

Appendix 2

Loanhead Police station Outline Developmental Cost Plan Budget Costs Variance Analysis 30 June 2020

VARIANCE ANALYSIS

ITEM	ORIGINAL BUDGET COST	CURRENT BUDGET COST	VARIANCE	EXPLANATION
BASIC REFURBISHMENT COSTS				
Costs to reflect change of use/ refurbishment of existing building to residential accommodation; costs based on a £ per m2.	£271,200	£262,350	-£8,850	Still 7 Nr units but the housing mix has changed; slight reduction in m2 rate. The m2 rate utilised for the original costing exercise was a refurbishment rate of £1200/m2. This would not appear unreasonable.

ADDITIONAL ALLOWANCES

Allowance for thermal & acoustic improvements to meet statutory requirements	£0	£59,625	£59,625	Further design development has highlighted the need for enhanced thermal and acoustic requirements to the building fabric. The original cost was based on an assumption that the existing property could be refurbished with minimal work required to the existing building fabric. Initial sketch layout plans and surveys had not highlighted that updated Building Regulation requirements with respect to energy in particular would be required. Additional costs to improve the acoustics were also unforeseen.
Allowance for sprinkler (NOT mist) installation to satisfy MLC policy.	£0	£40,000	£40,000	Further design development has highlighted this requirement. The original cost estimate was prepared at a time when the decision to implement sprinklers on all Council flatted properties had not been formally implemented. The format of the system has still to be technically resolved (i.e. sprinklers or mist system)
Allowance for soft landscaping	£0	£1,000	£1,000	Client requirements more developed through on-going dialogue require some minor landscaping works to be carried out externally.
Kitchen and Laundry white goods.	incl	£3,400	£3,400	Costs deemed included in original 'Basic Costs'

Allowance for forming external door opening to single storey building, including potential lobby provision.	£0	£10,000	£10,000	Further design development has highlighted this requirement. The original initial sketch plans were based on site walk round and alteration of existing floor plan drawings. Following more detailed site survey floor level measurements created unforeseen design complications not covered in the original cost.
Allowance for surveys to existing building	£0	£20,000	£20,000	Structural report highlights further investigations required. This is an allowance only. Exact quotes for these surveys are still tbc and may come in below what has been budgeted here.
Allowance for potential works arising from surveys above.	£0	£20,000	£20,000	Structural report highlights further investigations required. This is a risk allowance and may not be required dependant on the results of the survey.
Allowance for structural alterations/repairs, particularly with regard to chimney demolitions	£0	£50,000	£50,000	Further design development has highlighted this requirement following more detailed site inspections from design team site visits. This work was not identified in the original engineer structural report available for the original costing exercise.
Allowance for relocating CCTV hub	£0	£15,000	£15,000	Further design development has highlighted this requirement. At the time of preparing the original budget cost the implications regarding CCTV were not fully known.

Provisional allowance for upgrading existing mains utilities to suit change of use	£0	£25,000	£25,000	Further design development has highlighted this potential requirement. Again this is a risk item for works which may potentially be required to improve the utilities supplying the building which has been raised as potential requirement by the utilities engineer.
Allowance for Statutory Fees	£0	£5,000	£5,000	A general allowance for the likes of warrant & planning fees should have been made in the original budget estimate.
Allowance for planning condition requirements to suit change of use (anticipated external upgrades)	£0	£10,000	£10,000	Further design development has highlighted this potential requirement
SUB-TOTAL	£271,200	£521,375	£250,175	
Add for inflation / contingency @ 10%	£27,120	£52,138	£25,018	the Contingency/Risk allowance of 10% is deemed reasonable
Allowance for professional fees - 14%	£41,765	£80,292	£38,527	the Design Team Fees allowance of 14% is deemed reasonable
TOTAL	£340,085	£653,804	£313,719	
SAY	£350,000	£650,000		