

Business Justification Case

Trust/Health Board: Swansea Bay University Health Board

Hospital/Site: Cefn Coed

Project Title: Service Diversions

Option Option 1

Prepared by: AECOM

Date: 24-Jul-26

Revision: -

Project Title: Service Diversions**Option:** Option 1**Revision:** -**BASIS OF ESTIMATE**

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 : 27/08/2027

Proposed completion date : 28/10/2028

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 02920 315500

Capital Cost Summary

Ref	Cost Centre	Net £	VAT @ 20% £	Gross £
5	Works Cost (BJC2)	£ 3,586,346	£ 717,269	£ 4,303,616
6	Fees (BJC3)	£ 717,807	£ 143,561	£ 861,369
7	Non-works Costs (BJC3)	£ 174,065	£ 34,813	£ 208,878
8	Equipment Costs (BJC2)	£ 22,500	£ 4,500	£ 27,000
9	Contingency (10% of 5, 6, 7 & 8)	£ 450,072	£ 90,014	£ 540,086
10	Forecast Project Out-turn Cost (Pre VAT Recovery)	£ 4,950,791	£ 990,158	£ 5,940,949
11	LESS RECOVERABLE VAT (BJC5)	£ -	-£ 143,561	-£ 143,561
12	FORECAST PROJECT OUT-TURN COST	£ 4,950,791	£ 1,133,720	£ 5,797,387

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Estimated Works costs

12		3	4	5	6
		Indicative Estimate of Cost			
		Market Tested	Non-Market Tested	Total	Total
	Cefn Coed Hospital Service Diversions				
	Measured Work				
	Facilitating works		550,000		£ 550,000
	Building works		162,579		£ 162,579
	Gas supplies		79,697		£ 79,697
	Water Supplies		311,141		£ 311,141
	Electrical Supplies		659,847		£ 659,847
	Site Lighting		375,861		£ 375,861
	Communications		12,511		£ 12,511
	Drainage		328,175		£ 328,175
	Net Estimated Cost of Construction	£ -	£ 2,479,812	£ -	£ 2,479,812
	Main Contractor's Preliminaries				£ 446,366
	Main Contractors OH&P				£ 190,202
	Framework Levy				£ 11,686
	Inflation				£ 208,070
	Desgn Development				£ 250,210
	Total Estimated Cost of Construction				£ 3,586,346
	Budget Estimate Works Cost				£ 3,586,346

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CAPITAL COSTS: FEES AND NON-WORKS COSTS

1	Fees	£	% of Works Cost
	a. Project Manager	£ 75,313	2.10%
	b. Cost Advisor	£ 55,588	1.55%
	c. Health Planner	£ -	0.00%
	d. Architect	£ 113,329	3.16%
	e. Civil and Structural Engineer	£ 50,567	1.41%
	f. Building Services Engineer	£ 115,122	3.21%
	g. Principal Designer	£ 35,863	1.00%
	h. Supervisor NEC	£ 78,900	2.20%
	i. FM Advisor	£ -	0.00%
	j. Other (list and describe)		
	j.1 Health Board - Internal Costs	£ 35,863	1.00%
	j.2 Audit Fees	£ 21,877	0.61%
	j.3 Pre-Construction Fee - Contractor	£ -	0.00%
	j.4 Feasibility - Consultants	£ 18,828	0.53%
	j.5 Commissioning	£ 17,932	0.50%
	j.6 Ops Recharge	£ 26,898	0.75%
	j.7 VAT Advisor	£ 5,380	0.15%
	j.8 Business Case Support (QS)	£ 5,021	0.14%
	j.9 General Business Case Support	£ 18,290	0.51%
	j10 Technical Advisors; BSA, Fire etc	£ 43,036	1.20%
Total Fees to BJC1 Summary		£ 717,807	20.02%

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	£ 9,000	0.25%
	d. Other (list and describe)		
	d.1 Health Board Other Costs	£ 97,565	2.72%
	d.2 Survey Costs & the Like	£ 67,500	1.88%
Total Non-Works Costs to BJC1 Summary		£ 174,065	4.85%

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PROJECT CASHFLOW FORECAST

Proposed start on site (Mobilisation) 27/08/2027

Proposed completion date: 28/10/2028

	Year		0	1	2	3	Total
Financial year			Prior Years	2026/27	2027/28	2028/29	
Works Cost	£	-	£	-	£ 1,793,173	£ 1,793,173	£ 3,586,346
Fees	£	64,650	£	183,964	£ 234,597	£ 234,597	£ 717,807
Non-works Costs	£	-	£	12,565	£ 80,750	£ 80,750	£ 174,065
Equipment Costs	£	-	£	-	£ 11,250	£ 11,250	£ 22,500
Contingencies	£	-	£	19,653	£ 215,209	£ 215,209	£ 450,072
VAT	£	12,930	£	43,236	£ 466,996	£ 466,996	£ 990,158
Sub-total	£	77,580	£	259,418	£ 2,801,975	£ 2,801,975	£ 5,940,949
Recoverable VAT	-£	12,930	-£	36,793	-£ 46,919	-£ 46,919	-£ 143,561
Total	£	64,650	£	222,625	£ 2,755,056	£ 2,755,056	£ 5,797,387

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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	£ 3,586,346	£717,269	0.00%	£ -
Fees	£ 717,807	£143,561	100.00%	£ 143,561
Non-works Costs	£ 174,065	£34,813	0.00%	£ -
Equipment Costs	£ 22,500	£4,500	0.00%	£ -
Contingencies	£ 450,072	£90,014	0.00%	£ -
Total				£ 143,561

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Cost Head

Non-Works Costs:

Land Purchase costs

Legal Fees - Associated with Land

Statutory and Local Authority charges:

Gas Mains

Diversion of Water Main

Electrical Mains

Drainage

Planning and Building Control fees:

Planning Approval

Building Control

Health Board Other Costs:

Arts

IT wiring, telephony & IT Support

Decant Accommodation/Costs

Removal of Existing

Portering Cost during decant of existing accommodation

Portering Cost associated with bringing the New Facility into Use

Deep clean on completion of the works - Clinical Clean

Non Statutory Signage

Site Security & Temporary Secure Storage

Legal Fees - Non Land Associated

Waste Removal Costs to ISO14001

Mobile Gliders

Pre-construction contractor

Repair and replacement of existing rain water goods

Other Costs:

Acoustic Consultants Fee

Air Leakage Testing

Archaeological Watching Brief

Asbestos survey & Analysis

BREEAM assessor

CCTV Drainage Survey

Climate Based Day Time Modelling

Condition Surveys Including Dimensional Survey

Contamination Soils Assessment

DDA consultant

Environmental Consultant / Ecologist Report / Tree Survey etc.

Fire Engineering

Flood risk assessment

Ground Investigation

Historical records

Interior Design / Landscaping / Sundry Design

Section 278 Design

Site Investigation/Testing

Topographical Surveys

Traffic Survey - Highways

Utilities Survey

Virtual Model

Metering recharge

Security of existing building; unoccupied

Service Diversions

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Comments	Qty	Unit	Rate	Total
Not applicable	0	lt	£0.00	£0
Not applicable	0	lt	£0.00	£0
Included in measued work	1	lt	£0.00	£0
Included in measued work	1	lt	£0.00	£0
Included in measued work	1	lt	£0.00	£0
Included in measued work	1	lt	£0.00	£0
Provisional allowance	1	lt	£5,500.00	£5,500
Provisional allowance	1	lt	£3,500.00	£3,500
Not Required	1	lt	£0.00	£0
Provisional allowance	1	lt	£10,000.00	£10,000
Provisional allowance	1	lt	£5,000.00	£5,000
Provisional allowance	1	lt	£5,000.00	£5,000
Provisional allowance	1	lt	£2,500.00	£2,500
Provisional allowance	1	lt	£2,500.00	£2,500
Provisional allowance	1	lt	£5,000.00	£5,000
Provisional allowance	1	lt	£5,000.00	£5,000
Provisional allowance	1	lt	£25,000.00	£25,000
Not Required	0	lt	£0.00	£0
Included in measued work	1	lt	£0.00	£0
Not Required	0	lt	£0.00	£0
Provisional allowance	1	lt	£12,565.00	£12,565
Provisional allowance	1	lt	£25,000.00	£25,000
Provisional allowance	1	lt	£7,500.00	£7,500
Not required	0	lt	£0.00	£0
Not required	0	lt	£0.00	£0

Type 3 Refurbishment & Demolition survey	1	lt	£20,000.00	£20,000
Not required	0	lt	£0.00	£0
Provisional allowance	1	lt	£5,000.00	£5,000
Not required	0	lt	£0.00	£0
Included in Professional Fees	0	lt	£0.00	£0
Provisional allowance	1	lt	£5,000.00	£5,000
Not required - Included in Architect Fee	0	lt	£0.00	£0
Provisional allowance	1	lt	£5,000.00	£5,000
Not required	0	lt	£0.00	£0
Not required	0	lt	£0.00	£0
Provisional allowance	1	lt	£5,000.00	£5,000
Included in Prof Fees	0	lt	£0.00	£0
Not required	0	lt	£0.00	£0
Not required	0	lt	£0.00	£0
Provisional allowance	1	lt	£5,000.00	£5,000
Not required	0	lt	£0.00	£0
Not required	0	lt	£0.00	£0
Provisional allowance	1	lt	£5,000.00	£5,000
Not required	0	lt	£0.00	£0
Not required	0	lt	£0.00	£0
Provisional allowance	1	lt	£10,000.00	£10,000

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Total to Business Case

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£0.00

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£0.00

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£9,000.00

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£97,565.00

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	£67,500.00
	£174,065