

Business Justification Case

Trust/Health Board: Swansea Bay UHB

Hospital/Site: Cefn Coed Hospital

Project Title: Derwen Ward, Anti-Ligature Refurbishment Works

Option Preferred Option

Prepared by: SBUHB

Date: 08/06/2026

Revision:

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Option: TBC
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BASIS OF ESTIMATING

Healthcare Capital Investment document

Main Contract Procurement Method : Single Stage Selective Tenders

Main Contract Standard Form and Option : NEC4 ECC Option A

Proposed start on site : 01/09/2026

Proposed completion date : 31/03/2027

Date budget discussed with Estates Development*(ED) :

(Note - as soon as it is agreed with the WG that the project will be processed via a BJC, Estates Development must be contacted to discuss the intended content of the BJC and where appropriate a meeting is then to be arranged with ED to agree a draft budget based upon functional content. A separate reconciliation document linking the draft budget with BJC costs is to be issued separately directly to ED at the time of the BJC submission to the WG.)

*Estates Development is a part of Facilities Services (previously Welsh Health Estates), tel (029) 20315500

Capital Cost Summary

Ref	Cost Centre	Net £	VAT @ 20% £	Gross £
5	Works Cost (BJC2)	£ 1,982,849	£ 396,570	£ 2,379,419
6	Fees (BJC3) 17.69%	£ 350,766	£ 70,153	£ 420,919
7	Non-works Costs (BJC3)	£ 230,000	£ 46,000	£ 276,000
8	Equipment Costs (BJC2)	£ -	£ -	£ -
9	Contingency (15% of (5+6+7))	£ 384,542	£ 76,908	£ 461,451
10	Forecast Project Out-turn Cost (Pre VAT Recovery)	£ 2,948,158	£ 589,632	£ 3,537,789
11	LESS RECOVERABLE VAT (BJC5)		£ 70,153	£ 70,153
12	FORECAST PROJECT OUT-TURN COST	£ 2,948,158	£ 519,478	£ 3,467,636
	Optimism Bias 21.33%	628,842	110,805	739,647
		3,577,000	630,283	4,207,283

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CAPITAL COSTS: WORKS AND EQUIPMENT COSTS

Accommodation	Cost/m2 GFA	N/A/C	Works Cost £	Equipment Cost £
	£/m2			

Works Costs

Budget Cost estimate Works Cost } £1,736.30 /m2 C £ 1,982,849

Equipment Costs

Equipment included £ -

Total (gross) floor area; internal 1142m2

Less: Abatement for transferred equipment 0 %

Works Cost - to BJC1 Summary

£	-
£	-
£	-
£	1,982,849
£	-

Tendered Works Costs

1	2	3	4	5	6
			Tender		Total
	Anti-Ligature Refurbishment Works Celyn Ward, Cefn Coed, Hospital				
	Demolitions & Alterations Demolitions & Alterations		34,935	£	34,935
	Superstructure External Windows		196,842	£	196,842
	Internal Doors		570,692	£	570,692
	Finishes Floor Finishes		73,994	£	73,994
	Decoration		65,486	£	65,486
	Fixtures & Fittings Fittings		267,344	£	267,344
	Mechanical & Electrical Sanitary Appliances/IPS		87,721	£	87,721
	Mechanical Installation		394,531	£	394,531
	Electrical Installation		106,104	£	106,104
	External Works General External works		14,011	£	14,011
	Sub-total			£	1,811,659
	Main Contractor's Preliminaries			£	104,138
	Main Contractor's Overheads & Profit	3.50%		£	1,915,797
				£	67,053
			Total	£	1,982,849
	Build Cost at 2Q2026 (commencement)		Total	£	1,982,849
	Contractor's Tender Cost			£	1,982,849

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CAPITAL COSTS: FEES AND NON-WORKS COSTS

1	Fees	£	% of Works Cost
	a. Project Manager	£ 41,640	2.10%
	b. Cost Advisor	£ 30,734	1.55%
	c. Health Planner	£ -	0.00%
	d. Architect	£ 69,796	3.52%
	e. Civil and Structural Engineer	£ 27,958	1.41%
	f. Building Services Engineer	£ 63,649	3.21%
	g. Principal Designer	£ 19,828	1.00%
	h. Supervisor NEC	£ 19,828	1.00%
	i. FM Advisor	£ -	0.00%
	j. Other (list and describe)		
	j.1 Health Board - Internal Costs	£ 19,828	1.00%
	j.2 Audit Fees	£ -	0.00%
	j.3 Pre-Construction Fee - Contractor	£ -	0.00%
	j.4 Feasibility - Consultants	£ 9,914	0.50%
	j.5 Commissioning	£ 14,871	0.75%
	j.6 Ops Recharge	£ 14,871	0.75%
	j.7 VAT Advisor	£ 2,974	0.15%
	j.8 Business Case Support (QS)	£ 4,957	0.25%
	j.9 General Business Case Support	£ 9,914	0.50%
	j10 Technical Advisors; Accoustics, Fire etc	£ -	0.00%
	Total Fees to BJC1 Summary	£ 350,766	17.69%

2	Non-Works Costs	£	% of Works Cost
	a. Land purchase costs and associated legal fees	£ -	0.00%
	b. Statutory and Local Authority charges	£ -	0.00%
	c. Planning and Building Control fees	£ 10,000	0.49%
	d. Other (list and describe)		
	d.1 Health Board Other Costs - See list	£ 60,000	7.58%
	d.2 Survey Cost & the like	£ 20,000	4.09%
	d.3 Anti-ligature works	£ 40,000	
	d.4 M&E Upgrades	£ 100,000	
	Total Non-Works Costs to BJC1 Summary	£ 230,000	12.16%

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PROJECT CASHFLOW FORECAST

Proposed start on site (Mobilisation): 01/09/2026
Proposed completion date: 31/03/2027

	Year	0	1	2	3	Total
		Prior Years	2026/27	2027/28	2028/29	
Works Cost	Financial year	£ -	£ 1,982,849	£ -		£ 1,982,849
Fees			£ 350,766	£ -		£ 350,766
Non-works Costs		£ -	£ 230,000	£ -		£ 230,000
Equipment Costs		£ -	£ -	£ -		£ -
Contingencies		£ -	£ 384,542	£ -		£ 384,542
VAT		£ -	£ 589,632	£ -	£ -	£ 589,632
Sub-total		£ -	£ 3,537,789	£ -	£ -	£ 3,537,789
Recoverable VAT			-£ 70,153	£ -		-£ 70,153
Total		£ -	£ 3,467,636	£ -	£ -	£ 3,467,636

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RECOVERABLE VAT CALCULATION

	a	b	c	d
	Cost Net of VAT	VAT at 20% (ie prior to recovery)	Percentage recoverable (% of col b)	Recoverable VAT (col b x col c)
	£	£	%	£
Works Cost	£ 1,982,849	£396,570	0.00%	£ -
Fees	£ 350,766	£70,153	100.00%	£ 70,153
Non-works Costs	£ 230,000	£46,000	0.00%	£ -
Equipment Costs	£ -	£0	0.00%	£ -
Contingencies	£ 384,542	£76,908	0.00%	£ -
Total				£ 70,153

Derwen Ward, Anti-Ligature Refurbishment Works

TBC

Cost Head	Comments	Quantity	Unit	Rate	Total	Total to Business Case
Non-Works Costs:						
Land Purchase costs	Not applicable	0	lt	£0.00	£0	
Legal Fees - Associated with Land	Not applicable	0	lt	£0.00	£0	
						£0.00
Statutory and Local Authority charges:						
Gas Mains	Provisional Allowance -	0	lt	£20,000.00	£0	
Diversion of Water Main	Provisional Allowance -	0	lt	£12,000.00	£0	
Electrical Mains	Provisional Allowance -	0	lt	£25,000.00	£0	
Drainage	Provisional Allowance -	0	lt	£10,000.00	£0	
						£0.00
Planning and Building Control fees:						
Planning Approval	Provisional allowance	1	lt	£5,000.00	£5,000	
Building Control	Provisional Allowance -	1	lt	£5,000.00	£5,000	
						£10,000.00
Health Board Other Costs:						
Arts	Provisional Allowance	0	lt	£10,000.00	£0	
IT wiring, telephony & IT Support		1	lt	£25,000.00	£25,000	
Decant Accommodation / Costs; storage	Budget allowance	1	lt	£5,000.00	£5,000	
Removal of Existing	Budget allowance	1	lt	£5,000.00	£5,000	
Portering Cost during decant of existing accommodation		1	lt	£10,000.00	£10,000	
Portering Cost associated with bringing the New Facility into Use		1	lt	£5,000.00	£5,000	
Deep clean on completion of the works - Clinical Clean		1	lt	£2,000.00	£2,000	
Non Statutory Signage		1	lt	£8,000.00	£8,000	
Site Security & Temporary Secure Storage	Not Required	0	lt	£5,000.00	£0	
Legal Fees - Non Land Associated	Not Required	0	lt	£0.00	£0	
Waste Removal Costs to ISO14001		0	lt	£1,000.00	£0	
Mobile Gliders	Budget allowance	0	lt	£7,000.00	£0	
						£60,000.00
Other Costs:						
Acoustic Consultants Fee	Provisional allowance	0	lt	£3,500.00	£0	
Air Leakage Testing	Allowance	0	lt	£3,500.00	£0	
Archaeological Watching Brief	Not required	0	lt	£0.00	£0	
Asbestos survey & Removal	Type 3 Refurbishment & Demolition survey	0	lt	£15,000.00	£0	
BREEAM assessor	Not required	0	lt	£0.00	£0	
CCTV Drainage Survey	Provisional allowance	0	lt	£2,000.00	£2,000	
Climate Based Day Time Modelling	Not required	0	lt	£0.00	£0	
Condition Surveys Including Dimensional Survey	Included in Prof Fees	0	lt	£2,000.00	£0	
Contamination Soils Assessment	Allowance	0	lt	£4,000.00	£0	
DDA consultant	Not required - Included in Architect Fee	0	lt	£0.00	£0	
Environmental Consultant / Ecologist Report / Tree Survey etc.	Provisional allowance	0	lt	£5,500.00	£0	
Fire Engineering	Provisional allowance	1	lt	£8,000.00	£8,000	
Flood risk assessment	Not required	0	lt	£0.00	£0	
Ground Investigation	Not required	0	lt	£6,500.00	£0	
Historical records	Included in Prof Fees	0	lt	£0.00	£0	
Interior Design / Landscaping / Sundry Design	Not required	0	lt	£2,000.00	£0	
Section 278 Design	Not required	0	lt	£0.00	£0	
Site Investigation/Testing	Provisional allowance	1	lt	£10,000.00	£10,000	
Topographical Surveys	Not required	0	lt	£4,500.00	£0	
Traffic Survey - Highways	Provisional allowance	0	lt	£2,500.00	£0	
Utilities Survey	Not required	0	lt	£2,500.00	£0	
Virtual Model	Not required	0	lt	£5,000.00	£0	
Metering recharge	Budget	0	lt	£5,000.00	£0	
Chaparone costs associated with patient safety	Allowance	0	lt	£25,000.00	£0	
						£20,000.00
						£90,000