

Cost Review Report

Land off Millstones, Oxspring,
Sheffield

Yorkshire Land Limited

13 July 2023

7116/CR/EB



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Introduction

Cushman and Wakefield (C&W) have been appointed to undertake a review of the development costs associated with the development of 6nr residential dwellings at Land off Millstones, Oxspring, Sheffield. Please note that the cost review is limited to a review of the rates included within the Cost information provided and Cushman & Wakefield have not carried out a check of the quantities to which the rates are applied.

The exercise consisted a review of the rates applied, followed by commentary issued to the Client's Quantity Surveyor give an opportunity to incorporate any suggested amendments prior to conclusion of the review.

This report has been carried out by Edward Barker, an Associate chartered Quantity Surveyor within the Project & Development Services team at C&W.

1. Information Received

1.1. Basis of the report

C&W have been provided with the following information to form the basis of the review;

DOCUMENT REF	REV	TITLE	DATE
Cost Information			
-		Build Cost Summary	
-		Groundworks	
-		Plot 1 – Build Costs	
-		Plot 1 Garage – Build Costs	
-		Plot 2 – Build Costs	
-		Plot 2 Garage – Build Costs	
-		Plot 3 – Build Costs	
-		Plot 4 – Build Costs	
-		Roads and Sewers Costs	
Topping Engineers			
DR-C-0100	P2	Drainage Strategy	Oct-20
Syndicate Design Information			
MSO-001	B	Existing Site Plan	28/02/23
MSO-002	E	Site Plan	28/02/23
MSO-111	-	Proposed Fences & Walls	05/03/23
MSO-121	C	Proposed 2 Bedroom Semi Detached Elevations	05/03/23
MSO-120	B	Proposed 2 Bedroom Semi Detached Floor Plans	05/03/23
MSO-130	A	Proposed 3 Bedroom Semi Detached Floor Plans	05/03/23
MSO-131	C	Proposed 3 Bedroom Semi Detached Elevations	05/03/23
MSO-003	D	Drainage & Levels Site Plan	28/02/23
MSO-110	-	Proposed Double Garage	05/03/23
MSO-140	A	Proposed 4 Bedroom Detached Ground Floor Plan	05/03/23
MSO-141	A	Proposed 4 Bedroom Detached First Floor Plan	05/03/23
MSO-142	A	Proposed 4 Bedroom Detached Elevations	05/03/23

2. Cost Review Narrative

2.1. Summary of Costs

The costs associated with the development can be summarised as follows;

Stage / Item	Cost (£)
Roads & Sewers	£293,556
Plot Groundworks	£272,704
Housebuild Costs	£928,049
Preliminary Costs	£150,000
Site Development Costs	£44,000
Development Fees	£135,065
Contingency	£54,701
Total	£1,878,074

2.2. Roads & Sewers

The Roads & Sewers cost is built up of a detailed breakdown to a level which is considered of suitable detail for this stage in the scheme. C&W reviewed the rates included within the breakdowns against rates witnessed on recent residential schemes and suggested the following amendments to the Client's Quantity Surveyor;

- Reduction of manhole rate for FW1, FW2, S1 & S2.
- Reduction of rate for 6F2 imported fill.
- Reduction of rate for 60mm binder.
- Reduction of rate for PCC edgings.

The rates were subsequently considered and reduced, giving the revised sum of £293,556. C&W are therefore content with this inclusion for costs associated with roads & sewers.

2.3. Plot Groundworks

The plot groundworks cost is built up of a detailed breakdown to a level which is considered of suitable detail for this stage in the scheme. C&W reviewed the rates included within the breakdowns against rates witnessed on recent residential schemes and suggested the following amendments to the Client's Quantity Surveyor;

- Reduction in rate for excavating foundations.
- Reduction of rate for concrete foundations (FND2Z).
- Reduction of rate for concrete foundations (RC35).
- Reduction of rate for 450mm chamber.
- Reduction in rate for drainage excavation.
- Reduction in rate for driveway edgings.

The rates were subsequently considered and reduced, giving the revised fee of £272,704. C&W are therefore content with this inclusion for costs associated with plot groundworks.

2.4. House Build Costs

The plot groundworks cost is built up of a detailed breakdown to a level which is considered of suitable detail for this stage in the scheme. C&W reviewed the rates included within the breakdowns against rates witnessed on recent residential schemes and suggested the following amendments to the Client's Quantity Surveyor;

- o Reduction in rate 100mm blockwork.
- o Reduction of rate for natural stonework.
- o Reduction of rate for loft insulation

The rates were subsequently considered and reduced, giving the revised sum of £928,049. C&W are therefore content with this inclusion for costs associated with house build costs.

2.5. Preliminary Costs

Preliminary costs have been included, amounting to £150,000. This equates to approximately 10% of the construction costs. C&W often witness preliminaries costs in the region of 15% and therefore consider the allowance included to be on the lower end of a reasonable range.

2.6. Site Development Costs

Site development costs have been included at the sum of £44,000 relating to the following items;

- o Streetlighting costs
- o Gas protection measures
- o Retaining Walls
- o Importing Top Soil
- o Service Infrastructure Costs

C&W have reviewed the allowances within the build-up and consider them to be appropriate for the scale and nature of the scheme.

2.7. Development Fees

Development fees have been included at £135,065 which equates to 8% of the roads & sewers, plot groundworks, housebuild and preliminaries costs. Typically, C&W would expect a professional fees allowance between 7% and 10% of a project of this nature. The cost included is therefore considered to be within a reasonable range.

2.8. Contingency

A contingency allowance of £54,701 has been included which equates to 3% of the total build costs, inclusive of development fees. C&W would expect a contingency allowance between 3-5% at this stage of the project and are therefore content with this allowance.

3. Conclusion

C&W have utilised the information provided by the Borrower to carry out a review of the costs associated with the development of 6nr houses at Land off Millstones, Oxspring, Sheffield. Following the initial review, C&W provided commentary to the Client's Quantity Surveyor and adjustments were subsequently made to the rates. As such, C&W are content that the costs referenced within this report are reasonable and appropriate to complete the development.

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