Cost Plan Estimate – Option 3 – Two Storey Scheme (3013m² GIFA)
- D** – BCIS Cost Indices

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1 - Executive Summary

The Project is to provide a leisure facility located within the Nickolls Quarry Site. There are two option appraisals comprising of option 1 two-storey scheme and option 2 one-storey scheme. Both schemes are providing swimming, dance, gym and welfare and changing facilities including external car parking. The site of Nickolls Quarry will require substantial cut and fill works to enable the construction of this facility. Details are included within this report under ***Project Description***.

We currently have not been advised on a budget for the project.

This Cost Plan report is based on a RIBA Stage 2 stage. The status of this is described within the report under ***Status of Cost Plan***.

This report details the expected costs for this project as (Option 1) **£26,038,291.00** (exc VAT), (Option 2) **£31,717,291** (exc VAT) and (Option 3) **£24,041,291.00**. Cost details are included within this report under ***Statement of Cost***.

Further details including information used to prepare the report, the basis of the estimate and commentary of risk allowances are contained within later sections of this document.

There are a number of decisions required for some potential extra works, and associated costs have been provided where possible. These will need to be explored and considered during the next stage of the project – details are included within the report under ***Decisions on Alternative Proposals***.

We have also made some commentary on Value Engineering criteria and have provided ***Conclusions & Recommendations***.

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2 - Project Description

The project is located near the coast between Hythe and Dymchurch, opposite the Nickolls Quarry Site. The leisure centre provides two indoor swimming pools, changing rooms, café and fitness suites. Public spaces shall include a playground and public walkways. 144 off street parking spaces shall be provided for visitors to the leisure facilities.

There will be ground remediation works required to the Prince Parade site. Costs to cap off the land and protect the site have been included within the cost plan for any of the options.

The Project Description should be read in connection with the drawings issued to us, of which extracts are included below: -

Option 1 Site Plan Layout:



Source: GT3 Nickolls Quarry Site Feasibility Study

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Option 2 Site Plan Layout:



Source: GT3 Nickolls Quarry Site Feasibility Study

Option 3 is identical to Option 1, however has a smaller gross floor area of 3013m²

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3 - Project Budget

At the time of generating this cost plan report there was no knowledge of a budget for the project.

4 - Status of Cost Plan

This document is a RIBA Stage 2 cost plan (also known as Formal Cost Plan 1), and is an intrinsic part of the Stage 2 Report. The level of this report is based on RIBA Works Stage 2: Concept Design being the following: -

Implementation of Design Brief and preparation of additional data [from previous stages]. Preparation of Concept Design including outline proposals for structural and building services systems, outline specifications and Formal Cost Plan 1. Review of procurement route.

This cost plan has been produced by reviewing each Element of the project. It should be noted that elemental cost planning is an iterative process, which is performed in steps of increasing detail as more design information becomes available. Therefore, this cost plan is based on information available at this stage.

5 - Statement of Cost

The following costs have been estimated for this project. Further breakdown of costs are included elsewhere.

Scheme	Construction Works Estimate (A)	Contract Cost Estimate (B)	Project Cost Estimate exc. VAT (C)
Option 1 – Two Storey (3397m²)	17,649,300	22,575,300	26,038,291
Option 2 – One Storey (3791m²)	21,528,300	27,537,300	31,717,291
Option 3 – Two Storey (3013m²)	16,285,300	20,830,300	24,041,291

Definitions: -

A: Construction Cost Estimate – the cost of the building works, including main contractor's preliminary cost, overheads & profit, and design and construction risks. Excludes inflation, project/design team/survey fees, client direct costs and employer risk allowance.

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B: Project Cost Estimate – the Contract Cost Estimate, plus project/design/survey fees, client direct costs and employer risk allowance. Excludes inflation and VAT. Please note that we are not VAT specialists and advice should be sought as necessary.

C/D: Project Cost Estimate – the Contract Cost Estimate, plus client-side design team fees, surveys, other client project costs (refer to exclusions) excluding and including VAT. Please note that we are not VAT specialists and advice should be sought as necessary.

The Nickolls Quarry Site breakdown of income source and Shepway District Council contribution is as follows: -

Option 1 – Income Source		
NQ s106	£5,175,120.00	Index linked from Q1 2010 to Q3 2020
South Road Site	£5,000,000,00	Assessment
Total Income Source	£10,175,120.00	

Option 1 – SDC Contribution		
Project Cost Estimate	£26,038,291.00	Cost Plan 1
Less total source income	-£10,175,120.00	
Total SDC Contribution	£15,863,171.00	

Option 2 – Income Source		
NQ s106	£5,175,120.00	Index linked from Q1 2010 to Q3 2020
South Road Site	£5,000,000,00	Assessment
Total Income Source	£10,175,120.00	

Option 2 – SDC Contribution		
Project Cost Estimate	£31,717,291.00	Cost Plan 2
Less total source income	-£10,175,120.00	
Total SDC Contribution	£21,542,171.00	

Option 3 – Income Source		
NQ s106	£5,175,120.00	Index linked from Q1 2010 to Q3 2020
South Road Site	£5,000,000,00	Assessment
Total Income Source	£10,175,120.00	

Option 3 – SDC Contribution		
Project Cost Estimate	£24,041,291.00	Cost Plan 3
Less total source income	-£10,175,120.00	
Total SDC Contribution	£13,866,171.00	

The S106 income from Nickolls Quarry site has been based on the commitment under the S106 which is index linked, adjusted for commencement on site in Q3 of 2020, but is assuming that site would be available at this stage.

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6 - Information on which the Cost Plan was prepared

The following information was made available by the Design Team at time of Cost Plan preparation: -

GT3 (Architect)

Information provided:

- Nickolls Quarry Site Feasibility Study (dated 11/01/2018)
- 10100-GT3-00-ZZ-DR-A - (02)01 - Nickolls Quarry Site Location Plan Option
- 10100-GT3-00-ZZ-DR-A - (02)02 - Nickolls Quarry Site Location Plan Option 2
- 10100-GT3-00-ZZ-M3-A- 300-01 - Ground Floor Plan_rev09
- 10100-GT3-00-ZZ-M3-A- 300-02 - First Floor Plan_rev09

Henley Camland

Information provided:

- Appendix 5 - Land Use Plan with Earthworks Areas and approx. volumes
- Earthworks Programme for 2017-26me 091216

7 - Statement of Floor Areas

Based on current issued drawings, the following are the calculated Gross Internal Areas (GIA/GFA): -

Leisure	Option 1	Option 2	Option 3
Leisure Centre	3,397 m2	3,791m2	3,013m2
Total	3,397 m2	3,791m2	3,013m2

The entire site area is **13,913m2** (as stated on Camland Land Use Plan).

8 - Cost Plan

A breakdown of the Costs of this project are included in Appendices A, B and C.

9 - Basis of Cost Estimates

A cost estimate plan has been produced, based on the information available (see above). The following sections have been developed to allow cost review: -

Site Clearance

Areas of various vegetation measured and estimated using those indicated on the site plan DWG and through site maps and pictures.

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Preparatory Groundworks

It has been assumed that the site will be provided by the developer as a fully remediated site with appropriate cut/fill levels completed to allow the commencement of the project without further enabling works. The cost also includes preparatory groundworks in relation to capping off contaminated material to the Prince's Parade site and appropriate site protection, this has been priced at **£2,090,300.00** (£2,941,698 project cost).

Leisure Centre

The construction cost for the leisure centre has been based on a £/m² basis for elemental sections of the scheme. This has been updated to reflect the increase of areas for all three options.

External Works Generally

Allowances have been made for road constructions excluding main adopted roads, footpaths, parking bay areas, other hard surfaces (details unknown), patios and playground areas. Allowances have also been made for abnormal costs associated with the stability of the ground in terms of high water content (assumed due to close proximity to water bodies) and retaining wall structure.

Drainage

Allowances made for surface and foul water drainage.

Services

These allowances were on the Peter Brett Report (dated June 2016). As described in the report a budget estimate has been provided by UKPN for the electric, Affinity Water for water and SGN for the gas and these costs have been detailed accordingly.

Soft Landscaping

Allowances has been made for seeding and turfing areas around the leisure centre including dense landscaping.

Fencing, Railings & Walls

Allowances have been made for fencing around the leisure centre for security access purposes.

Off Site Highway Works

Offsite highway works have been excluded from this cost plan. The costs included are for connection to proposed highway roads for the main entrance only.

A detailed cost plan is included within Appendices A-C.

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Construction Preliminaries and Overheads & Profit

We have currently allowed 13% for Preliminaries and 7% for overheads and profit on the elemental costs for main contractor's costs. This cost is dependant much on programme timescale and can be affected by any phasing of logistical restrictions on site. Therefore, a review of logistics is advised.

Inflation

Construction inflation estimate has been included for works to commence 3Q 2020. This inflation has been calculated from tender price index from the BCIS database and is the main cause of the cost increase to the scheme, this represents a 6.29% increase to the project costs. Please refer to Appendix D – BCIS Indices.

Risk Allowances

See section 10 below for further details. A total of 19% risk contingency has been included for the construction works. A risk review is advised to seek further clarity with these cost targets.

Project/Design Team Fees and Other Fees/Surveys

Project/Design team fees have been based on 12% of the contract cost estimate. An allowance of 3% of the contract cost estimate has been included for other fees/surveys.

Client Direct Costs

Allowances for site purchase costs, community infrastructure levy (CIL) and sales fees are excluded from this report.

An allowance for funding costs has been included to both options.

An Employer Risk Allowance has also been excluded subject to confirmation from client.

Abnormal Development Costs

As the scheme is located near a water body, we have assumed CFA bored piling to be installed as a form of ground stabilisation to this development.

Exclusions

The following matters are excluded from the project cost report: -

- Land compensation costs
- Land remediation costs (assumed to be carried out by land developer)
- Structural engineering or services costs or other abnormal works
- Interest on finance
- Temporary buildings
- Any works beyond the boundaries of the areas of works
- Increase in NI, taxation or other levies.
- VAT.
- Loose furniture and fittings and white goods.
- Client direct costs, such as site purchase costs, CIL and sales fees

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10 - Risk Allowances

Risk allowances are allocated against a number criteria and are treated as two separate cost targets, which are used to “top up” other overspending cost targets as the project progresses. As a package of works exceeds its cost target, a transfer is made from the appropriate risk target pot. Similarly, if a cost target is likely to under run, the surplus is transferred into the appropriate risk allowance. The cost targets are: -

- Design Development risks (5%) – an allowance for use during the design process to provide for the risks associated with design development, changes in estimating data, third party risks (e.g. planning requirements, legal agreements, covenants, environmental issues and pressure groups), statutory requirements, procurement methodology and delays in tendering.
- Construction risks (5%) – an allowance for use during the construction process to provide for the risks associated with site conditions (e.g. access restrictions/limitations, existing buildings, boundaries, and existing occupants and users), ground conditions, existing services and delays by statutory undertakers.
- Employer risks (9%) – an allowance for use during both design process and construction process to provide for the risks of employer driven changes, and matters such as early handover, postponement, acceleration, availability of funds, unconventional tender action and special contract arrangements.

11 - Changes to Previous Cost Targets

Changes from previous cost plan include adjustment of inflation to revised BCIS Tender inflation rates and breaking down costs between the ground remediation works and contaminated works.

12 - Decisions on Alternative Proposals

There are key decisions which will need to be made as we move through **RIBA Stage 3**. The following matters are considered key to the next project stage: -

Item 1 - Further details of structural engineering requirements for this scheme (allowance included in this report)

Item 2 - The extent of site clearance and planting to the site.

Item 3 - Detailed design of architectural, mechanical and electrical services of Leisure Centre.

There are key decisions which will need to be made as we move through **RIBA Stage 3**. The process could be reviewed in light of: -

Quantity – review the areas being provided within the scheme.

Quality – review of each element to consider if appropriate value has been used.

Extent – review to ensure that the project scope has not shifted.

Allowances – review of design development and construction risks as these have a bearing on project cost.

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13 - Value Engineering Criteria

As an overall process we would recommend considering any value engineering criteria as a set of sub-criteria; namely

Must haves – elements that are key to the brief of the project.

Should haves – elements that are good practice and of inherent value for the project

Could haves – elements that are potentially achievable within the project budget.

Won't haves – elements which need to be avoided; from lessons learned on previous schemes

As we move into the next RIBA Stage, we plan to explore the criteria with the project team and focus on those matters detailed above under alternative proposals.

14 - Conclusions & Recommendations

This report is issued to assist the client in any decision making and allow budgets to be ascertained going forward. Additional budget information is required before a statement can be made about the Cost Plan and its accordance with budget. As the design process continues, strategic decisions will need to be made. We would recommend that continued cost assessments are carried out as the scheme develops into the next RIBA stages.

Based on the above information / costs Shepway District Council will currently need to contribute circa £15,863,171.00 for option 1 or £21,542,171.00 for option 2, which has been calculated as follows: -

Option 1

£26,038,291.00	Expenditure for construction of Option 1
£10,175,120.00	Income from External Sources (S106 / South Road Site Works)
£15,863,171.00	Shepway District Council Contribution

Option 2

£31,717,291.00	Expenditure for construction of Option 2
£10,175,120.00	Income from External Sources (S106 / South Road Site Works)
£21,542,171.00	Shepway District Council Contribution

Option 3

£24,041,291.00	Expenditure for construction of Option 3
£10,175,120.00	Income from External Sources (S106 / South Road Site Works)
£13,866,171.00	Shepway District Council Contribution

Appendix A

Cost Plan Estimate Option 1 – Two Storey Scheme (3397m² GIFA)



COST SUMMARY

Base Date of Cost Plan	27-Feb-2018	
Gross Internal Floor Area	3397 m2	
Construction Works Estimate	17,649,300.00	Total (A) - see details below
Contract Cost Estimate	22,575,300.00	Total (B) - see details below
Project Cost Estimate (Exc. VAT)	26,038,291.00	Total (C) - see details below

Elemental Cost Summary

Ref	Description	Total (£)	Notes	£/m2
1	Construction Works			
1.1a	Enabling Works	-	See Breakdown	0
1.1b	Contaminated Ground Works	2,090,300	See Breakdown	615
1.2	Substructure	2,184,000	See Breakdown	643
1.3	Superstructure	3,740,000	See Breakdown	1,101
1.4	Internal Finishes	846,000	See Breakdown	249
1.5	Fittings, Furnishings & Equipment	496,000	See Breakdown	146
1.6	Services	2,578,000	See Breakdown	759
1.7	Site Works	2,461,000	See Breakdown	724
	Sub-Total	14,395,300		4,238
2	Main Contractor's Preliminaries Estimate	1,871,000	based on 13.0%	551
	Sub-Total	16,266,300		4,788
3.1	Main Contractor's Overheads & Profit	1,139,000	based on 7.0%	335
3.2	Scape OHP (?)	-	not applicable	0
3.3	Framework Fee (?)	244,000	based on 1.5%	57
(A)	Construction Works Estimate (Total)	17,649,300		5,181
4	Inflation			
4.1	Tender Inflation Estimate	-	based on 0.0%	0
4.2	Construction Inflation Estimate	1,110,000	on commence Q3 2020	327
5	Risk Allowances Estimate			
5.1	Design Development Risks Estimate	882,000	based on 5.0%	260
5.2	Construction Risks Estimate	882,000	based on 5.0%	260
5.3	Dayworks	-	See Breakdown	0
	Sub-Total	20,523,300		6,027
6	Main Contractor Fees / Surveys			
6.1	Pre Construction Fees	-	included in 6.2	0
6.2	Professional / Design Fees	1,847,000	based on 9.0%	544
6.3	Surveys / Reports	205,000	based on 1.0%	60
(B)	Contract Cost Estimate (Total)	22,575,300		6,631
7	Project/Design Team Fees			
7.1	Client Direct Consultant Fees	677,000	based on 3.0%	199
7.2	Other Fees / Surveys	452,000	based on 2.0%	133
	Sub-Total	23,704,300		6,963
8	Other Development / Project Costs			
8.1	Client Direct Costs	183,991	Funding Costs	54
8.2	Loose Fittings and Equipment	-	See Breakdown	0
	Sub-Total	23,888,291		7,017
9	Employer Risk Allowance	2,150,000	based on 9.0%	633
(C)	Project Cost Estimate (excl VAT)	26,038,291		7,650



ELEMENTAL BREAKDOWN

Description	Total	£/m2
Enabling Works	2,090,300	615
Ground remediation and stabilisation - Excluded	0	0
Remediation - Capping works to Princes Parade Site	2,090,300	615
Building Works	9,844,506	2,898
<i>Substructure</i>	<i>2,184,271</i>	<i>643</i>
Substructure	2,184,271	643
<i>Superstructure</i>	<i>3,740,097</i>	<i>1,101</i>
Frame	618,254	182
Upper Floors	135,880	40
Roof	934,175	275
Stairs	78,131	23
External Walls	747,340	220
Windows and External Doors	587,681	173
Internal Walls and Partitions	495,962	146
Internal Doors	142,674	42
<i>Internal Finishes</i>	<i>845,853</i>	<i>249</i>
Wall Finishes	315,921	93
Floor Finishes	322,715	95
Ceiling Finishes	207,217	61
<i>Fittings, Furnishings & Equipment</i>	<i>495,962</i>	<i>146</i>
Fittings, Furnishings & Equipment	495,962	146
<i>Services</i>	<i>2,578,323</i>	<i>759</i>
Sanitary Installations	44,161	13
Services Equipment	332,906	98
Disposal Installations	180,041	53
Water Installations	281,951	83
Heat Source	210,614	62
Space Heating and Air Conditioning	309,127	91
Ventilation	166,453	49
Electrical Installations	332,906	98
Fuel Installations	78,131	23
Lift and Conveyor Installations	33,970	10
Fire and Lightning Protection	61,146	18
Communication, Security and Control Systems	78,131	23
Specialist Installations	441,610	130
Builders Work In Connection with Services	27,176	8
Site Works	2,461,158	725
External Works	1,896,344	558
Drainage	487,654	144
External Services	77,160	23
Total	14,395,964	4,238

Appendix B

Cost Plan Estimate Option 2 – One Storey Scheme (3791m² GIFA)



COST SUMMARY

Base Date of Cost Plan	27-Feb-2018	
Gross Internal Floor Area	3791 m2	
Construction Works Estimate	21,528,300.00	Total (A) - see details below
Contract Cost Estimate	27,537,300.00	Total (B) - see details below
Project Cost Estimate (Exc. VAT)	31,717,291.00	Total (C) - see details below

Elemental Cost Summary

Ref	Description	Total (£)	Notes	£/m2
1	Construction Works			
1.1a	Enabling Works	-	See Breakdown	0
1.1b	Contaminated Ground Works	2,090,300	See Breakdown	551
1.2	Substructure	4,680,000	See Breakdown	1,235
1.3	Superstructure	4,125,000	See Breakdown	1,088
1.4	Internal Finishes	944,000	See Breakdown	249
1.5	Fittings, Furnishings & Equipment	553,000	See Breakdown	146
1.6	Services	2,839,000	See Breakdown	749
1.7	Site Works	2,327,000	See Breakdown	614
	Sub-Total	17,558,300		4,632
2	Main Contractor's Preliminaries Estimate	2,283,000	based on 13.0%	602
	Sub-Total	19,841,300		5,234
3.1	Main Contractor's Overheads & Profit	1,389,000	based on 7.0%	366
3.2	Scape OHP (?)	-	not applicable	0
3.3	Framework Fee (?)	298,000	based on 1.5%	57
(A)	Construction Works Estimate (Total)	21,528,300		5,657
4	Inflation			
4.1	Tender Inflation Estimate	-	based on 0.0%	0
4.2	Construction Inflation Estimate	1,354,000	on commence Q3 2020	357
5	Risk Allowances Estimate			
5.1	Design Development Risks Estimate	1,076,000	based on 5.0%	284
5.2	Construction Risks Estimate	1,076,000	based on 5.0%	284
5.3	Dayworks	-	See Breakdown	0
	Sub-Total	25,034,300		6,582
6	Main Contractor Fees / Surveys			
6.1	Pre Construction Fees	-	included in 6.2	0
6.2	Professional / Design Fees	2,253,000	based on 9.0%	594
6.3	Surveys / Reports	250,000	based on 1.0%	66
(B)	Contract Cost Estimate (Total)	27,537,300		7,242
7	Project/Design Team Fees			
7.1	Client Direct Consultant Fees	826,000	based on 3.0%	218
7.2	Other Fees / Surveys	551,000	based on 2.0%	145
	Sub-Total	28,914,300		7,605
8	Other Development / Project Costs			
8.1	Client Direct Costs	183,991	Funding Costs	49
8.2	Loose Fittings and Equipment	-	See Breakdown	0
	Sub-Total	29,098,291		7,654
9	Employer Risk Allowance	2,619,000	based on 9.0%	691
(C)	Project Cost Estimate (excl VAT)	31,717,291		8,345



ELEMENTAL BREAKDOWN

Description	Total	£/m2
Enabling Works	2,090,300	551
Ground remediation and stabilisation - Excluded	0	0
Remediation - Capping works to Princes Parade Site	2,090,300	551
Building Works	13,141,065	3,466
<i>Substructure</i>	<i>4,679,553</i>	<i>1,234</i>
Substructure	4,679,553	1,234
<i>Superstructure</i>	<i>4,124,608</i>	<i>1,088</i>
Frame	689,962	182
Upper Floors	0	0
Roof	1,232,075	325
Stairs	0	0
External Walls	834,020	220
Windows and External Doors	655,843	173
Internal Walls and Partitions	553,486	146
Internal Doors	159,222	42
<i>Internal Finishes</i>	<i>943,959</i>	<i>249</i>
Wall Finishes	352,563	93
Floor Finishes	360,145	95
Ceiling Finishes	231,251	61
<i>Fittings, Furnishings & Equipment</i>	<i>553,486</i>	<i>146</i>
Fittings, Furnishings & Equipment	553,486	146
<i>Services</i>	<i>2,839,459</i>	<i>749</i>
Sanitary Installations	49,283	13
Services Equipment	371,518	98
Disposal Installations	200,923	53
Water Installations	314,653	83
Heat Source	235,042	62
Space Heating and Air Conditioning	344,981	91
Ventilation	185,759	49
Electrical Installations	371,518	98
Fuel Installations	87,193	23
Lift and Conveyor Installations	0	0
Fire and Lightning Protection	68,238	18
Communication, Security and Control Systems	87,193	23
Specialist Installations	492,830	130
Builders Work In Connection with Services	30,328	8
Site Works	2,327,344	614
External Works	1,818,044	480
Drainage	432,140	114
External Services	77,160	20
Total	17,558,709	4,632

Appendix C

Cost Plan Estimate Option 3 – Two Storey Scheme (3013m² GIFA)



COST SUMMARY

Base Date of Cost Plan	27-Feb-2018	
Gross Internal Floor Area	3013 m2	
Construction Works Estimate	16,285,300.00	Total (A) - see details below
Contract Cost Estimate	20,830,300.00	Total (B) - see details below
Project Cost Estimate (Exc. VAT)	24,041,291.00	Total (C) - see details below

Elemental Cost Summary

Ref	Description	Total (£)	Notes	£/m2
1	Construction Works			
1.1a	Enabling Works	-	See Breakdown	0
1.1b	Contaminated Ground Works	2,090,300	See Breakdown	694
1.2	Substructure	1,937,000	See Breakdown	643
1.3	Superstructure	3,317,000	See Breakdown	1,101
1.4	Internal Finishes	750,000	See Breakdown	249
1.5	Fittings, Furnishings & Equipment	440,000	See Breakdown	146
1.6	Services	2,287,000	See Breakdown	759
1.7	Site Works	2,461,000	See Breakdown	817
	Sub-Total	13,282,300		4,408
2	Main Contractor's Preliminaries Estimate	1,727,000	based on 13.0%	573
	Sub-Total	15,009,300		4,982
3.1	Main Contractor's Overheads & Profit	1,051,000	based on 7.0%	349
3.2	Scape OHP (?)	-	not applicable	0
3.3	Framework Fee (?)	225,000	based on 1.5%	57
(A)	Construction Works Estimate (Total)	16,285,300		5,387
4	Inflation			
4.1	Tender Inflation Estimate	-	based on 0.0%	0
4.2	Construction Inflation Estimate	1,024,000	on commence Q3 2020	340
5	Risk Allowances Estimate			
5.1	Design Development Risks Estimate	814,000	based on 5.0%	270
5.2	Construction Risks Estimate	814,000	based on 5.0%	270
5.3	Dayworks	-	See Breakdown	0
	Sub-Total	18,937,300		6,267
6	Main Contractor Fees / Surveys			
6.1	Pre Construction Fees	-	included in 6.2	0
6.2	Professional / Design Fees	1,704,000	based on 9.0%	566
6.3	Surveys / Reports	189,000	based on 1.0%	63
(B)	Contract Cost Estimate (Total)	20,830,300		6,896
7	Project/Design Team Fees			
7.1	Client Direct Consultant Fees	625,000	based on 3.0%	207
7.2	Other Fees / Surveys	417,000	based on 2.0%	138
	Sub-Total	21,872,300		7,241
8	Other Development / Project Costs			
8.1	Client Direct Costs	183,991	Funding Costs	61
8.2	Loose Fittings and Equipment	-	See Breakdown	0
	Sub-Total	22,056,291		7,303
9	Employer Risk Allowance	1,985,000	based on 9.0%	659
(C)	Project Cost Estimate (excl VAT)	24,041,291		7,961

ELEMENTAL BREAKDOWN

Description	Total	£/m2
Enabling Works	2,090,300	694
Ground remediation and stabilisation - Excluded	0	0
Remediation - Capping works to Princes Parade Site	2,090,300	694
Building Works	8,731,674	2,898
<i>Substructure</i>	<i>1,937,359</i>	<i>643</i>
Substructure	1,937,359	643
<i>Superstructure</i>	<i>3,317,313</i>	<i>1,101</i>
Frame	548,366	182
Upper Floors	120,520	40
Roof	828,575	275
Stairs	69,299	23
External Walls	662,860	220
Windows and External Doors	521,249	173
Internal Walls and Partitions	439,898	146
Internal Doors	126,546	42
<i>Internal Finishes</i>	<i>750,237</i>	<i>249</i>
Wall Finishes	280,209	93
Floor Finishes	286,235	95
Ceiling Finishes	183,793	61
<i>Fittings, Furnishings & Equipment</i>	<i>439,898</i>	<i>146</i>
Fittings, Furnishings & Equipment	439,898	146
<i>Services</i>	<i>2,286,867</i>	<i>759</i>
Sanitary Installations	39,169	13
Services Equipment	295,274	98
Disposal Installations	159,689	53
Water Installations	250,079	83
Heat Source	186,806	62
Space Heating and Air Conditioning	274,183	91
Ventilation	147,637	49
Electrical Installations	295,274	98
Fuel Installations	69,299	23
Lift and Conveyor Installations	30,130	10
Fire and Lightning Protection	54,234	18
Communication, Security and Control Systems	69,299	23
Specialist Installations	391,690	130
Builders Work In Connection with Services	24,104	8
Site Works	2,461,158	817
External Works	1,896,344	629
Drainage	487,654	162
External Services	77,160	26
Total	13,283,132	4,409

Appendix D

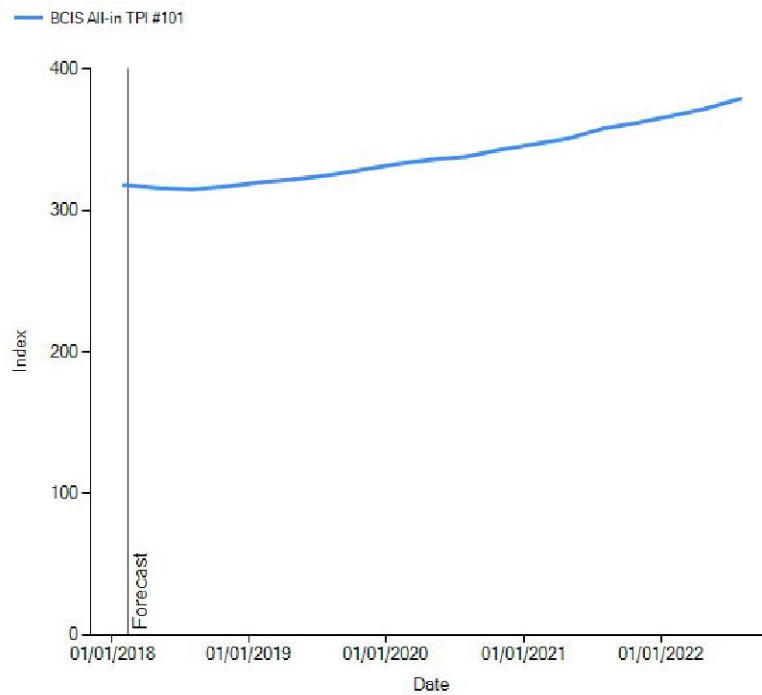
BCIS Cost Indices

BCIS All-in TPI #101

Base date: 1985 mean = 100 | Updated: 02-Feb-2018 | #101

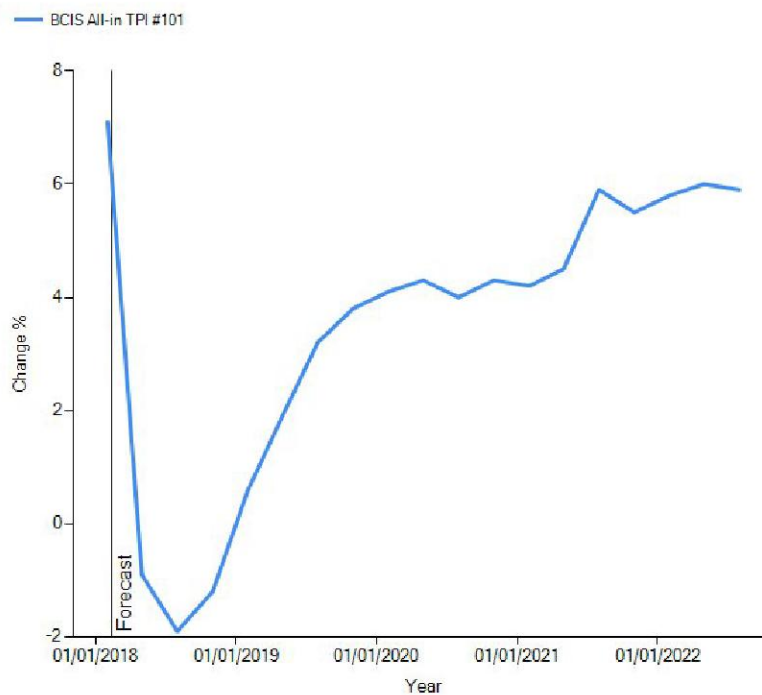
Date	Index	Sample	Percentage change		
			On year	On quarter	On month
1Q 2018	318	Forecast	7.1%	-0.9%	
2Q 2018	316	Forecast	-0.9%	-0.6%	
3Q 2018	315	Forecast	-1.9%	-0.3%	
4Q 2018	317	Forecast	-1.2%	0.6%	
1Q 2019	320	Forecast	0.6%	0.9%	
2Q 2019	322	Forecast	1.9%	0.6%	
3Q 2019	325	Forecast	3.2%	0.9%	
4Q 2019	329	Forecast	3.8%	1.2%	
1Q 2020	333	Forecast	4.1%	1.2%	
2Q 2020	336	Forecast	4.3%	0.9%	
3Q 2020	338	Forecast	4.0%	0.6%	
4Q 2020	343	Forecast	4.3%	1.5%	
1Q 2021	347	Forecast	4.2%	1.2%	
2Q 2021	351	Forecast	4.5%	1.2%	
3Q 2021	358	Forecast	5.9%	2.0%	
4Q 2021	362	Forecast	5.5%	1.1%	
1Q 2022	367	Forecast	5.8%	1.4%	
2Q 2022	372	Forecast	6.0%	1.4%	
3Q 2022	379	Forecast	5.9%	1.9%	

Index value over time



Percentage change over time

Percentage change: Year on year



Annexe B

Princes Parade Viability Cost Appraisal Report (Phases 1 - 2)

**Princes Parade Development
(Full Scheme)**

**Initial Viability Costs Appraisal
(including phasing; Phases 1 - 2)**

For

Shepway District Council

BETTERIDGE & MILSOM

Updated: 24/01/2018

Initial Viability Cost Appraisal (including phasing)
Updated: 24/01/2018

B&M Ref. 3375

Introduction

Betteridge & Milsom have been appointed to review initial viability costs for the Princes Parade Development following agreement of a draft phasing strategy. Further details can be found in Betteridge & Milsom's Initial Validation of Strategic Phasing Report (updated 20/08/2017). The following draft phasing strategy is currently proposed:

Phase 1

- a. Site Remediation Works (full site)

Phase 2

- b. Construction of Leisure Centre (*3397m2 GIFA Scheme*)
- c. Realignment of Princes Parade Road (including Relocation of Combined Sewer Drain)
- d. Construction of New Promenade
- e. Associated External Works and Drainage (including public car park space) for the above (items b to d inclusive)
- f. Associated Main Incoming Services

Phase 3

- g. Residential plots - Excluded

Phase 4

- h. Residential plots - Excluded

Cost Appraisal

The costs detailed in Betteridge and Milsom's Stage 1 Cost Plan (updated on 10th May 2017) have been updated to align with the above phases to ascertain the viability of the full scheme for Shepway District Council. Appendix A contains the detailed build-up of the costs below.

In summary, the headline costs are:

Construction Costs

Based on Betteridge and Milsom's Stage 1 Cost Plan (updated on 24th January 2019), the following construction costs have been calculated:

Phase 1 (Project Cost Estimate)	£3,679,691
Phase 2 (Project Cost Estimate)	£27,043,255
Total Construction Cost:	£30,722,946

Revenue

Initial Viability Cost Appraisal (including phasing)
Updated: 24/01/2018

B&M Ref. 3375

Income Source

Based on NQ's S106 (including index link adjustment), South Road Site, CIL, Affordable Housing S106c (all costs provided by Shepway District Council) and this schemes land value (selling 2 residential parcels, hotel and 6 custom plots) the following income source has been calculated:

Total Income Source: £26,676,878

Conclusion

Based on the above information / costs Shepway District Council will currently need to contribute circa £4.05million, which has been calculated as follows:

-£30,722,946.00	Expenditure for Construction of Phase 1 & 2
£12,376,878.00	Income from External Sources (excluding Princes Parade land sale)
£14,300,000.00	Income from Princes Parade Land Value (residential parcels & 6 custom build plots)
£4,046,068.00	Shepway District Council Contribution

The income from the land sale of the residential parcels assumes a developer's profit. Shepway District Council could ascertain additional income if they decided to construct the 45nr. affordable residential units (phase 3) themselves. Thus, saving the developer's profit on cost. However, there would be potential stamp duty, legals, marketing and sales costs.

**Shepway District Council
Princes Parade Development (Full Scheme)**



**Initial Viability Cost Appraisal (including phasing)
Updated: 24/01/2018**

B&M Ref. 3375

The viability of the scheme is solely dependant on successfully ascertaining the revenues proposed (as a minimum) for the residential units. If the strategy for the residential units or valuation changes or alters in any way the viability status may change. Thus, as validation of the scheme is still being developed, the above costs are subject to change.

Prepared by:

Paul Gannaway
For Betteridge & Milsom
Date: 24/01/2018

Appendix A

Betteridge & Milsom Initial Viability Cost Appraisal (including phasing) – Build-Up

1.00 CONSTRUCTION COST ESTIMATE SUMMARY

Elemental Cost Summary

Phase 1	Phase 2	Phase 3	Phase 4
Site Remediation Works	Construction of Leisure Centre (Based on 3013m2 GIFA Scheme)	Construction of Residential Units (East Parcel)	Construction of Residential Units (West Parcel)
E 2,090,300.00	E 12,381,900.00	E 5,900,300.00	E 18,878,700.00
	Realignment of Princes Parade Road (including relocation of combined sewer drain)	Associated External Works & Drainage (including construction of Central Open Space)	Construction of Boutique Hotel & Restaurant Building (shell and core)
	E 2,529,455.00	E 1,147,100.00	E 1,993,681.00
	Construction of New Promenade	Associated Services	Associated External Works & Drainage (including construction of Open Space & Linear Park)
	E 239,000.00	E 71,500.00	E 1,452,300.00
	Associated External Works & Drainage (including public car park)		Associated Services
	E 292,300.00		E 105,000.00
	Associated Services	E 728,400.00	
	E 728,400.00		
1.10 sub total	sub total	sub total	sub total
E 2,090,300.00	E 16,171,055.00	E 7,118,900.00	E 22,429,681.00
1.20 Main contractors preliminaries @ 13%	Main contractors preliminaries @ 13%	Main contractors preliminaries @ 13%	Main contractors preliminaries @ 13%
E 271,700.00	E 2,102,200.00	E 925,500.00	E 2,915,900.00
1.30 Main contractors OHP @ 8.5%	Main contractors OHP @ 8.5%	Main contractors OHP @ 8.5%	Main contractors OHP @ 8%
E 200,800.00	E 1,553,200.00	E 643,600.00	E 2,027,600.00
1.40 Construction Works estimate	Construction Works estimate	Construction Works estimate	Construction Works estimate
E 2,562,800.00	E 19,826,455.00	E 8,688,000.00	E 27,373,181.00
1.50 Risk allowance @ 10%	Risk allowance @ 10%	Risk allowance @ 10%	Risk allowance @ 10%
E 256,300.00	E 1,982,600.00	E 868,800.00	E 2,737,300.00
1.60 Contract Cost Estimate	Contract estimate	Contract estimate	Contract estimate
E 2,819,100.00	E 21,809,055.00	E 9,556,800.00	E 30,110,481.00
1.70 Project design/team fees @ 15%	Project design/team fees @ 15%	Project design/team fees @ 15%	Project design/team fees @ 15%
E 422,900.00	E 3,271,400.00	E 1,433,500.00	E 4,516,600.00
1.80 Client Direct Costs (CIL)		Developer Direct Costs (CIL) Zone C @ £100/unit	Developer Direct Costs (CIL) Zone C @ £100/unit
E -	E -	E -	E -
1.90 Employers risk allowance @ 9%	Employers risk allowance @ 9%	Employers risk allowance @ 9%	Employers risk allowance @ 1%
E 253,700.00	E 1,962,800.00	E 860,100.00	E 2,709,900.00
1.91 Funding Costs			
E 183,991.00			
1.10 Project cost estimate	Project cost estimate	Project cost estimate	Project cost estimate
E 3,679,691.00	E 27,043,255.00	E 11,850,400.00	E 37,336,981.00

2.00 REVENUE

2.10 Affordable - PHASE 3

Units	NB: Values as per DS viability schedule July 2017	Total
1 bed flats	8 units at £159,000 ea	E 1,272,000.00
2 bed flats	10 units at £159,000 ea	E 1,590,000.00
3 bed flats	8 units at £159,000 ea	E 1,272,000.00
2 bed houses	8 units at £159,000 ea	E 1,272,000.00
3 bed houses	8 units at £159,000 ea	E 1,272,000.00
4 bed houses	3 units at £159,000 ea	E 477,000.00
	45	E 7,155,000.00

2.20 Market / Private - PHASE 4

Units	NB: Values as per DS viability schedule July 2017	Total
1 bed flats	6 units at £462,000 ea	E 2,772,000.00
2 bed flats	60 units at £462,000 ea	E 27,720,000.00
3 bed flats	13 units at £462,000 ea	E 6,006,000.00
3 bed maisonette	8 units at £495,000 ea	E 3,960,000.00
3 bed houses	8 units at £495,000 ea	E 3,960,000.00
4 bed houses	10 units at £785,000 ea	E 7,850,000.00
	105	E 52,268,000.00


Total Income	E 59,423,000.00
Sales Fees	E 1,500,000.00
2.30 Total Revenue (incomes less sales fees)	E 57,923,000.00


3.00 INCOME SOURCE


NQ s106	E 4,792,344.50	index linked from Q1 2010 to Q3 2017 (BCIS TPI)
South Road site	E 5,000,000.00	assessment
CIL - Princes Parade Site	E 1,184,533.00	assessment
Affordable housing S106	E 1,400,000.00	assessment
Sub-total	E 12,376,877.50	
Princes Parade Land Value (residential parcels)	E 14,300,000.00	Based Savills' Viability Assessment: 2 resi parcels, hotel and 6 custom build plots
3.10 Total Income Source	E 26,676,877.50	


4.00 SDC Contribution

Phase 1 Project Cost Estimate	E 3,679,691.00	Ref 1.10
Phase 2 Project Cost Estimate	E 27,043,255.00	Ref 1.10
Less Total Income Source	-E 26,676,877.50	Ref 3.10
4.10 Total SDC Contribution	E 4,046,068.50	

Princes Parade, Hythe							
Cost Estimate							
Updated 20/08/2017 - Phasing Split							
Phasing Split							
Phase 1							
Phase 2							
Phase 3							
Phase 4							
							Notes
1.00	Site Clearance and Groundworks						
1.01	Site Clearance						
	Site vegetation clearance; grass	35840 m2	£	1.0	£	35,840	Some estimation through map and picture analysis.
	Site vegetation clearance; dense willow	6361 m2	£	1.5	£	9,542	
	Site vegetation clearance; dense fir hedge	1304 m2	£	1.5	£	1,956	
	Site vegetation clearance; dense undergrowth	1055 m2	£	1.5	£	1,583	
	Site vegetation clearance; dense unknown vegetation	30439 m2	£	1.5	£	45,659	This was unknown as not indicated on DWG, estimated through map and picture analysis
	Removal of pine tree	1 item	£	250.0	£	250	
						£ 94,829	
1.02	Preparatory Groundworks						Rates and quantities taken from Idom Merebrook cost assessment (circa Feb 2017)
	Strip 100mm top-soil and stockpile	7500 m3	£	3.5	£	26,250	
	Disposal of hazardous material	1500 m3	£	180.0	£	270,000	
	Disposal of non-hazardous material	3000 m3	£	85.0	£	255,000	
	Disposal of inert material	3000 m3	£	35.0	£	105,000	
	Imported soil	13500 m3	£	23.0	£	310,500	
	Gas protection layer	30000 m2	£	9.5	£	285,000	
	Groundwater remediation	1 item	£	45,000.0	£	45,000	
	Unforeseen contamination	1 item	£	50,000.0	£	50,000	
	Stabilisation for piling mat - screen	12000 m3	£	6.5	£	78,000	
	Stabilisation for piling mat - stabilise	12000 m3	£	21.0	£	252,000	
	Stabilisation for piling mat - 150mm running layer	4500 m3	£	25.0	£	112,500	
	Upgraded pipes	1944 m	£	110.0	£	213,840	
	Services arisings; hazardous	1166 m3	£	180.0	£	209,880	
	Services arisings; non-hazardous	1944 m3	£	85.0	£	165,240	
	Services arisings; Inert	778 m3	£	35.0	£	27,230	
	Deduct; for ground remediation allowance included in leisure centre cost plan	-1 item	£	410,000.0	-£	410,000	
						£ 1,995,440	
						Site Clearance & Groundworks Total:	£ 2,090,269
2.00	Residential Units						
2.01	Unit Construction						
	Affordable Flats - PHASE 3	12629 ft2	£	136.4	£	1,722,136	Refer to cross check on separate sheet
	Affordable Houses - PHASE 3	28841.96 ft2	£	132.2	£	3,813,813	
	Private Flats - PHASE 4	88147.5 ft2	£	140.5	£	12,384,360	
	Private Houses - PHASE 4	39399.98 ft2	£	136.4	£	5,372,725	
	Garages - PHASE 4	5 nr	£	12,000.0	£	60,000	
						£ 23,353,033	
2.02	Foundations						

Princes Parade, Hythe							
Cost Estimate							
Updated 20/08/2017 - Phasing Split							
Phasing Split							
Phase 1							
Phase 2							
Phase 3							
Phase 4							
							Notes
	Extra over for Piled foundations; residential only - PHASE 3	3470 m2	£	105.0	£	364,350	Assumed that piling is not accounted for within costs per m2 for unit construction
	Extra over for Piled foundations; residential only - PHASE 4	10111 m2	£	105.0	£	1,061,655	
						£ 1,426,005	
						Residential Units Total:	£ 24,779,038
3.00	Leisure Centre						
3.01	Unit Construction						
	Leisure Centre	1 item	£	12,381,900.0	£	12,381,900	B&M Construction Works Estimate Based on 3397m2 GIFA scheme
						£ 12,381,900	
						Leisure Centre Total:	£ 12,381,900
4.00	<u>Boutique hotel and restaurant building - Excluded</u>						
4.01	Unit Construction						
	Boutique hotel and restaurant building	1 item	£	1,993,681.0	£	1,993,681	Based on BCIS analysis for a shell & core only build.
						£ 1,993,681	
						Boutique Hotel & Café Building Total:	£ 1,993,681
5.00	<u>Canoe Club - Excluded</u>						EXCLUDED
5.01	Unit Construction						
	Canoe Club	1 item	£	-	£	-	
						£ -	
						Canoe Club Total:	£ -
6.00	<u>Information / food kiosk - Excluded</u>						EXCLUDED
6.01	Unit Construction						
	Information / food kiosk	1 item	£	-	£	-	
						£ -	
						Information / Food Kiosk Total:	£ -
7.00	<u>External Works</u>						
7.01	<u>Diversion of Princes Parade</u>						B&M Review Combined Rising Main Costs dated 23rd September 2016 (construction costs)
	Say 1200mm diameter pipe	1155 item	£	550.0	£	635,250	Foul water drainage diversion
	Extra over for disposal of excavated material (contaminated subsoil)	3465 m	£	75.0	£	259,875	
	Manholes and connections to existing system	2 m2	£	10,000.0	£	20,000	
	Manholes within line of new run;additional for orientation	4 m2	£	5,000.0	£	20,000	
	Formation of new Princes Parade road to the North of site;including traffic calming, kerbing and street lighting	866 m	£	1,400.0	£	1,212,400	
	Extra over for disposal of excavated material (contaminated subsoil)	3118 m3	£	75.0	£	233,850	
	Reinstatement of road surface; including preparation works; line markings (at ends)	180 m2	£	35.0	£	6,300	
						£ 2,387,675	
7.02	Other External Works						

Princes Parade, Hythe							
Cost Estimate							
Updated 20/08/2017 - Phasing Split							
Phasing Split							
Phase 1							
Phase 2							
Phase 3							
Phase 4							
							Notes
9.01	Electric						
	Electric - PHASE 2	1 item	£	300,000.0	£	300,000	As per Peter Brett Report dated June 2016 (refers to UKPN estimate dated 18/03/2016)
	PHASE 3	49 nr	£	250.0	£	12,250	Allowance for trenching or alike (150 residential buildings, restaurant/hotel, leisure centre, canoe club & information kiosk)
	PHASE 4	105 nr	£	250.0	£	26,250	
						£ 338,500	
9.02	Water						
	Water - PHASE 2	1 item	£	213,850.0	£	213,850	As per Peter Brett Report dated June 2016 (refers to Affinity Water estimate dated 14/04/2016)
	PHASE 3	49 nr	£	250.0	£	12,250	Allowance for trenching or alike (150 residential buildings, restaurant/hotel, leisure centre, canoe club & information kiosk)
	PHASE 4	105 nr	£	250.0	£	26,250	
						£ 252,350	
9.03	Gas						
	Gas - PHASE 2	1 item	£	192,000.0	£	192,000	As per Peter Brett Report dated June 2016 (refers to SGN estimate dated 01/04/2016)
	PHASE 3	49 nr	£	250.0	£	12,250	Allowance for trenching or alike (150 residential buildings, restaurant/hotel, leisure centre, canoe club & information kiosk)
	PHASE 4	105 nr	£	250.0	£	26,250	
						£ 230,500	
9.04	Telecommunications and Other						
	PHASE 3	49 nr	£	250.0	£	12,250	Allowance for trenching or alike (150 residential buildings, restaurant/hotel, leisure centre, canoe club & information kiosk)
	PHASE 4	105 nr	£	250.0	£	26,250	
						£ 38,500	
9.05	Street Lighting						
	Columns - PHASE 2	15 nr	£	1,500.0	£	22,500	Quantity estimated
	Columns - PHASE 3	15 nr	£	1,500.0	£	22,500	
						£ 45,000	
						Services Total: £ 904,850	
10.00	Soft Landscaping						
10.01	Seeding and Turfing						
	Grassed areas; private rear gardens - PHASE 3	1718 m2	£	11.0	£	18,898	Assumed turf
	Grassed areas; private rear gardens - PHASE 4	2600 m2	£	11.0	£	28,600	
	Grassed areas; communal grass areas - PHASE 2	1001 m2	£	11.0	£	11,011	Assumed turf
	Grassed areas; communal grass areas - PHASE 3	2290 m2	£	11.0	£	25,190	
	Grassed areas; open spaces - PHASE 4	27956 m2	£	8.0	£	223,648	Assumed grass
						£ 307,347	
10.02	External Planting						

Princes Parade, Hythe							
Cost Estimate							
Updated 20/08/2017 - Phasing Split							
Phasing Split							
Phase 1 Phase 2 Phase 3 Phase 4							
							Notes
	Architect	0 %	£ -	£ -			
	Employer's Agent / Quantity Surveyor	0 %	£ -	£ -			
	Structural Engineer / Civils Engineer	0 %	£ -	£ -			
	Landscape Architect	0 %	£ -	£ -			
	Mechanical Services Consultant	0 %	£ -	£ -			
	Electrical Services Consultant	0 %	£ -	£ -			
	Principal Designer	0 %	£ -	£ -			
	Network Rail Liaison	1 item	£ -	£ -			
	NHBC fees (per unit)	0 nr	£ -	£ -			
	All of the above	12 %	£ 64,344,838.1	£ 7,721,381			
					£ 7,721,381		
16.20	Other Fees / Surveys						
	Planning Application	1 item	£ -	£ -			
	Building Control	1 item	£ -	£ -			
	Ecology	1 item	£ -	£ -			
	Tree Survey	1 item	£ -	£ -			
	Flood Risk Assessment	1 item	£ -	£ -			
	Ground Investigation	1 item	£ -	£ -			
	Traffic Assessment	1 item	£ -	£ -			
	All of the above	2 %	£ 64,344,838.1	£ 1,286,897			
					£ 1,286,897		
						Project / Design Team Fees Total:	£ 9,008,277
17.00	Client Direct Costs - Excluded						
17.01	Site Purchase Costs						
	Site Value	1 item	£ -	£ -			
	Site Stamp Duty	1 item	£ -	£ -			
	Site Legal Fees	1 item	£ -	£ -			
					£ -		
17.02	Community Infrastructure Levy						
	Community Infrastructure Levy	1 item	£ 1,184,553.0	£ 1,184,553			
					£ 1,184,553		
17.03	Sales fees						
	Invest.sale Agents Fee	1 item	£ -	£ -			
	Invest.sale Legal Fees	1 item	£ -	£ -			
	Direct Sale Marketing	1 item	£ -	£ -			
					£ -		
						Client Direct Costs Total:	£ 1,184,553 EXCLUDED
18.00	Employer Risk Allowance						
18.01	Employer Risk Allowance	1 %	£ 74,537,668.5	£ 745,377			
						Employers Risk Allowance Total:	£ 745,377
(C)	Project Cost Estimate (excl VAT)						£ 75,283,045

Annexe C

Princes Parade Cost Plan Summary 3397m2 GIFA Scheme



COST SUMMARY

Base Date of Cost Plan	27-Feb-2018	
Gross Internal Floor Area	3397 m2	
Construction Works Estimate	15,180,847.00	Total (A) - see details below
Contract Cost Estimate	18,368,824.10	Total (B) - see details below
Project Cost Estimate (Exc. VAT)	21,228,464.79	Total (C) - see details below

Elemental Cost Summary

Ref	Description	Total (£)	Notes	£/m2
1	Construction Works			
1.1	Enabling Works	410,000	Ground Remediation	121
1.2	Substructure	2,184,000	See Breakdown	643
1.3	Superstructure	3,740,000	See Breakdown	1,101
1.4	Internal Finishes	846,000	See Breakdown	249
1.5	Fittings, Furnishings & Equipment	496,000	See Breakdown	146
1.6	Services	2,578,000	See Breakdown	759
1.7	Site Works	2,127,900	See Breakdown	626
	Sub-Total	12,381,900		3,645
2	Main Contractor's Preliminaries Estimate	1,609,647	based on 13.0%	474
	Sub-Total	13,991,547		4,119
3.1	Main Contractor's OHP (total 7.0%)	979,400	based on 7.0%	288
3.2	Scape OHP (?)	-	not applicable	0
3.3	Framework Fee (1.5%)	209,900	based on 1.5%	62
(A)	Construction Works Estimate (Total)	15,180,847		4,469
4	Inflation			
4.1	Tender Inflation Estimate	-	above figures based	0
4.2	Construction Inflation Estimate	-	above figures based	0
5	Risk Allowances Estimate			
5.1	Design Development Risks Estimate	759,042	based on 5.0%	223
5.2	Construction Risks Estimate	759,042	based on 5.0%	223
5.3	Dayworks	-	not applicable	0
	Sub-Total	16,698,931		4,916
6	Main Contractor Fees / Surveys			
6.1	Pre Construction Fees	-	included in 6.2	0
6.2	Professional / Design Fees	1,502,904	based on 9.0%	442
6.3	Surveys / Reports	166,989	based on 1.0%	49
(B)	Contract Cost Estimate (Total)	18,368,824		5,407
7	Project/Design Team Fees			
7.1	Client Direct Consultant Fees	551,065	based on 3.0%	162
7.2	Other Fees / Surveys	371,585	based on 2.0%	109
	Sub-Total	19,291,474		5,679
8	Other Development / Project Costs			
8.1	Client Direct Costs	183,991	Funding Costs	54
8.2	Loose Fittings and Equipment	-	See Breakdown	0
	Sub-Total	19,475,465		5,733
9	Employer Risk Allowance	1,753,000	based on 9.0%	516
(C)	Project Cost Estimate (excl VAT)	21,228,465		6,249

ELEMENTAL BREAKDOWN

Description	Total	£/m2
Enabling Works	410,000	121
Ground remediation and stabilisation	410,000	121
Building Works	9,844,506	2,898
<i>Substructure</i>	<i>2,184,271</i>	<i>643</i>
Substructure	2,184,271	643
<i>Superstructure</i>	<i>3,740,097</i>	<i>1,101</i>
Frame	618,254	182
Upper Floors	135,880	40
Roof	934,175	275
Stairs	78,131	23
External Walls	747,340	220
Windows and External Doors	587,681	173
Internal Walls and Partitions	495,962	146
Internal Doors	142,674	42
<i>Internal Finishes</i>	<i>845,853</i>	<i>249</i>
Wall Finishes	315,921	93
Floor Finishes	322,715	95
Ceiling Finishes	207,217	61
<i>Fittings, Furnishings & Equipment</i>	<i>495,962</i>	<i>146</i>
Fittings, Furnishings & Equipment	495,962	146
<i>Services</i>	<i>2,578,323</i>	<i>759</i>
Sanitary Installations	44,161	13
Services Equipment	332,906	98
Disposal Installations	180,041	53
Water Installations	281,951	83
Heat Source	210,614	62
Space Heating and Air Conditioning	309,127	91
Ventilation	166,453	49
Electrical Installations	332,906	98
Fuel Installations	78,131	23
Lift and Conveyor Installations	33,970	10
Fire and Lightning Protection	61,146	18
Communication, Security and Control Systems	78,131	23
Specialist Installations	441,610	130
Builders Work in Connection with Services	27,176	8
Site Works	2,127,900	626
External Works	1,515,714	446
Drainage	530,442	156
External Services	81,744	24
Total	12,382,406	3,645

Annexe D

Princes Parade Cost Plan Summary 3013m2 GIFA Scheme

Initial Viability Cost Appraisal (including phasing)
Updated: 24/01/2018

B&M Ref. 3375

Introduction

Betteridge & Milsom have been appointed to review initial viability costs for the Princes Parade Development following agreement of a draft phasing strategy. Further details can be found in Betteridge & Milsom's Initial Validation of Strategic Phasing Report (updated 20/08/2017). The following draft phasing strategy is currently proposed:

Phase 1

- a. Site Remediation Works (full site)

Phase 2

- b. Construction of a 3013m2 GIFA Leisure Centre
- c. Realignment of Princes Parade Road (including Relocation of Combined Sewer Drain)
- d. Construction of New Promenade
- e. Associated External Works and Drainage (including public car park space) for the above (items b to d inclusive)
- f. Associated Main Incoming Services

Phase 3

- g. Residential plots - Excluded

Phase 4

- h. Residential plots - Excluded

Cost Appraisal

The costs detailed in Betteridge and Milsom's Stage 1 Cost Plan (updated on 10th May 2017) have been updated to align with the above phases to ascertain the viability of the full scheme for Shepway District Council. Appendix A contains the detailed build-up of the costs below.

In summary, the headline costs are:

Construction Costs

Based on Betteridge and Milsom's Stage 1 Cost Plan (updated on 24th January 2018), the following construction costs have been calculated:

Phase 1 (Project Cost Estimate)	£3,679,691
Phase 2 (Project Cost Estimate)	£25,105,255
Total Construction Cost:	£28,784,946

Revenue

Income Source

Based on NQ's S106 (including index link adjustment), South Road Site, CIL, Affordable Housing S106c (all costs provided by Shepway District Council) and this schemes land value (selling 2 residential parcels, hotel and 6 custom plots) the following income source has been calculated:

Total Income Source: £26,676,878

Conclusion

Based on the above information / costs Shepway District Council will currently need to contribute circa £2.1million, which has been calculated as follows:

-£28,784,946.00	Expenditure for Construction of Phase 1 & 2
£12,376,878.00	Income from External Sources (excluding Princes Parade land sale)
£14,300,000.00	Income from Princes Parade Land Value (residential parcels & 6 custom build plots)
£2,108,068.00	Shepway District Council Contribution

The income from the land sale of the residential parcels assumes a developer's profit. Shepway District Council could ascertain additional income if they decided to construct the 45nr. affordable residential units (phase 3) themselves. Thus, saving the developer's profit on cost. However, there would be potential stamp duty, legals, marketing and sales costs.

**Shepway District Council
Princes Parade Development (3013m2 Scheme)**



**Initial Viability Cost Appraisal (including phasing)
Updated: 24/01/2018**

B&M Ref. 3375

The viability of the scheme is solely dependant on successfully ascertaining the revenues proposed (as a minimum) for the residential units. If the strategy for the residential units or valuation changes or alters in any way the viability status may change. Thus, as validation of the scheme is still being developed, the above costs are subject to change.

Prepared by:

Paul Gannaway
For Betteridge & Milsom
Date: 24/01/2018

Appendix A

Betteridge & Milsom Initial Viability Cost Appraisal (including phasing) – Build-Up

1.00 CONSTRUCTION COST ESTIMATE SUMMARY

Elemental Cost Summary

Phase 1	Phase 2	Phase 3	Phase 4
Site Remediation Works	Construction of Leisure Centre Realignment of Princes Parade Road (including relocation of combined sewer drain) Construction of New Promenade Associated External Works & Drainage (including public car park) Associated Services	Construction of Residential Units (East Parcel) Associated External Works & Drainage (including construction of Central Open Space) Associated Services	Construction of Residential Units (West Parcel) Construction of Boutique Hotel & Restaurant Building (shell and core) Associated External Works & Drainage (including construction of Open Space & Linear Park) Associated Services
E 2,090,300.00	E 11,222,900.00 E 2,529,455.00 E 239,000.00 E 292,300.00 E 728,400.00	E 5,900,300.00 E 1,147,100.00 E 71,500.00	E 18,878,700.00 E 1,993,681.00 E 1,452,300.00 E 105,000.00
1.10 sub total	sub total	sub total	sub total
E 2,090,300.00	E 15,012,055.00	E 7,118,900.00	E 22,429,681.00
1.20 Main contractors preliminaries @ 13%	Main contractors preliminaries @ 13%	Main contractors preliminaries @ 13%	Main contractors preliminaries @ 13%
E 271,700.00	E 1,951,600.00	E 925,500.00	E 2,915,900.00
1.30 Main contractors OHP @ 8.5%	Main contractors OHP @ 8.5%	Main contractors OHP @ 8.5%	Main contractors OHP @ 8.5%
E 200,800.00	E 1,441,900.00	E 643,600.00	E 2,027,600.00
1.40 Construction Works estimate	Construction Works estimate	Construction Works estimate	Construction Works estimate
E 2,562,800.00	E 18,405,555.00	E 8,688,000.00	E 27,373,181.00
1.50 Risk allowance @ 10%	Risk allowance @ 10%	Risk allowance @ 10%	Risk allowance @ 10%
E 256,300.00	E 1,840,600.00	E 868,800.00	E 2,737,300.00
1.60 Contract Cost Estimate	Contract estimate	Contract estimate	Contract estimate
E 2,819,100.00	E 20,246,155.00	E 9,556,800.00	E 30,110,481.00
1.70 Project design/team fees @ 15%	Project design/team fees @ 15%	Project design/team fees @ 15%	Project design/team fees @ 15%
E 422,900.00	E 3,036,900.00	E 1,433,500.00	E 4,516,600.00
1.80 Client Direct Costs (CIL)		Developer Direct Costs (CIL) Zone C @ £100/unit	Developer Direct Costs (CIL) Zone C @ £100/unit
E -	E -	E -	E -
1.90 Employers risk allowance @ 9%	Employers risk allowance @ 9%	Employers risk allowance @ 9%	Employers risk allowance @ 1%
E 253,700.00	E 1,822,200.00	E 860,100.00	E 2,709,900.00
1.91 Funding Costs			
E 183,991.00			
1.10 Project cost estimate	Project cost estimate	Project cost estimate	Project cost estimate
E 3,679,691.00	E 25,105,255.00	E 11,850,400.00	E 37,336,981.00

2.00 REVENUE

2.10 Affordable - PHASE 3

Units	NB: Values as per DS viability schedule July 2017	Total
1 bed flats	8 units at £159,000 ea	E 1,272,000.00
2 bed flats	10 units at £159,000 ea	E 1,590,000.00
3 bed flats	8 units at £159,000 ea	E 1,272,000.00
2 bed houses	8 units at £159,000 ea	E 1,272,000.00
3 bed houses	8 units at £159,000 ea	E 1,272,000.00
4 bed houses	3 units at £159,000 ea	E 477,000.00
45		E 7,155,000.00

2.20 Market / Private - PHASE 4

Units	NB: Values as per DS viability schedule July 2017	Total
1 bed flats	6 units at £462,000 ea	E 2,772,000.00
2 bed flats	60 units at £462,000 ea	E 27,720,000.00
3 bed flats	13 units at £462,000 ea	E 6,006,000.00
3 bed maisonette	8 units at £495,000 ea	E 3,960,000.00
3 bed houses	8 units at £495,000 ea	E 3,960,000.00
4 bed houses	10 units at £785,000 ea	E 7,850,000.00
105		E 52,268,000.00


Total Income	E 59,423,000.00
Sales Fees	E 1,500,000.00
2.30 Total Revenue (incomes less sales fees)	E 57,923,000.00


3.00 INCOME SOURCE


NQ s106	E 4,792,344.50	index linked from Q1 2010 to Q3 2017 (BCIS TPI)
South Road site	E 5,000,000.00	assessment
CIL - Princes Parade Site	E 1,184,533.00	assessment
Affordable housing S106	E 1,400,000.00	assessment
Sub-total	E 12,376,877.50	
Princes Parade Land Value (residential parcels)	E 14,300,000.00	Based Savills' Viability Assessment: 2 resi parcels, hotel and 6 custom build plots
3.10 Total Income Source	E 26,676,877.50	


4.00 SDC Contribution


Phase 1 Project Cost Estimate	E 3,679,691.00	Ref 1.10
Phase 2 Project Cost Estimate	E 25,105,255.00	Ref 1.10
Less Total Income Source	-E 26,676,877.50	Ref 3.10
4.10 Total SDC Contribution	E 2,108,068.50	

Princes Parade, Hythe							
Cost Estimate							
Updated 20/08/2017 - Phasing Split							
Phasing Split							
Phase 1							
Phase 2							
Phase 3							
Phase 4							
							Notes
1.00	Site Clearance and Groundworks						
1.01	Site Clearance						
	Site vegetation clearance; grass	35840 m2	£	1.0	£	35,840	Some estimation through map and picture analysis.
	Site vegetation clearance; dense willow	6361 m2	£	1.5	£	9,542	
	Site vegetation clearance; dense fir hedge	1304 m2	£	1.5	£	1,956	
	Site vegetation clearance; dense undergrowth	1055 m2	£	1.5	£	1,583	
	Site vegetation clearance; dense unknown vegetation	30439 m2	£	1.5	£	45,659	This was unknown as not indicated on DWG, estimated through map and picture analysis
	Removal of pine tree	1 item	£	250.0	£	250	
						£ 94,829	
1.02	Preparatory Groundworks						Rates and quantities taken from Idom Merebrook cost assessment (circa Feb 2017)
	Strip 100mm top-soil and stockpile	7500 m3	£	3.5	£	26,250	
	Disposal of hazardous material	1500 m3	£	180.0	£	270,000	
	Disposal of non-hazardous material	3000 m3	£	85.0	£	255,000	
	Disposal of inert material	3000 m3	£	35.0	£	105,000	
	Imported soil	13500 m3	£	23.0	£	310,500	
	Gas protection layer	30000 m2	£	9.5	£	285,000	
	Groundwater remediation	1 item	£	45,000.0	£	45,000	
	Unforeseen contamination	1 item	£	50,000.0	£	50,000	
	Stabilisation for piling mat - screen	12000 m3	£	6.5	£	78,000	
	Stabilisation for piling mat - stabilise	12000 m3	£	21.0	£	252,000	
	Stabilisation for piling mat - 150mm running layer	4500 m3	£	25.0	£	112,500	
	Upgraded pipes	1944 m	£	110.0	£	213,840	
	Services arisings; hazardous	1166 m3	£	180.0	£	209,880	
	Services arisings; non-hazardous	1944 m3	£	85.0	£	165,240	
	Services arisings; Inert	778 m3	£	35.0	£	27,230	
	Deduct; for ground remediation allowance included in leisure centre cost plan	-1 item	£	410,000.0	-£	410,000	
						£ 1,995,440	
						Site Clearance & Groundworks Total:	£ 2,090,269
2.00	Residential Units						
2.01	Unit Construction						
	Affordable Flats - PHASE 3	12629 ft2	£	136.4	£	1,722,136	Refer to cross check on separate sheet
	Affordable Houses - PHASE 3	28841.96 ft2	£	132.2	£	3,813,813	
	Private Flats - PHASE 4	88147.5 ft2	£	140.5	£	12,384,360	
	Private Houses - PHASE 4	39399.98 ft2	£	136.4	£	5,372,725	
	Garages - PHASE 4	5 nr	£	12,000.0	£	60,000	
						£ 23,353,033	
2.02	Foundations						

Princes Parade, Hythe							
Cost Estimate							
Updated 20/08/2017 - Phasing Split							
Phasing Split							
Phase 1							
Phase 2							
Phase 3							
Phase 4							
							Notes
	Extra over for Piled foundations; residential only - PHASE 3	3470 m2	£	105.0	£	364,350	Assumed that piling is not accounted for within costs per m2 for unit construction
	Extra over for Piled foundations; residential only - PHASE 4	10111 m2	£	105.0	£	1,061,655	
						£ 1,426,005	
						Residential Units Total:	£ 24,779,038
3.00	<u>Leisure Centre</u>						
3.01	Unit Construction						
	Leisure Centre	1 item	£	11,222,900.0	£	11,222,900	B&M Construction Works Estimate Based on 3013m2 GIFA scheme (as per planning submission)
						£ 11,222,900	
						Leisure Centre Total:	£ 11,222,900
4.00	<u>Boutique hotel and restaurant building - Excluded</u>						
4.01	Unit Construction						
	Boutique hotel and restaurant building	1 item	£	1,993,681.0	£	1,993,681	Based on BCIS analysis for a shell & core only build.
						£ 1,993,681	
						Boutique Hotel & Café Building Total:	£ 1,993,681
5.00	<u>Canoe Club - Excluded</u>						EXCLUDED
5.01	Unit Construction						
	Canoe Club	1 item	£	-	£	-	
						£ -	
						Canoe Club Total:	£ -
6.00	<u>Information / food kiosk - Excluded</u>						
6.01	Unit Construction						
	Information / food kiosk	1 item	£	-	£	-	
						£ -	
						Information / Food Kiosk Total:	£ -
7.00	<u>External Works</u>						
7.01	Diversion of Princes Parade						B&M Review Combined Rising Main Costs dated 23rd September 2016 (construction costs)
	Say 1200mm diameter pipe	1155 item	£	550.0	£	635,250	Foul water drainage diversion
	Extra over for disposal of excavated material (contaminated subsoil)	3465 m	£	75.0	£	259,875	
	Manholes and connections to existing system	2 m2	£	10,000.0	£	20,000	
	Manholes within line of new run;additional for orientation	4 m2	£	5,000.0	£	20,000	
	Formation of new Princes Parade road to the North of site;including traffic calming, kerbing and street lighting	866 m	£	1,400.0	£	1,212,400	
	Extra over for disposal of excavated material (contaminated subsoil)	3118 m3	£	75.0	£	233,850	
	Reinstatement of road surface; including preparation works; line markings (at ends)	180 m2	£	35.0	£	6,300	
						£ 2,387,675	

Princes Parade, Hythe								
Cost Estimate								
Updated 20/08/2017 - Phasing Split								
Phasing Split								
Phase 1								
Phase 2								
Phase 3								
Phase 4								
							Notes	
7.02	Other External Works							
	Other roads (non-Princes Parade road) - PHASE 2	1976 m2	£	95.0	£	187,720		
	Other roads (non-Princes Parade road) - PHASE 3	1488 m2	£	95.0	£	141,360		
	Other roads (non-Princes Parade road) - PHASE 4	1693 m2	£	95.0	£	160,835		
	Kerbs to other roads - PHASE 2	467 m	£	30.0	£	14,010		
	Kerbs to other roads - PHASE 3	668 m	£	30.0	£	20,040		
	Kerbs to other roads - PHASE 4	614 m	£	30.0	£	18,420		
	Footpaths - PHASE 2	411 m2	£	50.0	£	20,550		
	Footpaths - PHASE 3 (RESI)	214 m2	£	50.0	£	10,700		
	Footpaths - PHASE 3 (OPEN SPACE)	372 m2	£	50.0	£	18,600		
	Footpaths - PHASE 4	1266 m2	£	50.0	£	63,300		
	Footpath; between canoe club and beach - PHASE 2	409 m2	£	100.0	£	40,900	Allowed for special finish	
	Footpath; between RMC bridge and promenade - PHASE 3 (OPEN SPACE)	550 m2	£	100.0	£	55,000	Allowed for special finish	
	Parking bays; street - PHASE 2	1869 m2	£	85.0	£	158,865		
	Parking bays; public parking off-street - PHASE 2	1668 m2	£	85.0	£	141,780		
	Parking bays; private - PHASE 3 (RESI)	1595 m2	£	85.0	£	135,575		
	Parking bays; private - PHASE 4	1711 m2	£	85.0	£	145,435		
	Other hard surfacings; unknown make up and finish - PHASE 2	750 m2	£	85.0	£	63,750		
	Other hard surfacings; unknown make up and finish - PHASE 3 (RESI)	1307 m2	£	85.0	£	111,095		
	Other hard surfacings; unknown make up and finish - PHASE 4	3513 m2	£	85.0	£	298,605		
	Patios - PHASE 3	290 m2	£	45.0	£	13,050	10m2 allowed per ground floor unit	
	Patios - PHASE 4	460 m2	£	45.0	£	20,700		
	Playground areas - PHASE 3	464 m2	£	70.0	£	32,480	Assumed rubber safety mat or alike special finish. Playground equipment excluded.	
	Making good promenade after diversion of Princes Parade road - PHASE 2	4780 m2	£	105.0	£	501,900		
	Allowance for jetty to canoe club and enhancement to access route between canoe club and beach - PHASE 2	1 item	£	50,000.0	£	50,000		
	Heritage Works across site (See separate TAB) - Triggered in Phase 2	1 item	£	120,000.0	£	120,000		
	Allowance for enhanced external 'features' - PHASE 3	1 item	£	100,000.0	£	100,000		
	Deduct; external works allowance included in leisure centre cost plan - PHASE 2	-1 item	£	882,809.0	-£	882,809		
					£	1,761,861		
					External Works Total:	£ 4,149,536		
8.00	Drainage							
8.01	Surface Water Drainage							
	Surface water drainage - PHASE 2	11785 m2	£	20.0	£	235,695		
	Surface water drainage - PHASE 3	14358 m2	£	20.0	£	287,162		
	Surface water drainage - PHASE 4	14047 m2	£	20.0	£	280,931		
					£	803,789		
8.02	Foul Water Drainage							
	Foul Water Drainage - PHASE 2	4268 m2	£	30.0	£	128,040		
	Foul Water Drainage - PHASE 3	4777 m2	£	30.0	£	143,310		
	Foul Water Drainage - PHASE 4	4777 m2	£	30.0	£	143,310		
					£	414,660		
					Drainage Total:	£ 1,218,449		

Princes Parade, Hythe							
Cost Estimate							
Updated 20/08/2017 - Phasing Split							
Phasing Split							
Phase 1							
Phase 2							
Phase 3							
Phase 4							
							Notes
10.02	External Planting						
	Trees; large semi-mature trees - PHASE 4	32 Nr	£ 400.0	£ 12,800			
					£ 12,800		
						Soft Landscaping Total:	£ 320,147
11.00	Fencing, Railings and Walls						
11.01	Fencing and Railings						
	Fencing; to all rear gardens - PHASE 3	694 m	£ 40.0	£ 27,753			Assumed 1.8m high timber fencing with concrete posts
	Fencing; to all rear gardens - PHASE 4	1017 m	£ 40.0	£ 40,696			
	Fencing; to front courtyards - PHASE 3	390 m	£ 10.0	£ 3,900			Assumed picket fencing or alike
	Fencing; to front courtyards - PHASE 4	4 m	£ 10.0	£ 40			
	Garden gates; details to be stated - PHASE 4	75 Nr	£ 200.0	£ 15,000			Assumed timber gates to match timber fencing
					£ 87,389		
						Fencing, Railings & Walls:	£ 87,389
12.00	Off Site Highway Works						
12.01	Junction Works						
	Connection to existing footpath - PHASE 2	1 nr	£ 3,000.0	£ 3,000			
	Connection to existing footpath - PHASE 3	1 nr	£ 3,000.0	£ 3,000			
					£ 6,000		
						Off Site Highway Works Total:	£ 6,000
						CONSTRUCTION WORKS (EXCLUDING PRELIMINARIES, OH&P AND CONTINGENCY) SUB-TOTAL:	£ 46,772,258
13.00	Construction Preliminaries						
13.01	Preliminaries	13 %	£ 46,772,258.1	£ 6,080,394			£ 6,080,394
14.00	Construction Overheads and Profit						
14.01	Overheads & Profit	8 %	£ 52,852,651.7	£ 4,228,212			£ 4,228,212
(A)	Construction Works Estimate (Total)						£ 57,080,864
15.00	Contingency						
15.01	Design Development Risks Estimate	5 %	£ 57,080,863.8	£ 2,854,043			
15.02	Construction Risks Estimate	5 %	£ 57,080,863.8	£ 2,854,043			
					£ 5,708,086		
							£ 5,708,086
(B)	Contract Cost Estimate (Total)						£ 62,788,950
16.00	Project / Design Team Fees						

Princes Parade, Hythe							
Cost Estimate							
Updated 20/08/2017 - Phasing Split							
Phasing Split							
Phase 1							
Phase 2							
Phase 3							
Phase 4							
							Notes
16.01	Client Direct Consultant Fees						
	Architect	0 %	£ -	£ -			
	Employer's Agent / Quantity Surveyor	0 %	£ -	£ -			
	Structural Engineer / Civils Engineer	0 %	£ -	£ -			
	Landscape Architect	0 %	£ -	£ -			
	Mechanical Services Consultant	0 %	£ -	£ -			
	Electrical Services Consultant	0 %	£ -	£ -			
	Principal Designer	0 %	£ -	£ -			
	Network Rail Liaison	1 item	£ -	£ -			
	NHBC fees (per unit)	0 nr	£ -	£ -			
	All of the above	12 %	£ 62,788,950.2	£ 7,534,674			
					£ 7,534,674		
16.20	Other Fees / Surveys						
	Planning Application	1 item	£ -	£ -			
	Building Control	1 item	£ -	£ -			
	Ecology	1 item	£ -	£ -			
	Tree Survey	1 item	£ -	£ -			
	Flood Risk Assessment	1 item	£ -	£ -			
	Ground Investigation	1 item	£ -	£ -			
	Traffic Assessment	1 item	£ -	£ -			
	All of the above	2 %	£ 62,788,950.2	£ 1,255,779			
					£ 1,255,779		
						Project / Design Team Fees Total:	£ 8,790,453
17.00	Client Direct Costs - Excluded						
17.01	Site Purchase Costs						
	Site Value	1 item	£ -	£ -			
	Site Stamp Duty	1 item	£ -	£ -			
	Site Legal Fees	1 item	£ -	£ -			
					£ -		
17.02	Community Infrastructure Levy						
	Community Infrastructure Levy	1 item	£ 1,184,553.0	£ 1,184,553			
					£ 1,184,553		
17.03	Sales fees						
	Invest.sale Agents Fee	1 item	£ -	£ -			
	Invest.sale Legal Fees	1 item	£ -	£ -			
	Direct Sale Marketing	1 item	£ -	£ -			
					£ -		
						Client Direct Costs Total:	£ 1,184,553 EXCLUDED
18.00	Employer Risk Allowance						
18.01	Employer Risk Allowance	1 %	£ 72,763,956.2	£ 727,640			
						Employers Risk Allowance Total:	£ 727,640

Princes Parade, Hythe							
Cost Estimate							
Updated 20/08/2017 - Phasing Split							
	Phasing Split						
	Phase 1						
	Phase 2						
	Phase 3						
	Phase 4						
							Notes
(C)	Project Cost Estimate (excl VAT)					£ 73,491,596	





COST SUMMARY

Base Date of Cost Plan	13-Feb-2018	
Gross Internal Floor Area	3013 m2	
Construction Works Estimate	13,759,777.00	Total (A) - see details below
Contract Cost Estimate	16,649,330.50	Total (B) - see details below
Project Cost Estimate (Exc. VAT)	19,259,602.56	Total (C) - see details below

Elemental Cost Summary

Ref	Description	Total (£)	Notes	£/m2
1	Construction Works			
1.1	Enabling Works	364,000	Ground Remediation	121
1.2	Substructure	1,937,000	See Breakdown	643
1.3	Superstructure	3,317,000	See Breakdown	1,101
1.4	Internal Finishes	750,000	See Breakdown	249
1.5	Fittings, Furnishings & Equipment	440,000	See Breakdown	146
1.6	Services	2,287,000	See Breakdown	759
1.7	Site Works	2,127,900	See Breakdown	706
	Sub-Total	11,222,900		3,725
2	Main Contractor's Preliminaries Estimate	1,458,977	based on 13.0%	484
	Sub-Total	12,681,877		4,209
3.1	Main Contractor's OHP (total 7.0%)	887,700	based on 7.0%	295
3.2	Scape OHP (?)	-	not applicable	0
3.3	Framework Fee (1.5%)	190,200	based on 1.5%	63
(A)	Construction Works Estimate (Total)	13,759,777		4,567
4	Inflation			
4.1	Tender Inflation Estimate	-	above figures based	0
4.2	Construction Inflation Estimate	-	above figures based	0
5	Risk Allowances Estimate			
5.1	Design Development Risks Estimate	687,989	based on 5.0%	228
5.2	Construction Risks Estimate	687,989	based on 5.0%	228
5.3	Dayworks	-	not applicable	0
	Sub-Total	15,135,755		5,023
6	Main Contractor Fees / Surveys			
6.1	Pre Construction Fees	-	included in 6.2	0
6.2	Professional / Design Fees	1,362,218	based on 9.0%	452
6.3	Surveys / Reports	151,358	based on 1.0%	50
(B)	Contract Cost Estimate (Total)	16,649,331		5,526
7	Project/Design Team Fees			
7.1	Client Direct Consultant Fees	499,480	based on 3.0%	166
7.2	Other Fees / Surveys	336,801	based on 2.0%	112
	Sub-Total	17,485,612		5,803
8	Other Development / Project Costs			
8.1	Client Direct Costs	183,991	Funding Costs	61
8.2	Loose Fittings and Equipment	-	See Breakdown	0
	Sub-Total	17,669,603		5,864
9	Employer Risk Allowance	1,590,000	based on 9.0%	528
(C)	Project Cost Estimate (excl VAT)	19,259,603		6,392

ELEMENTAL BREAKDOWN

Description	Total	£/m2
Enabling Works	363,653	121
Ground remediation and stabilisation	363,653	121
Building Works	8,731,674	2,898
<i>Substructure</i>	<i>1,937,359</i>	<i>643</i>
Substructure	1,937,359	643
<i>Superstructure</i>	<i>3,317,313</i>	<i>1,101</i>
Frame	548,366	182
Upper Floors	120,520	40
Roof	828,575	275
Stairs	69,299	23
External Walls	662,860	220
Windows and External Doors	521,249	173
Internal Walls and Partitions	439,898	146
Internal Doors	126,546	42
<i>Internal Finishes</i>	<i>750,237</i>	<i>249</i>
Wall Finishes	280,209	93
Floor Finishes	286,235	95
Ceiling Finishes	183,793	61
<i>Fittings, Furnishings & Equipment</i>	<i>439,898</i>	<i>146</i>
Fittings, Furnishings & Equipment	439,898	146
<i>Services</i>	<i>2,286,867</i>	<i>759</i>
Sanitary Installations	39,169	13
Services Equipment	295,274	98
Disposal Installations	159,689	53
Water Installations	250,079	83
Heat Source	186,806	62
Space Heating and Air Conditioning	274,183	91
Ventilation	147,637	49
Electrical Installations	295,274	98
Fuel Installations	69,299	23
Lift and Conveyor Installations	30,130	10
Fire and Lightning Protection	54,234	18
Communication, Security and Control Systems	69,299	23
Specialist Installations	391,690	130
Builders Work in Connection with Services	24,104	8
Site Works	2,127,900	706
External Works	1,515,714	503
Drainage	530,442	176
External Services	81,744	27
Total	11,223,227	3,725