



Leading learning and skills

FURTHER EDUCATION COLLEGES

**TYPICAL COST
MODELS**

ISSUE NR 5

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USER GUIDE

The basis upon which the three cost models have been prepared offers an example of a range of costs which are appropriate to a typical new building. Each model is related to a specific geographical location recognising the LSC regions and are noted and described in terms of:

- Gross internal floor area
- Storey heights
- General specification
- Location
- Procurement route
- Sustainability standards

Model One	-	Relates to London and the South East, together with Essex, Hertfordshire and Cambridgeshire*
Model Two	-	Relates to the East and West Midlands, East and South West of England.
Model Three	-	Relates to Yorkshire, Humberside and the North East and North West of England.

* Please refer to page 34 for regional identification

The application of an AIP or AID submission to the appropriate model will be undertaken by a three stage process, namely:

- Geographical location
- Identifying whether the scheme broadly relates to the areas, storey heights and general specification of the model
- Questioning whether the proposed scheme has truly exceptional elements which sit outside the scope of the model

Guidance on such matters is provided hereafter.

The guidelines cannot be fully comprehensive and are not intended to provide a means of assessing every type of scheme.

However they do offer a range of data which provides indicative cost levels for:

- Substantial typical new build projects
- Three new build model types each relating to an identified geographical location
- Refurbishment schemes reflecting a full, medium or minimal scope of work

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Gleeds

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CHANGES FROM PREVIOUS ISSUE DATED MARCH 2009

- Each model has been updated to reflect present day costs at June 2009 (previously March 2009).
- The typical programme dates have been amended to reflect a June 2009 date for receipt of tender, present day, excluding forward inflation.
- The March 2009 costs have been further reduced to allow for deflation between that date and June 2009, excluding VAT:

London and the South East of England, Essex, Hertfordshire and Cambridgeshire	-2.5%
East and West Midlands and the East and South West of England	-2.5%
Yorkshire, Humberside and the North East and North West of England	-2.5%
- An additional base cost of £141/m² has been included within the Superstructure and M&E elements in each of the models to reflect the step up from a Very Good BREEAM rating to an Excellent BREEAM rating, with the associated fees and VAT elements also being incorporated, creating a gross increase of £183/m² present day (June 2009).
- Note it is now mandatory for Whole Life Costing analysis to be returned with AIP's and AID's.
- The allowances for refurbishment have been reduced by 5.5% to reflect market conditions.
- Please note the references to changes in VAT legislation which are noted on page 32.
- Allowance for BREEAM Excellent has now been absorbed into Superstructure (40%) and M&E (60%).
- Lift & Conveyor Installation has been reduced to better reflect a typical College's lift requirement. Additionally allowances for External Works have been increased, based on typical colleges' scope for externals.

NOTE: A schools and smaller project model is being progressed.

EXECUTIVE SUMMARY

The purpose of the study has been to create three cost models which relate to typical new build college projects for which an adopted scope and specification has been identified and reflected within the data.

It is recognised that a minority of projects will fall outside the model, creating either a lower or higher outturn cost, being driven by a number of factors, including use, specification and site specifics.

The style of the document is tailored to facilitate ease of use by the LSC assessment panel in considering applications at AIP and AID stages and is intended to allow submissions to be measured against an expectation, represented by the models, which reflect current market conditions and tender returns recently received and relating to a number of FE college submissions principally based upon a two stage design and build procurement route.

Costs are also provided for typical refurbishment schemes, presented in summary form.

The models assume that the current status of tendering is maintained, with zero future inflation up to March 2011, but with regular three-monthly reviews taking place.

The models are subject to regular review and update.

Costs are therefore provided for:

- Typical new build schemes representing a majority of projects.
- Three typical new build models represented by geographical location.
- Typical refurbishment schemes, identified as being either of full, medium or minimal standard.

SUSTAINABILITY / RENEWABLES

Costs for Sustainability and Renewables are included within the Model.

BREEAM

Achievement of an Excellent BREEAM rating is to relate to the guidelines provided by the BREEAM Education Model, 2008.

The achievement of BREEAM Excellent relates only to New Build.

The refurbishment model is to remain unchanged but the LSC have commissioned BRE to research refurbishment and BREEAM issues.

ADOPTED CRITERIA

Brief description of the concept of a typical College

Location :	Model One – London and South East, together with Essex, Hertfordshire and Cambridgeshire Model Two – East and West Midlands and the East and South West of England Model Three – Yorkshire, Humberside and the North East and North West of England
GIA :	15,000 - 25,000 sq m (measured inside face to inside face of external walls across all service voids and staircases and including floor areas within atria spaces)
Number of Storeys :	4
Greenfield/Brownfield:	May be subject to demolition or ground remediation
New Build :	Yes
Existing Campus or Relocation:	Either
Procurement:	Two stage, design and build
Date at which stated costs are valid:	Base date, June 2009
General Specification:	New build, offering full range curriculum, 4 storeys high above ground, with up to 3 nr separate or linked buildings, with an envelope comprising a construction of part glazed, rainscreen cladding, brick / render elevations.
Stated costs are Tendered figures, not Final Account:	Costs represent a second stage final and fixed contractor tender, present day, at June 2009. Costs stated herein at June 2009, are expected to be held for a period up to March 2011, up to start on site and through the construction period (i.e. 0% inflation). Costs beyond March 2011 should be subject to inflation at 3.5% per annum, until further notice.
Further information:	Atria are included in the total GIA and represent approximately 10% thereof.

ASSUMED PROGRAMME DATES:

Feasibility:	Start:	August 2007
	Complete:	October 2007
AIP:	Start:	November 2007
	Submit:	April 2008
AID:	Start:	July 2008
	Submit:	March 2009
Start on Site:		June 2009
Phasing:		Two consecutive phases
Completion on Site:		May 2011
Pre Contract Period:		23 months
Post Contract Period:		24 months

NOTE: The model costs are stated at June 2009.

PROCUREMENT STRATEGY

The model adopts a two stage design and build procurement strategy as the route for producing a firm price from a preferred contractor competitively selected and engaged at stage one.

This represents the LSC's recommended and expected approach to be embodied within AIP and AID submissions.

However a project team will submit an alternative proposal where they feel that the interests of the College are better served, although any deviation from the two stage procurement route would require a supporting rationale and would only be expected to be received as a recommendation where particularly appropriate.

The recent and significant change in the market place may create circumstances in which single stage tendering may be more advantageous but the benefit of two stage procurement, where the process is correctly applied and managed is still considered to offer substantial benefits.

The LSC's view on procurement is the resultant of both internal and external consultations and the assembly of experiences of alternative strategies.

The benefit of two stage tendering is believed to rest with careful contractor selection, a clear brief and the contractor's full engagement with the selected consultant team.

The LSC will review the strategy on a regular basis.

EXCEPTIONAL ITEMS

The abnormalities referred to herein should represent no more than 3% of the total cost and are not referred to as 'abnormals' following the Capital Committee's adoption of this document on 11 October 2007.

Therefore items previously regarded and presented as abnormalities are now embodied within the base build cost models herein and will no longer be referred to as 'abnormals'.

Items of a specific exceptional nature relating to site conditions may be considered by the Committee as additional costs outside the model but only if supported by a case study for each item and demonstrating such items as unavoidable and included as representing the most economical approach to accommodate such works, not exceeding 30% of total cost.

TYPICAL NEW BUILD COST MODEL / SPECIFICATION

MODEL ONE

London and the South East of England, together with Essex, Hertfordshire and Cambridgeshire

TYPICAL COLLEGE – MODEL ONE

Base build costs embracing sustainability items relevant to an ‘Excellent’ BREEAM rating

Element	Cost Allowance £/m ² June 2009	%	Typical Specification
Demolition	12	0.4	3,000 m ² of two storey buildings, with minor deleterious material content.
Substructure	123	4.0	Excavation and disposal, piled foundations, pile caps, ground beams and ground slab. Poor load bearing ground, minimal contamination.
Substructure Subtotal	135	4.4	
2 Superstructure			
2A Frame	116	3.8	Structural steel beams and columns, fire protected and encased or reinforced concrete beams and columns.
2B Upper Floors	88	2.8	Precast, prestressed reinforced concrete or insitu reinforced concrete or termodeck hollowcore precast planks.
2C Roof	146	4.7	Insitu reinforced concrete with single ply membrane, screed, insulation and associated drainage. Glazed atrium occupying 25% of roof area with aluminium framed double glazed pitched sectors. Mansafe or equivalent maintenance system.
2D Stairs	31	1.0	Feature steel stairs within atrium with glass balustrades and stainless steel handrails. Core staircases in precast reinforced concrete with half landings, polyester coated steel balustrades and painted walls, vinyl covered floors and painted ceiling finishes.
2E External Walls	171	5.5	Metal faced rainscreen composite cladding panels to 50% of elevational area with an element of glazed curtain walling. Brise Soleil Brickwork or rendered blockwork to 20% of elevational area.
2F Windows and External Doors	119	3.8	Double glazed windows to 30% of elevational area.
2G Internal Walls and Partitions	85	2.7	Combination of: Glazed screens facing onto atrium. Blockwork and solid partitions and twinleaf acoustic wall construction and glazed partitions. Including fire rated areas.
2F Internal Doors	44	1.4	Solid core fire rated doors in hardwood frames. Doors in hardwood frames. Stainless steel ironmongery. Lock suiting and DDA compliant.
Superstructure Subtotal	800	25.9	

Element	Cost Allowance £/m ² June 2009	%	Typical Specification
3 Internal Finishes			
3A Wall Finishes	39	1.3	Combination of: Paint on plastered walls. Paint on fair faced concrete / blockwork. Plasterboard lining and paint, wall tiling, full height to wet areas.
3B Floor Finishes	73	2.4	70 deep screed. Fully accessible raised floor. Edge fixed carpet, hardwood skirtings, limestone tiling. Ceramic tiling. Vinyl flooring, coved skirtings. Epoxy floor paint. Entrance matting and matwells.
3C Ceiling Finishes	34	1.1	Plasterboard ceilings on MF framing, emulsion paint finish. Mineral fibre concealed grid ceiling, plasterboard margins and bulkheads. Acoustic treatments.
Internal Finishes Subtotal	146	4.7	
4 Fittings, Furniture and Equipment	64	2.1	External and internal identity, directional and statutory signage. Reception furniture. IT work benches to general teaching spaces. Laboratory work benches. Fume cupboards and other laboratory fittings. Lockers, shelving and storage racks. Whiteboards, pinboards and other teaching room fittings. Window blinds and vanity units.
5 Services			
5A Sanitary Installations	11	0.4	WCs and fittings. Extra for disabled fittings. Urinals and fittings. Wash handbasins and fittings. Shower in cubicle, tray, fittings. Classroom sinks, laboratory sinks, cleaners sinks, drinking fountains. IPS panels, pre plumbed.
5B Disposal Installation	13	0.4	Waste, soil and vent pipework. Rainwater installations, syphonic drainage.
5C Mechanical Installation	236	7.6	
Services Equipment	23	0.7	Kitchen, servery and bar fit out.
Hot and Cold Water Installations	22	0.7	Mains water service treatment. Hot water storage and distribution. Cold water storage and distribution.
Space Heating, Air Treatment and Vent.	189	6.1	Space heating via radiators with all supporting plant and distribution. Underfloor heating to the atrium. Part natural, part mechanical ventilation / cooling, opening windows, with 26°C maximum teaching area criteria. Extract to toilets and kitchen areas. Air handling units and chillers.
Gas Installation	2	0.1	Incoming gas supply and distribution
5D Electrical Installation	247	8.0	
Electrical Installation	162	5.2	Mains and sub-mains distribution, small power generally, electrical supplies to mechanical plant and equipment, lighting, emergency lighting and external lighting.
Protective Installation	2	0.1	Lightning protection.
Communication Installation	57	1.8	Fire alarm and smoke detection, interface with doorhold system, disabled refuge comms system, induction loop alarm interface. Security system, intruder alarm, CCTV, public address. Induction loop. Disabled WC alarm system and data network including containment.
Specialist Installation	26	0.8	BMS controls.

Element	Cost Allowance £/m ² June 2009	%	Typical Specification
5E Lift & Conveyor Installation	27	0.9	3 Nr 17 person lifts to comply with DDA requirements.
5F Builders' Work in Connection	38	1.2	Framing and access platforms in risers. Forming holes and chases etc.
Services Subtotal	572	18.5	
BUILDING SUBTOTAL (1 to 5)	1,717	55.5	
6 External Works			
6A Site Works	104	3.4	
External Works	36	1.2	Landscaping, street furniture, boundaries, infrastructure, pavings, hardstandings, site clearance and on-site roadworks.
Temporary Works	25	0.8	Temporary works and some temporary accommodation and services (hired prefabricated hutting) together with use of existing buildings. 76 weeks hire of 1,000 m ²
Decanting	22	0.7	Provisional allowance of circa £300k.
Planning	21	0.7	Provisional allowance for section 106/278 works and landscaping.
6B Drainage	16	0.5	Foul and rainwater discharge to boundaries of site and manhole chambers, soakaways and connections to buildings.
6C External Services	17	0.5	Incoming services and distribution to buildings.
External Works Subtotal	137	4.4	
7 Preliminaries	240	7.8	Management costs, site establishment and site supervision. Contractor's preliminaries, overheads and profit @ circa 13%. Testing and commissioning of building services installations, O&M manuals.
SUBTOTAL (1 to 7)	2,094	67.7	
8 Contingencies	126	4.1	
Contingency	63	2.0	3% allowance.
Design Reserve	63	2.0	Allowance for design development @ 3%.

Element	Cost Allowance £/m ² June 2009	%	Typical Specification
9 Equipment	160	5.2	Based upon circa £190 / m ² teaching space. ICT loose plug-in equipment is a revenue item (servers, screens etc.)
10 Professional Fees	309	10.0	13% of all costs
SUBTOTAL (1 to 10)	2,689	87.0	
11 VAT	403	13.0	15.0% of all costs
Total base build including sustainability allowance present day cost at June 2009	3,092	100.0	

TYPICAL NEW BUILD COST MODEL / SPECIFICATION

MODEL TWO

East and West Midlands and the East and South West of England

TYPICAL COLLEGE – MODEL TWO

Base build costs embracing sustainability items relevant to an ‘Excellent’ BREEAM rating

Element	Cost Allowance £/m ² June 2009	%	Typical Specification
Demolition	11	0.4	3,000 m ² of two storey buildings, with minor deleterious material content.
Substructure	108	3.9	Excavation and disposal, piled foundations, pile caps, ground beams and ground slab. Poor load bearing ground, minimal contamination.
Substructure Subtotal	119	4.3	
2 Superstructure			
2A Frame	101	3.7	Structural steel beams and columns, fire protected and encased or reinforced concrete beams and columns.
2B Upper Floors	78	2.8	Precast, prestressed reinforced concrete or insitu reinforced concrete or termodeck hollowcore precast planks.
2C Roof	128	4.6	Insitu reinforced concrete with single ply membrane, screed, insulation and associated drainage. Glazed atrium occupying 25% of roof area with aluminium framed double glazed pitched sectors. Mansafe or equivalent maintenance system.
2D Stairs	27	1.0	Feature steel stairs within atrium with glass balustrades and stainless steel handrails. Core staircases in precast reinforced concrete with half landings, polyester coated steel balustrades and painted walls, vinyl covered floors and painted ceiling finishes.
2E External Walls	151	5.5	Metal faced rainscreen composite cladding panels to 50% of elevational area with an element of glazed curtain walling. Brise Soleil Brickwork or rendered blockwork to 20% of elevational area.
2F Windows and External Doors	106	3.8	Double glazed windows to 30% of elevational area.
2G Internal Walls and Partitions	75	2.7	Combination of: Glazed screens facing onto atrium. Blockwork and solid partitions and twinleaf acoustic wall construction and glazed partitions. Including fire rated areas.
2F Internal Doors	39	1.4	Solid core fire rated doors in hardwood frames. Doors in hardwood frames. Stainless steel ironmongery. Lock suiting and DDA compliant.
Superstructure Subtotal	705	25.6	

Element	Cost Allowance £/m ² June 2009	%	Typical Specification
3 Internal Finishes			
3A Wall Finishes	35	1.3	Combination of: Paint on plastered walls. Paint on fair faced concrete / blockwork. Plasterboard lining and paint, wall tiling, full height to wet areas.
3B Floor Finishes	64	2.3	70 deep screed. Fully accessible raised floor. Edge fixed carpet, hardwood skirtings, limestone tiling. Ceramic tiling. Vinyl flooring, coved skirtings. Epoxy floor paint. Entrance matting and matwells.
3C Ceiling Finishes	30	1.1	Plasterboard ceilings on MF framing, emulsion paint finish. Mineral fibre concealed grid ceiling, plasterboard margins and bulkheads. Acoustic treatments.
Internal Finishes Subtotal	129	4.7	
4 Fittings, Furniture and Equipment	57	2.1	External and internal identity, directional and statutory signage. Reception furniture. IT work benches to general teaching spaces. Laboratory work benches. Fume cupboards and other laboratory fittings. Lockers, shelving and storage racks. Whiteboards, pinboards and other teaching room fittings. Window blinds and vanity units.
5 Services			
5A Sanitary Installations	10	0.4	WCs and fittings. Extra for disabled fittings. Urinals and fittings. Wash handbasins and fittings. Shower in cubicle, tray, fittings. Classroom sinks, laboratory sinks, cleaners sinks, drinking fountains. IPS panels, pre plumbed.
5B Disposal Installation	10	0.4	Waste, soil and vent pipework. Rainwater installations, syphonic drainage.
5C Mechanical Installation	220	8.0	
Services Equipment	21	0.8	Kitchen, servery and bar fit out.
Hot and Cold Water Installations	20	0.7	Mains water service treatment. Hot water storage and distribution. Cold water storage and distribution.
Space Heating, Air Treatment and Vent.	177	6.4	Space heating via radiators with all supporting plant and distribution. Underfloor heating to the atrium. Part natural, part mechanical ventilation / cooling, opening windows, with 26°C maximum teaching area criteria. Extract to toilets and kitchen areas. Air handling units and chillers.
Gas Installation	2	0.1	Incoming gas supply and distribution
5D Electrical Installation	225	8.2	
Electrical Installation	148	5.4	Mains and sub-mains distribution, small power generally, electrical supplies to mechanical plant and equipment, lighting, emergency lighting and external lighting.
Protective Installation	2	0.1	Lightning protection.
Communication Installation	52	1.9	Fire alarm and smoke detection, interface with doorhold system, disabled refuge comms system, induction loop alarm interface. Security system, intruder alarm, CCTV, public address. Induction loop. Disabled WC alarm system and data network including containment.
Specialist Installation	23	0.8	BMS controls.

Element	Cost Allowance £/m ² June 2009	%	Typical Specification
5E Lift & Conveyor Installation	23	0.8	3 Nr 17 person lifts to comply with DDA requirements.
5F Builders' Work in Connection	32	1.2	Framing and access platforms in risers. Forming holes and chases etc.
Services Subtotal	520	18.8	
BUILDING SUBTOTAL (1 to 5)	1,530	55.5	
6 External Works			
6A Site Works	93	3.4	
External Works	32	1.2	Landscaping, street furniture, boundaries, infrastructure, pavings, hardstandings, site clearance and on-site roadworks.
Temporary Works	22	0.8	Temporary works and some temporary accommodation and services (hired prefabricated hutting) together with use of existing buildings. 76 weeks hire of 1,000 m ²
Decanting	20	0.7	Provisional allowance of circa £300k.
Planning	19	0.7	Provisional allowance for section 106/278 works and landscaping.
6B Drainage	15	0.5	Foul and rainwater discharge to boundaries of site and manhole chambers, soakaways and connections to buildings.
6C External Services	16	0.6	Incoming services and distribution to buildings.
External Works Subtotal	124	4.5	
7 Preliminaries	215	7.8	Management costs, site establishment and site supervision. Contractor's preliminaries, overheads and profit @ circa 13%. Testing and commissioning of building services installations, O&M manuals.
SUBTOTAL (1 to 7)	1,869	67.7	
8 Contingencies	112	4.1	
Contingency	56	2.0	3% allowance
Design Reserve	56	2.0	Allowance for design development @ 3%.

Element	Cost Allowance £/m ² June 2009	%	Typical Specification
9 Equipment	142	5.1	Based upon circa £190/ m ² teaching space. ICT loose plug-in equipment is a revenue item (servers, screens etc.)
10 Professional Fees	276	10.0	13% of all costs
SUBTOTAL (1 to 10)	2,399	87.0	
11 VAT	360	13.0	15.0% of all costs
Total base build including sustainability allowance present day cost at June 2009	2,759	100.0	

TYPICAL NEW BUILD COST MODEL / SPECIFICATION

MODEL THREE

Yorkshire, Humberside and the North East and North West of England

TYPICAL COLLEGE – MODEL THREE

Base build costs embracing sustainability items relevant to an ‘Excellent’ BREEAM rating

Element	Cost Allowance £/m ² June 2009	%	Typical Specification
Demolition	10	0.4	3,000 m ² of two storey buildings, with minor deleterious material content.
Substructure	104	4.0	Excavation and disposal, piled foundations, pile caps, ground beams and ground slab. Poor load bearing ground, minimal contamination.
Substructure Subtotal	114	4.4	
2 Superstructure			
2A Frame	98	3.8	Structural steel beams and columns, fire protected and encased or reinforced concrete beams and columns.
2B Upper Floors	73	2.8	Precast, prestressed reinforced concrete or insitu reinforced concrete or termodeck hollowcore precast planks.
2C Roof	122	4.7	Insitu reinforced concrete with single ply membrane, screed, insulation and associated drainage. Glazed atrium occupying 25% of roof area with aluminium framed double glazed pitched sectors. Mansafe or equivalent maintenance system.
2D Stairs	26	1.0	Feature steel stairs within atrium with glass balustrades and stainless steel handrails. Core staircases in precast reinforced concrete with half landings, polyester coated steel balustrades and painted walls, vinyl covered floors and painted ceiling finishes.
2E External Walls	145	5.6	Metal faced rainscreen composite cladding panels to 50% of elevational area with an element of glazed curtain walling. Brise Soleil Brickwork or rendered blockwork to 20% of elevational area.
2F Windows and External Doors	102	3.9	Double glazed windows to 30% of elevational area.
2G Internal Walls and Partitions	70	2.7	Combination of: Glazed screens facing onto atrium. Blockwork and solid partitions and twinleaf acoustic wall construction and glazed partitions. Including fire rated areas.
2F Internal Doors	37	1.4	Solid core fire rated doors in hardwood frames. Doors in hardwood frames. Stainless steel ironmongery. Lock suiting and DDA compliant.
Superstructure Subtotal	673	25.8	

Element	Cost Allowance £/m ² June 2009	%	Typical Specification
3 Internal Finishes			
3A Wall Finishes	33	1.3	Combination of: Paint on plastered walls. Paint on fair faced concrete / blockwork. Plasterboard lining and paint, wall tiling, full height to wet areas.
3B Floor Finishes	60	2.3	70 deep screed. Fully accessible raised floor. Edge fixed carpet, hardwood skirtings, limestone tiling. Ceramic tiling. Vinyl flooring, coved skirtings. Epoxy floor paint. Entrance matting and matwells.
3C Ceiling Finishes	29	1.1	Plasterboard ceilings on MF framing, emulsion paint finish. Mineral fibre concealed grid ceiling, plasterboard margins and bulkheads. Acoustic treatments.
Internal Finishes Subtotal	122	4.7	
4 Fittings, Furniture and Equipment	54	2.1	External and internal identity, directional and statutory signage. Reception furniture. IT work benches to general teaching spaces. Laboratory work benches. Fume cupboards and other laboratory fittings. Lockers, shelving and storage racks. Whiteboards, pinboards and other teaching room fittings. Window blinds and vanity units.
5 Services			
5A Sanitary Installations	9	0.3	WCs and fittings. Extra for disabled fittings. Urinals and fittings. Wash handbasins and fittings. Shower in cubicle, tray, fittings. Classroom sinks, laboratory sinks, cleaners sinks, drinking fountains. IPS panels, pre plumbed.
5B Disposal Installation	9	0.3	Waste, soil and vent pipework. Rainwater installations, syphonic drainage.
5C Mechanical Installation	207	7.9	
Services Equipment	18	0.7	Kitchen, servery and bar fit out.
Hot and Cold Water Installations	18	0.7	Mains water service treatment. Hot water storage and distribution. Cold water storage and distribution.
Space Heating, Air Treatment and Vent.	169	6.5	Space heating via radiators with all supporting plant and distribution. Underfloor heating to the atrium. Part natural, part mechanical ventilation / cooling, opening windows, with 26°C maximum teaching area criteria. Extract to toilets and kitchen areas. Air handling units and chillers.
Gas Installation	2	0.1	Incoming gas supply and distribution
5D Electrical Installation	214	8.2	
Electrical Installation	140	5.4	Mains and sub-mains distribution, small power generally, electrical supplies to mechanical plant and equipment, lighting, emergency lighting and external lighting.
Protective Installation	2	0.1	Lightning protection.
Communication Installation	49	1.9	Fire alarm and smoke detection, interface with doorhold system, disabled refuge comms system, induction loop alarm interface. Security system, intruder alarm, CCTV, public address. Induction loop. Disabled WC alarm system and data network including containment.
Specialist Installation	23	0.9	BMS controls.

Element	Cost Allowance £/m ² June 2009	%	Typical Specification
5E Lift & Conveyor Installation	22	0.8	3 Nr 17 person lifts to comply with DDA requirements.
5F Builders' Work in Connection	30	1.1	Framing and access platforms in risers. Forming holes and chases etc.
Services Subtotal	491	18.8	
BUILDING SUBTOTAL (1 to 5)	1,454	55.7	
6 External Works			
6A Site Works	86	3.3	
External Works	31	1.2	Landscaping, street furniture, boundaries, infrastructure, pavings, hardstandings, site clearance and on-site roadworks.
Temporary Works	20	0.8	Temporary works and some temporary accommodation and services (hired prefabricated hutting) together with use of existing buildings. 76 weeks hire of 1,000 m ²
Decanting	18	0.7	Provisional allowance of circa £300k.
Planning	17	0.7	Provisional allowance for section 106/278 works and landscaping.
6B Drainage	15	0.6	Foul and rainwater discharge to boundaries of site and manhole chambers, soakaways and connections to buildings.
6C External Services	15	0.6	Incoming services and distribution to buildings.
External Works Subtotal	116	4.4	
7 Preliminaries	201	7.7	Management costs, site establishment and site supervision. Contractor's preliminaries, overheads and profit @ circa 13%. Testing and commissioning of building services installations, O&M manuals.
SUBTOTAL (1 to 7)	1,771	67.9	
8 Contingencies	103	3.9	
Contingency	52	2.0	3% allowance
Design Reserve	51	2.0	Allowance for design development @ 3%.

Element	Cost Allowance £/m ² June 2009	%	Typical Specification
9 Equipment	134	5.1	Based upon circa £190/ m ² teaching space. ICT loose plug-in equipment is a revenue item (servers, screens etc.)
10 Professional Fees	261	10.0	13% of all costs
SUBTOTAL (1 to 10)	2,269	87.0	
11 VAT	340	13.0	15.0% of all costs
Total base build including sustainability allowance present day cost at June 2009	2,609	100.0	

REFURBISHMENT MODEL

RETAINED BUILDINGS

LEVELS OF REFURBISHMENT STANDARDS

FULL: Strip the building back to its primary frame, retain structural floors, provide a new envelope, resurface roof and fully fit out internally including M&E, IT and communication installations.

Approximate cost guide:

Model One: £2,317 m²

Model Two: £2,116 m²

Model Three: £2,010 m²

MEDIUM: Retain the existing structural fabric and envelope of the building and introduce extensive new internal finishes and FF&E with part renewal of M&E, IT and communication installations.

Approximate cost guide:

Model One: £1,662 m²

Model Two: £1,519 m²

Model Three: £1,441 m²

MINIMAL:

Retain the building in its present form, with limited elements only of new finishes internally including part FF&E.

Approximate cost guide:

Model One: £906 m²

Model Two: £828 m²

Model Three: £786 m²

NOTE: Costs include fees and full VAT liability and are expressed at June 2009 values.

The refurbishment model is to be fully reviewed in September 2009.

Refurbishment works can be subject to compliance with current and changing legislation relating to electrical and other installations and as a consequence it is considered that a market reduction of more than 5.5% would be inappropriate.

VAT

The model assumes a full VAT liability of 15.0%, on all works including FF&E, although there are instances where the liability will be at a lesser level, dependant upon a number of factors relating to and including design, building linkages, use, the teaching age profile, together with the nuances of current VAT legislation.

AIP's and AID's will be submitted with a full VAT liability.

The only exception relates to colleges which have sole "sixth form" status and are therefore considered by HMRC to be zero rated.

Any VAT allowances not fully expended will in all instances revert back to the LSC.

Costs will continue to assume that VAT reverts to 17.5% in January 2010.

DEFLATION

Tender inflation/deflation sits outside the model but is referred to in terms of its impact upon a present day AIP or AID at June 2009.

Deflation is progressively being measured, not only through the recognised published indices, but by actively, on a monthly basis, analysing tender returns and sharing that outcome with the LSC, the Colleges and the consultants engaged in FE commissions.

Deflation presently is running at:

Model One:	London and the South East of England, together with Essex, Hertfordshire and Cambridgeshire	See below
Model Two:	East and West Midlands and the East	See below
Model Three:	Yorkshire, Humberside and the North	See below

Costs at March 2009 have been reduced by approximately 2.5% to reflect the current market conditions and such reductions represent costs at June 2009. It is assumed that there will be no inflation or deflation against these figures up to March 2011 but this opinion is being reviewed on a quarterly basis and any future corrections will be advised accordingly. Beyond March 2011 inflation should be included at 3.5% p.a. until further notice.

LOCATION IDENTITY

LSC Regions		Covering regional offices / areas	Relevant Model
Southern	South East	Milton Keynes, Oxfordshire & Buckinghamshire Berkshire Surrey Kent and Medway Sussex Hampshire and the Isle of Wight	One
	South West	Gloucestershire Wiltshire & Swindon Somerset Devon & Cornwall Bournemouth, Poole & Dorset	Two
	London	North Central East South West	One
Central	East of England	Essex Hertfordshire Cambridgeshire	One
		Norfolk Suffolk Bedfordshire & Luton	Two
	West Midlands	Staffordshire Shropshire The Black Country Birmingham & Solihull Coventry & Warwickshire Herefordshire & Worcestershire	Two
East Midlands	Nottinghamshire Leicestershire Lincolnshire & Rutland Derbyshire Northamptonshire	Two	
Northern	Yorkshire & Humberside	North Yorkshire West Yorkshire South Yorkshire Humberside	Three
	North East	Northumberland Tyne & Wear County Durham Tees Valley	Three
	North West	Cumbria Lancashire Greater Merseyside Greater Manchester Cheshire & Warrington	Three