

# APPENDIX 13

## Cost Estimate

**SUMMARY OF ESTIMATES**

Q4/2014

| SERIES/DESCRIPTION   | Public Realm (including Transport Hub) | CLR Link Road    | Royal Mail Relocation (To be included in the overall CLR Link Road) |
|--|--|------------------|---|
|  | £                                      | £                | £   |
| INTERNAL STRUCTURAL WORKS  |  |                  | 177,367   |
| ACCESS ROAD (ALL SERIES)   |  |                  | INC. IN CLR   |
| Series 200 - Site Clearance  | 41,779                                 | 972,103          | 66,308  |
| Series 300 - Fencing   |  |                  | 156,000   |
| Series 400 - Road Restraint Systems  | 9,785                                  | 150,955          |   |
| Series 500 - Drainage  | 322,184                                | 1,306,051        | 146,814   |
| Series 600 - Earthworks  |  | 1,471,330        | 404,454   |
| Series 700 - Pavements   | 817,169                                | 1,773,930        | 390,415   |
| Series 1100 - Kerbs and Footways   | 1,382,491                              | 618,145          | 14,525  |
| Series 1200 - Traffic Signals  | 259,614                                | 715,981          | 30,595  |
| Series 1300 - Street Lighting  | 183,241                                | 63,190           | 49,201  |
| Series 1400 - Electrical work for Road Lighting and Traffic Signs  |  | 85,445           | 96,039  |
| Series 2400 - Stonework  | 46,000                                 |                  |   |
| Series 2700 - Accommodation Works  |  | 216,648          |   |
| Series 3000 - Landscape and Ecology  | 587,420                                | 71,077           |   |
| STRUCTURES   |  | 100,590          | 326,523   |
| <b>CONSTRUCTION SUB TOTAL</b>  | <b>3,649,683</b>                       | <b>7,545,445</b> | <b>1,858,240</b>  |
| WORKS FOR STATUTORY UNDERTAKERS (From a combination of C3 estimates and % allowance for some elements. ) | 471,500                                | 429,761          | 230,000   |
| <b>CONSTRUCTION TOTAL</b>  | <b>4,121,183</b>                       | <b>7,975,206</b> | <b>2,088,240</b>  |

Contractors OH&P included within rates

**Costs to Date (up to and including 2014/15)**

|                                     |                    |
|-------------------------------------|--------------------|
| Land Purchase and Disturbance costs | £6,797,192         |
| Fees                                | £2,652,734         |
| Construction                        | £615,465           |
| <b>Total</b>                        | <b>£10,065,391</b> |

**Forecast Land costs for CLR (2015/16)**

|                                       |                   |
|---------------------------------------|-------------------|
| Forecast Land costs for CLR (2015/16) | <b>£4,225,100</b> |
|---------------------------------------|-------------------|

|                                    |                   |
|------------------------------------|-------------------|
| <b>Maintenance Costs per Annum</b> | <b>£71,000.00</b> |
|------------------------------------|-------------------|

**SUMMARY OF ESTIMATES**

Q4/2014

| SERIES/DESCRIPTION   | Public Realm (including Transport Hub) (A) |                   |
|--|--|-------------------|
|  | %  | £                 |
| Construction Series Total                                      |  | 3,649,683         |
| Cost Estimate Uncertainty                                      | 15.00%                                     | 547,452           |
| <b>CONSTRUCTION COST</b>                                       |  | <b>4,197,135</b>  |
| PRELIMINARIES  | 20.00%                                     | 839,427           |
| TRAFFIC MANAGEMENT   | 10.00%                                     | 419,714           |
| WORKS FOR STATUTORY UNDERTAKERS                                | Based on C2/C3 Estimates                   | 471,500           |
| <b>CONSTRUCTION TOTAL</b>                                      |  | <b>5,927,776</b>  |
| PROFESSIONAL FEES-PREPARATION                                  | 6.00%                                      | 355,667           |
| PROFESSIONAL FEES- SUPERVISION (including QS, Comms and Admin) | 3.50%                                      | 207,472           |
| <b>SCHEME TOTAL</b>  |  | <b>£6,490,914</b> |

| CLR Link Road, including Royal Mail Relocation (B)                    |                    |
|---|--------------------|
| %   | £                  |
|   | 9,403,685          |
| 12.50%  | 1,175,461          |
|   | <b>10,579,146</b>  |
| 20.00%  | 2,115,829          |
| 8.00%   | 846,332            |
| From a combination of C3 estimates and % allowance for some elements. | 750,772            |
|   | <b>14,292,079</b>  |
| Est. Build Up for outstanding design to completion                    | 318,986            |
| Est. Build Up   | 741,714            |
|   | <b>£15,352,779</b> |

| HCCTP Package (Public Realm and CLR Link Road) (C= A+B) |
|---|
| £   |
| 13,053,368  |
| 1,722,913   |
| <b>14,776,281</b>                                       |
| 2,955,256   |
| 1,266,045   |
| 1,222,272   |
| <b>20,219,854</b>                                       |
| 674,653   |
| 949,186   |
| <b>£21,843,693</b>                                      |

**COSTS TO DATE towards CLR Link Road, including Royal Mail Relocation (TO END 2014/15)**

|              |                   |
|--------------|-------------------|
| Land Costs   | <b>£6,797,192</b> |
| Design fees  | <b>£2,652,734</b> |
| Construction | <b>£615,465</b>   |

|                   |
|-------------------|
| <b>£6,797,192</b> |
| <b>£2,652,734</b> |
| <b>£615,465</b>   |

Forecast Land costs for CLR (2015/16)

**£4,225,100**

**RISK ALLOWANCE (Based on QCRA)**

**£1,734,801**

**TOTAL (Base price including allowance for Risk)**

**£37,868,985**

Maintenance Costs per Annum

**£71,000**

Note: An allowance for Optimism Bias of 15% has been made in the TUBA assessment.

TOTAL Base price (including allowance for Risk) by category

|                      | Construction Cost | Land Purchase     | Statutory Utilities | Professional Fees-Preparation | Professional Fees-Supervision | Risk(Mean)       |
|----------------------|-------------------|-------------------|---------------------|-------------------------------|-------------------------------|------------------|
| <b>CLR Link Road</b> | 14,156,772        | 11,022,292        | 750,772             | 2,971,720                     | 741,714                       |                  |
| <b>Public Realm</b>  | 5,456,276         | 0                 | 471,500             | 355,667                       | 207,472                       |                  |
| <b>Total</b>         | <b>19,613,047</b> | <b>11,022,292</b> | <b>1,222,272</b>    | <b>3,327,387</b>              | <b>949,186</b>                | <b>1,734,801</b> |

Profiling using Delivery programme

CLR Link Road

| Financial Years | Construction Cost | Land Purchase | Statutory Utilities | Professional Fees-Preparation | Professional Fees-Supervision (including QS, Comms and Admin) |
|-----------------|-------------------|---------------|---------------------|-------------------------------|---|
| Total           |                   |               |                     |                               |   |
| 2014/15         | £615,465          | £6,797,192    | £0                  | £2,652,734                    | £0  |
| 2015/16         | £3,000,000        | £4,225,100    | £375,386            | £318,986                      | £0  |
| 2016/17         | £8,433,045        | £0            | £375,386            | £0                            | £593,371  |
| 2017/18         | £2,108,261        | £0            | £0                  | £0                            | £148,343  |
| 2018/19         | £0                | £0            | £0                  | £0                            | £0  |
| 2019/20         | £0                | £0            | £0                  | £0                            | £0  |

Public Realm (including Transport Hub)

| Financial Years | Construction Cost | Land Purchase | Statutory Utilities | Professional Fees-Preparation | Professional Fees-Supervision |
|-----------------|-------------------|---------------|---------------------|-------------------------------|-------------------------------|
| Total           |                   |               |                     |                               |                               |
| 2014/15         | £0                | £0            | £0                  | £40,000                       | £0                            |
| 2015/16         | £0                | £0            | £0                  | £0                            | £0                            |
| 2016/17         | £0                | £0            | £0                  | £315,667                      | £0                            |
| 2017/18         | £2,182,510        | £0            | £471,500            | £0                            | £82,989                       |
| 2018/19         | £2,182,510        | £0            | £0                  | £0                            | £82,989                       |
| 2019/20         | £1,091,255        | £0            | £0                  | £0                            | £41,494                       |

Base Cost for the full HCTP (Full Scheme) - Price base Q4 2014

| Total   | Construction Cost | Land Purchase | Statutory Utilities | Professional Fees-Preparation | Professional Fees-Supervision (including QS, Comms and Admin) | Total       |
|---------|-------------------|---------------|---------------------|-------------------------------|---|-------------|
| 2014/15 | £615,465          | £6,797,192    | £0                  | £2,692,734                    | £0  | £10,105,391 |
| 2015/16 | £3,000,000        | £4,225,100    | £375,386            | £318,986                      | £0  | £7,919,472  |
| 2016/17 | £8,433,045        | £0            | £375,386            | £315,667                      | £593,371  | £9,717,469  |
| 2017/18 | £4,290,772        | £0            | £471,500            | £0                            | £231,332  | £4,993,603  |
| 2018/19 | £2,182,510        | £0            | £0                  | £0                            | £82,989   | £2,265,499  |
| 2019/20 | £1,091,255        | £0            | £0                  | £0                            | £41,494   | £1,132,750  |

Base Cost for the full HCTP (Full Scheme) - WITH RISK ADJUSTED COST -Price base Q4 2014

| Total        | Construction Cost  | Land Purchase      | Statutory Utilities | Professional Fees-Preparation | Professional Fees-Supervision (including QS, Comms and Admin) | Total (w/o risk)   | Risk allowance    | TOTAL (with Risk allowance) |
|--------------|--------------------|--------------------|---------------------|-------------------------------|---|--------------------|-------------------|-----------------------------|
| 2014/15      | £615,465           | £6,797,192         | £0                  | £2,692,734                    | £0  | £10,105,391        | 0                 | £10,105,391                 |
| 2015/16      | £3,000,000         | £4,225,100         | £375,386            | £318,986                      | £0  | £7,919,472         | £527,827          | £8,447,299                  |
| 2016/17      | £8,433,045         | £0                 | £375,386            | £315,667                      | £593,371  | £9,717,469         | £647,663          | £10,365,132                 |
| 2017/18      | £4,290,772         | £0                 | £471,500            | £0                            | £231,332  | £4,993,603         | £332,820          | £5,326,423                  |
| 2018/19      | £2,182,510         | £0                 | £0                  | £0                            | £82,989   | £2,265,499         | £150,994          | £2,416,493                  |
| 2019/20      | £1,091,255         | £0                 | £0                  | £0                            | £41,494   | £1,132,750         | £75,497           | £1,208,247                  |
| <b>TOTAL</b> | <b>£19,613,047</b> | <b>£11,022,292</b> | <b>£1,222,272</b>   | <b>£3,327,387</b>             | <b>£949,186</b>   | <b>£36,134,184</b> | <b>£1,734,801</b> | <b>£37,868,985</b>          |

Base Cost for the full HCTP (Full Scheme) - WITH RISK ADJUSTED COST -Price base Q4 2014 (£000)

| Year         | Professional Fees-Preparation | Professional Fees-Supervision (including QS, Comms and Admin) | Construction  | Land          | Statutory Undertakers | Risk         | Total          |
|--------------|-------------------------------|---|---------------|---------------|-----------------------|--------------|----------------|
| 2014/15      | £2,693                        | £0  | £615          | £6,797        | £0                    | £0           | £10,105        |
| 2015/16      | £319                          | £0  | £3,000        | £4,225        | £375                  | £528         | £8,447         |
| 2016/17      | £316                          | £593  | £8,433        | £0            | £375                  | £648         | £10,365        |
| 2017/18      | £0                            | £231  | £4,291        | £0            | £472                  | £333         | £5,326         |
| 2018/19      | £0                            | £83   | £2,183        | £0            | £0                    | £151         | £2,416         |
| 2019/20      | £0                            | £41   | £1,091        | £0            | £0                    | £75          | £1,208         |
| <b>Total</b> | <b>3,327</b>                  | <b>949</b>  | <b>19,613</b> | <b>11,022</b> | <b>1,222</b>          | <b>1,735</b> | <b>£37,869</b> |

Maintenance Costs per Annum

£71,000.00

OUTTURN COSTS (REAL PRICES to include Construction based inflation)

OUTTURN COSTS (REAL PRICES to include Construction based inflation) (£000)

Using BCIS All-in TPI indices

| Total        | Construction Cost  | Land Purchase      | Statutory Utilities | Professional Fees-Preparation | Professional Fees-Supervision (including QS, Comms and Admin) | Risk              | TOTAL (with Risk allowance) | Construction based inflation |
|--------------|--------------------|--------------------|---------------------|-------------------------------|---|-------------------|-----------------------------|------------------------------|
| 2014/15      | £615,465           | £6,797,192         | £0                  | £2,692,734                    | £0  | £0                | £10,105,391                 |                              |
| 2015/16      | £3,080,197         | £4,338,047         | £385,421            | £327,513                      | £0  | £541,937          | £8,673,116                  | 2.67%                        |
| 2016/17      | £8,888,978.65      | £0                 | £395,681            | £332,733                      | £625,452  | £682,678.51       | £10,925,523                 | 5.41%                        |
| 2017/18      | £4,677,718.53      | £0                 | £514,020            | £0                            | £252,193  | £362,834.32       | £5,806,767                  | 9.02%                        |
| 2018/19      | £2,460,042.82      | £0                 | £0                  | £0                            | £93,542   | £170,194.65       | £2,723,779                  | 12.72%                       |
| 2019/20      | £1,263,849.20      | £0.00              | £0.00               | £0.00                         | £48,057.23  | £1,311,906.43     | £2,623,813                  | 15.82%                       |
| <b>TOTAL</b> | <b>£20,986,251</b> | <b>£11,135,239</b> | <b>£1,295,123</b>   | <b>£3,352,980</b>             | <b>£1,019,244</b>   | <b>£3,069,551</b> | <b>£40,858,389</b>          |                              |

| Year         | Professional Fees-Preparation | Professional Fees-Supervision (including QS, Comms and Admin) | Construction  | Land          | Statutory Undertakers | Risk         | Total          |
|--------------|-------------------------------|---|---------------|---------------|-----------------------|--------------|----------------|
| 2014/15      | £2,693                        | £0  | £615          | £6,797        | £0                    | £0           | £10,105        |
| 2015/16      | £328                          | £0  | £3,080        | £4,338        | £385                  | £542         | £8,673         |
| 2016/17      | £333                          | £625  | £8,889        | £0            | £396                  | £683         | £10,926        |
| 2017/18      | £0                            | £252  | £4,678        | £0            | £514                  | £363         | £5,807         |
| 2018/19      | £0                            | £94   | £2,460        | £0            | £0                    | £170         | £2,724         |
| 2019/20      | £0                            | £48   | £1,264        | £0            | £0                    | £131         | £2,624         |
| <b>Total</b> | <b>3,353</b>                  | <b>1,019</b>  | <b>20,986</b> | <b>11,135</b> | <b>1,295</b>          | <b>3,070</b> | <b>£40,858</b> |

Note: An allowance for Optimism Bias of 15% has been made in the TUBA assessment.

**BCIS ALL-IN TPI**

Common Base for BCIS 2Q2013

Year GDP Deflator  
100  
102.31

|                | Index   | Annual Inflation (%) | Construction Only (Factor) | Construction Inflation (%) |      | GDP Deflator |
|----------------|---------|----------------------|----------------------------|----------------------------|------|--------------|
|                | Q2/2013 | 236.00               |                            |                            |      | 103.45       |
|                | Q3/2013 | 234.00               |                            |                            |      | 105.23       |
|                | Q4/2013 | 238.00               |                            |                            | 2014 | 107.65       |
|                | Q1/2014 | 246.00               |                            |                            | 2015 | 109.37       |
|                | Q2/2014 | 255.00               |                            |                            | 2016 | 111.34       |
|                | Q3/2014 | 247.00               |                            |                            | 2017 | 113.46       |
| Price base     | Q4/2014 | 255.00               |                            |                            | 2018 | 115.73       |
|                | Q1/2015 | 257.00               |                            |                            | 2019 | 118.1        |
|                | Q2/2015 | 261.00               |                            |                            | 2020 | 120.58       |
|                | Q3/2015 | 264.00               |                            |                            |      |              |
| Inflation 2015 | Q4/2015 | 266.00               | 4.31%                      | 1.026732427                |      | 2.67%        |
|                | Q1/2016 | 268.00               |                            |                            |      |              |
|                | Q2/2016 | 272.00               |                            |                            |      |              |
|                | Q3/2016 | 275.00               |                            |                            |      |              |
| Inflation 2016 | Q4/2016 | 278.00               | 9.02%                      | 1.054065096                |      | 5.41%        |
|                | Q1/2017 | 283.00               |                            |                            |      |              |
|                | Q2/2017 | 287.00               |                            |                            |      |              |
|                | Q3/2017 | 290.00               |                            |                            |      |              |
| Inflation 2017 | Q4/2017 | 293.00               | 14.90%                     | 1.090181216                |      | 9.02%        |
|                | Q1/2018 | 297.00               |                            |                            |      |              |
|                | Q2/2018 | 302.00               |                            |                            |      |              |
|                | Q3/2018 | 306.00               |                            |                            |      |              |
| Inflation 2018 | Q4/2018 | 309.00               | 21.18%                     | 1.127162107                |      | 12.72%       |
|                | Q1/2019 | 313.00               |                            |                            |      |              |
|                | Q2/2019 | 318.00               |                            |                            |      |              |
|                | Q3/2019 | 321.00               |                            |                            |      |              |
| Inflation 2019 | Q4/2019 | 324.00               | 27.06%                     | 1.15816108                 |      | 15.82%       |