WATERPERRY COURT, BANBURY

INDICATIVE COST ESTIMATE

Waterperry Court Developments Ltd

1156/001

15 July 2021

WATERPERRY COURT, BANBURY
INDICATIVE COST ESTIMATE

Client No.: 1156/001
Client : Waterperry Court Developments Ltd

Issue Date : 15-Jul-21
Base Date : 3Q21

NOTES

Executive Summary

This Indicative Cost Estimate aims to produce a likely out-turn cost for the refurbishment of the offices comprising Waterperry Court in Banbury. It should be noted that no design work has been undertaken and the works which are included have been assessed as necessary in order to make the offices lettable in the current market. Costs are current rates (3Q21).

Two options have been considered; the first is a largely cosmetic refurbishment and includes replacing carpet floor finishes, suspended ceilings, redecoration internally and externally including balcony railings and rendering, replacement of all doors, introduction of comfort cooling as most windows have restrictors on them, increasing toilet and kitchen provision and upgrading existing fire and security installations. Minor repairs to the car park is also included. These costs have been prepared on the basis of multi-let occupation, but assume that existing office partitions are retained. The likely out-turn cost for Option 1 is c£1.35m (c£750/m2) excluding VAT and professional fees but inclusive of a design and construction contingency of 7.5%

As would be expected for a very light touch refurbishment this sits within the lower quartile range of costs provided by BCIS, rebased to 3Q21 and Cherwell (see Appendix A)

The second option requires a complete strip out of the existing buildings, redesign of the spaces, again for multi-let occupation and fit-out to standards suitable for the changing way that office spaces are being used, with emphasis on supporting net-zero carbon and other sustainability aspirations. A June 2021 study and cost model carried out by the publication *Building* estimates that a typical cost range for this would be between £230 - £310/ft2 (£2,475 - 3,350/m2), excluding professional fees, VAT and any statutory costs such as CIL or s106/278 agreements. On this basis, a comprehensive refurbishment of Waterperry Court would cost in the region of c£4.5m - £6m.

Although these costs sit well above the upper quartile range of costs from BCIS it should be noted that BCIS data is based on historical costs and is therefore not reflective of current trends, particularly with relevance to net-zero carbon and other sustainability developments.

Exclusions from the Construction Cost Plan

No allowance has been included for the following:

- VAT
- Cost of finance
- Professional fees
- Legal costs
- Construction cost inflation (costs assumed at 3Q21)
- Planning application / building control fees
- Site investigations / surveys and resultant implications
- Abnormal ground conditions
- Removal or disposal of asbestos (assumed none present)
- Loose furnishings, fittings and equipment

Basis of Estimate

This Cost Plan has been prepared based on a site visit and notes by James Lockhart of Whitmarsh Lockhart.

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OPTION 1	Qty	Unit	Rate	Total
External				
Redecorate including the rendering and the concrete used to construct the balconies, which are already painted.	133	m2	£15	£1,995
Redecorate railings etc.	52	m	£30	£1,560
The windows are generally in good order, but there is deterioration to some sections of the beading securing the glazing. Redecorate	263	m2	£48	£12,712
All existing signage to be removed from the building.	1	item	£1,500	£1,500
The car park to be weeded and freshly painted lines for the allocated car spaces	42	Nr	£75	£3,150
				£20,917
Internal				
Re carpet throughout	1,593	m2	£52	£82,836
Extra for stair treads, risers and skirtings	216	m	£35	£7,560
Extra for replacement nosings	216	Nr	£30	£6,480
Floor boxes to be checked and repaired, where necessary	1	item	£8,000	£8,000
Office walls require redecoration	3,754	m2	£12	£45,053
Office skirting's require redecoration	1,136	m	£6	£6,816
Windows redecorated internally	263	m2	£48	£12,712
Stairwell walls no longer need to be papered but emulsioned.	354	m2	£26	£9,194
Stairwell skirting's require redecoration	256	m	£6	£1,536
Allowance to decorate balustrades and handrails	768	m	£6	£4,608
Doors leading into the various suites have either security locks or missing security locks and the doors themselves look tired and all require replacing	83	Nr	£1,075	£89,225
Suspended ceiling tiles are now dated, replace with new suspended ceilings and new LED lighting	917	m2	£165	£151,305
Radiators require redecoration	95	Nr	£50	£4,750
Installation of comfort cooling	1,793	m2	£106	£190,148
Installation of an additional toilet per floor, in Strathmore House particularly; existing toilet facilities need to be upgraded with new tiling, fixtures and fittings	15	Nr	£10,500	£157,500
Kitchen Sink units and work surfaces need to be installed in each "suite" in Strathmore, Malvern, Buxton and Chilton Houses and one kitchenette in Ashbourne House. Where there are existing kitchens, the units to be refreshed.	15	Nr	£7,500	£112,500
The lift in Strathmore House requires servicing and left in working order	1	item	£5,000	£5,000
Security and fire systems to be configured to assume multi occupants in each House	1,793	m2	£54	£96,015
				£991,237

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TOTAL COST INTERNAL AND EXTERNAL			**£1,012,154**
Main Contractor's preliminaries	12	%	£121,458
Main Contractor's OH&P	10	%	£113,361
			£1,246,973
Allowance for design and construction contingency, say	7.5	%	£93,523
CONSTRUCTION COST TOTAL			**£1,340,496**

APPENDIX A

£/m2 study

Description: Rate per m2 gross internal floor area for the building Cost including prelims.

Last updated: 03-Jul-2021 00:42

› Rebased to 3Q 2021 (334; forecast) and Cherwell (101; sample 22)

Maximum age of results: Default period

Building function (Maximum age of projects)	£/m² gross internal floor area						Sample
	Mean	Lowest	Lower quartiles	Median	Upper quartiles	Highest	
Rehabilitation/Conversion							
320. Offices							
Generally (15)	1,228	162	557	1,008	1,615	4,880	100
Air-conditioned							
Generally (15)	1,356	275	803	1,066	1,668	4,880	43
1-2 storey (15)	1,282	275	507	886	1,544	4,880	14
3-5 storey (15)	1,528	328	818	1,194	1,887	3,939	16
6 storey or above (15)	1,302	527	937	1,134	1,677	2,298	10
Not air-conditioned							
Generally (15)	1,307	258	774	1,128	1,825	3,320	34
1-2 storey (15)	1,219	258	737	981	1,703	2,810	17
3-5 storey (15)	1,345	409	991	1,142	1,633	3,320	13
6 storey or above (25)	899	304	430	506	1,365	1,890	5

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COST MODEL REINVENTION

Reinvention – making obsolete buildings relevant to today's market, including by conversion to more valuable uses – is a green alternative to demolition and rebuilding. **Nic di Santo, Alastair Kenyon and Rachel Coleman** of Alinea balance the benefits against the risks and constraints, and detail the costs of an example scheme

01 / WHY REINVENT?

Retail and office vacancies have increased in the last 12 months, particularly in city centres, prompting many to declare that the pandemic is leading to the death of the high street or even the office. While it is too early to predict the full range of effects on real estate, measures put in place during the covid-19 crisis have certainly accelerated several existing trends: the shift to online shopping, the desire for an experience rather than purely transactional processes (this applies to offices as well as retail), and an appreciation for well-designed, human-scale urban spaces that inspire a sense of belonging.

The wealth of retail and office space being returned to the market presents an opportunity to reinvent empty or under-utilised units into fit-for-purpose spaces and mixed-use buildings that can better support the local community and attract people back to commercial buildings and the public realm.

There is a clear environmental benefit to reinvention. The success of decarbonising the UK economy relies on making the most of our current building stock: refurbishing and repurposing wherever possible to create new spaces that are healthy, welcoming, attractive and flexible.

Repurposing an existing asset can be a viable alternative to rebuilding, not only supporting net zero carbon and other sustainability aspirations but also offering potential efficiencies in cost, time and materials. In most instances, the existing shell can be adapted to accommodate new or multiple uses, and if the refurbishment is designed and implemented carefully it can return the space to the market quicker than a new-build project would.

02 / AVOIDING DEMOLITION

There are at least 1,300 buildings around the world that are over 200m high, yet until this year nothing above that height has ever been (peacefully) demolished. But the former Union Carbide Building at 270 Park Avenue in New York is being taken down in 2021, breaking that record, as it stands at 215.5m.

The average lifespan of the tallest 100 buildings to have ever been demolished is a little over 40 years, and most are younger. This is somewhat less than the usual design life of commercial buildings, suggesting that among tall towers there is an unnecessary redundancy in design, a waste of resources and an avoidable impact on the planet.

As Edwin Heathcote wrote in the Financial Times in January, "demolition is architecture's dirty little secret". Commercial buildings are too frequently demolished and replaced, at great environmental cost. Iconic or other anchor buildings are often the most difficult to demolish – and their vast, evocative forms can support a second life through refurbishment.

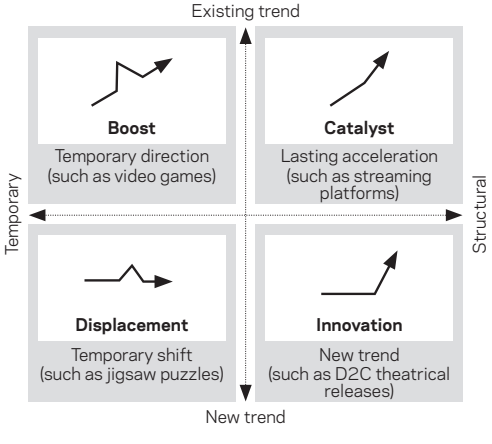
The City of London is under constant renewal, usually through redevelopment. Invariably this is for good reason, replacing tired and outdated real estate with contemporary, larger assets. Sometimes deconstruction is necessary – a complex operation undertaken by renowned specialists. But given that 60%-70% of the upfront carbon associated with the construction of a new office building is in its substructures and superstructures, it would make sense for the default first question in any project to be: Can we make a successful project by retaining at least the bones of the existing building?

03 / THE REAL ESTATE MARKET POST-COVID

The past year or so has tested both personal and corporate standards for working, playing and learning. Enforced isolation and the narrowing of choice have recalibrated what "good" means not only for each individual – such as in terms of a better work-life balance – but also for landlords and occupiers, for instance with an increased appreciation for acoustics and connectivity.

The challenge for the real estate sector is to determine which changes will stick and therefore can be used to predict future demands. While some trends are here for the long term, others are merely a temporary distraction – the diagram below shows the different types of disruption that can be identified. Understanding the context and longevity of the trends we are seeing can allow us to ensure the spaces we create are future-proofed and fit for purpose.

Types of disruption



SOURCE: BCG HENDERSON INSTITUTE / HBR

In the coming period we may see more human-centric buildings – those that encourage the kind of human encounters we have been missing over the last 15 months. Offices that provide better spaces for collaboration, learning and development, innovation and creativity, while rivalling the home as a setting in which to work.

We could also see a change in the traditional daytime/night-time routine, with spaces changing from cafes serving home-workers through the day to include more restaurant services into the evening for those who no longer commute but still wish to socialise.

Retail under pressure

Clearly the pandemic has severely affected the retail and hospitality sectors. According to the Centre for Retail Research, 54 companies failed in 2020, closing 5,214 stores and affecting nearly 110,000 employees (more than double the number in 2019).

Shopping habits were already changing fast before the pandemic, and many of the large failures in 2020 were due to vast over-expansion in previous years. The closure of all non-essential stores during lockdowns has helped to speed

up the shift to online retailing, which in turn is creating an oversupply of retail space and weak bottom lines when costs such as business rates, energy use and rent are factored in.

The high street is adapting from a place to do routine shopping into a destination that offers an experience, as well as somewhere to socialise. For example, customers are gravitating to emerging new models of dining, where eating is mixed with buying quality products, experimentation with new flavours, and leisure activities such as cookery schools. Other examples include Selfridges' recent announcement that it has been licensed to host weddings and has created a wedding suite on its fourth floor.

Retail will need to negotiate different challenges across its many sub-sectors, with each having to promote imaginative solutions, supported by spaces that give them the opportunity to do so.

However, not all covid-generated dynamics will be permanent – something that investors and developers will need to consider as they repurpose their assets to suit future habits.

The oversupply of retail space attracts a lot of negative press coverage, but it also presents an opportunity for reinvention. Repurposing these vacant or underperforming areas of retail parks, shopping centres or high streets can be the catalyst for levelling up in particular areas, taking advantage of the newly flexible workforce to reinvigorate districts and better support local communities.

SPOTLIGHT ON 135 BISHOPSGATE

British Land's 135 Bishopsgate is part of a trio of buildings with a distinctly 1980s feel that make up a landscraper on the northern part of Bishopsgate and form a barrier to the eastern edge of Broadgate.

With the surrounding areas of Shoreditch, Spitalfields and the City having all undergone transformation in recent years, Broadgate also needed to change, to appeal to a broader range of occupiers and provide a better mix of uses, particularly in terms of restaurants and leisure.

The original building at 135 benefited from strong fundamentals, including good views, light levels and floor-to-floor heights, as well as long runs of space. When the developer set out to refurbish the building, it sought to play to 135's existing strengths in order to appeal to new occupiers: delivering large, flexible floorplates, connected by characterful light wells and atriums with large private and communal terraces.

Another key aim was to improve permeability and address the outdated public realm. There was an opportunity to take advantage of the high seven-days-a-week footfall along Bishopsgate by refreshing the facade design at lower levels and introducing a flagship store – this led to April seeing the opening of Eataly's first UK store at 135, a key part in Broadgate's evolution.

The project team included Fletcher Priest, Hoare Lea, Meinhaardt, M3, Alinea and Sir Robert McAlpine.

04 / FIRST, DECIDE WHAT IS THE INVENTION

Any reinvention project must first identify what would drive income and viability for the scheme as well as drive value back into the local area and community.

To ensure a building suitably serves a local requirement and that the mix of tenants is appropriate, research and engagement with users is key.

Such engagement will identify the specific requirements for spaces offering community interaction, quality of life and a sense of place, convenience, entertainment and flexibility.

IDENTIFYING OCCUPIER NEEDS

What do tenants or other end users really value in a space? Their key wants and themes will help drive the scheme, and could cover topics such as:

1. An inspiring place to work, with a focus on health and wellbeing; a destination that invites one to visit, experience, and socialise.

2. Low operating costs: net zero carbon strategies that drive performance and the highest possible EPC rating.

3. Social value initiatives that align with the occupier's own ESG principles such as the encouragement of local procurement and employment.

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» 05 / REINVENTION: HOW TO GET IT RIGHT

There are several important factors when considering how best to repurpose any building to a new use. Every building is unique and will throw up its own individual challenges to overcome, but there are a number of common and consistent themes that should be investigated and explored. Below we consider the key commercial drivers and risk mitigation factors in design and procurement.

An obvious but critical starting point is to map out a clear and concise brief of what is required. Inevitably there will be options to consider in order to evaluate what can be done, but to set the project up to succeed requires clear direction in relation to end use, product, budget and programme, as well as around environmental, social and corporate governance (ESG) considerations. Those last in particular need careful evaluation, with agreed and well-articulated sustainability targets.

It is vital to select a trusted team with the right blend of skills, knowledge and collaborative style to bring out the best in one another and thereby the project. Creativity is essential. Typically the intent will be to reuse as much of the existing building as possible, conserving its inherent architectural merit while at the same time unleashing its full potential.

Take the time to research the building and its component parts, whether that be the structure, fabric or MEP systems. Doing this up front will pay huge dividends later in terms of design, cost, value and risk apportionment. Being realistic with design durations and avoiding shortcuts can help prevent problems later in the programme.

Some buildings lend themselves to adaptation more than others, and inevitably when considering the art of the possible some blind alleys will be taken, but good cost advice will help identify the tipping points of what can be done with an existing asset.

Key points of focus include:

Space planning

- When reconfiguring cores, floorplates and storey heights and introducing new fire thermal and acoustics requirements, always consider the knock-on impact on the target net internal area.

Architecture

- Depending on the project brief, this could be quite a wide-ranging consideration, and will vary depending on what extent of intervention is required. Close collaboration between design team members during the design process will help mitigate surprises.

Structure and core constraints

- The extent of new interventions needs to be determined. For example, additional basement depth or size, reconfiguration of cores, creation of or filling-in of atrium spaces, additional floor loadings and terracing will affect what is viable.
- Stair and lift cores that are optimised or shared between uses can reduce costs.

Services

- Overall servicing needs to respond to all new uses, and new plant may be required, impacting design efficiencies.
- Infrastructure may need to be upgraded (for instance, a new substation).
- A food hall will require numerous drainage points, and A3 units will require fire-rated kitchen extract risers terminating at roof level, with additional maintenance access.
- There may be increased demand for foul drainage, with multiple vertical stacks and horizontal transfers.
- Utility servicing to a mix of uses will cost more than in a single building, depending on the leasing arrangement.

Vertical transportation

- An increase in uses will increase the demand for lifts and escalators. Opportunities to share these (such as through common servicing) will benefit the scheme.
- Positioning of lift and escalator pits will need to be considered for both headroom and structural implications.

Fire strategy

- There will obviously be implications for the fire strategy and smoke control.
- A change to multiple tenancy will require a new approach and may require common escape routes and fire engineered solutions.

Wider site considerations

- Noise, vibration and movement monitoring will be required if the site is located next to an underground or overground station.
- The risk of water ingress to a station or railway tunnel requires waterproofing solutions.

High levels of natural light and good views across the city were strengths that benefited the developers reinventing 135 Bishopsgate

Using technology such as BIM can assist in clash detections, reduce waste, minimise and identify appropriate transfer of risk, and optimise the overall programme.

It is helpful to gain appropriate contractor input at the right time. If done too early, when optioneering and feasibility works are still under way, then time and cost may be wasted; but if too late then buildability, risk apportionment and programme considerations may be overlooked. As with the rest of the team, selecting the right contractor, at the right time, to undertake the works is hugely important. Rarely does lowest price equal a successful outcome.

Once the concept has been established and the team are all on board, take the time to focus on key areas of risk, identify who owns what, and put a structured plan in place. Typically the key areas of risk will include structural integrity, fire, acoustics and thermal properties. Ignore these at your peril, but if you get it right, then procurement, risk transfer and out-turn cost will be all the better for it.

SPOTLIGHT ON THE BOWER

At the Bower on east London's Old Street roundabout, AHMM reinvented a collection of belligerent and oversized 1960s buildings that had been incongruously overclad in the 1980s, transforming them into a new workplace of discreet services and streamlined office spaces, along with ground-floor retail and restaurants and new public realm. The tallest building was given a new facade, and extended with two large volumes added to its sides to provide double-height zones to augment the office floorplates. The interiors were stripped back and suspended ceilings removed. At ground-floor level, a portion of the largest building is cut out to create a pedestrian link. Contractors on the project for client Helical were Sisk and Skanska.

06 / ABOUT THE COST MODEL

This cost model looks at repurposing a commercial office building into a retail and commercial mixed-use development. While it is based upon a set of specific criteria, a typical cost range could be £230-£310/ft² depending on the level of intervention in the existing structure, the reuse or otherwise of the external facades, the requirement to refurbish or renew existing MEP plant and distribution systems and whether additional space is created within the existing envelope or through additional floors or extension.

The scheme on which the model is based is located in central London, and all rates are based on Q2 2021. Exclusions from the cost model include professional fees, VAT, section 106/278, community infrastructure levy payments and the like.

This cost model is based on the following:

Existing building

- The existing building comprises a single-storey basement with the above-ground building arranged over nine levels, totalling a gross floor area of 35,377m².
- The primary structural frame consists of steel frame and columns wrapped in Conlit fire protection, supporting metal deck and concrete composite slabs.
- The existing facade is constructed from a strongback system which supports the granite stone and double-glazed aluminium unitised elements.

Areas	Gross internal area (m²)	Net internal area (m²)	NIA to GIA ratio
Shared areas	4,873	0	0%
Retail (A1, A3)	3,500	3,466	99%
Offices	27,004	20,793	77%
Total	35,377	24,259	69%

Proposed scheme

- The proposed scheme comprises 20,793m² of office accommodation on levels one to nine and 3,466m² of A1 and A3 retail units at basement and ground. There is also a mezzanine level between basement and ground which is dedicated to plant.
- Ownership is not split and it is assumed the plant is shared.
- All existing foundations and cores remain unmodified as they already provide the required stability.
- The existing frame does not require strengthening for the works planned.
- For layout and servicing purposes, the basement floor plant areas are reconfigured and one of the main stair cores demolished at basement to ground floor, creating additional retail space.
- A feature passenger lift is added for the retail unit, serving basement to ground.
- A dedicated retail goods lift (platform) is added, serving basement to ground.
- Mechanical refurbishment is undertaken of the existing lifts and escalators.
- Complete replacement is carried out of the facade to ground-floor level, with a mild steel stick system and double-glazed units.
- The existing facade from levels one to nine is retained, with only minor repairs and cleaning carried out.
- Roof terraces are created at levels eight and nine.

MEP

The MEP is all new and is based on the following:

- High-density polyethylene rainwater drainage, soil and vent pipework to serve toilet and shower facilities.
- Domestic hot water is produced by a water source heat pump to boost the low-temperature hot water via plate heat exchanger to a suitable domestic temperature.
- Chilled and low-temperature hot water is produced by air-source heat pumps on the roof, sized on the heating load. Air-cooled chillers provide the remaining cooling load requirements.
- Air-handling units (AHUs) are provided on-floor with intake/exhaust air taken from adjacent risers. Intake air is boosted via a supply-only AHU located on the roof.
- Ground floor and mezzanine plant and back-of-house ventilation is fire-rated where necessary.
- Toilet supply and extract systems are centralised.
- New transformers and LV switchboards/distribution/lighting/containment are provided throughout.
- Full-building back-up generation is provided along with all required switchgear upgrades and SCADA control systems.
- Dry risers and landlord's sprinkler system are proviced along with fire and voice alarm systems.
- A common network is installed to accommodate the lighting control, building management system, environmental management system, security systems, landlord's data points, landlord's wifi to reception, lift lobbies and cyclist facilities.
- The retail units are delivered as a shell but with the following connections: drainage, cold water, chilled and low-temperature hot-water connections to landlord's plant via plate heat exchangers, three fire-rated ductwork risers to roof level, electrical, gas, sprinkler, fire alarm.

Fit-outs included

- Fit-out of reception at level one, scope as described in the model overleaf.
- Fit-out of lift lobbies on levels one to nine, scope as described in the model.
- Complete strip-out and fit-out of WCs, scope as described in the model.
- Fit-out of communal clubhouse, including associated WCs on level nine.

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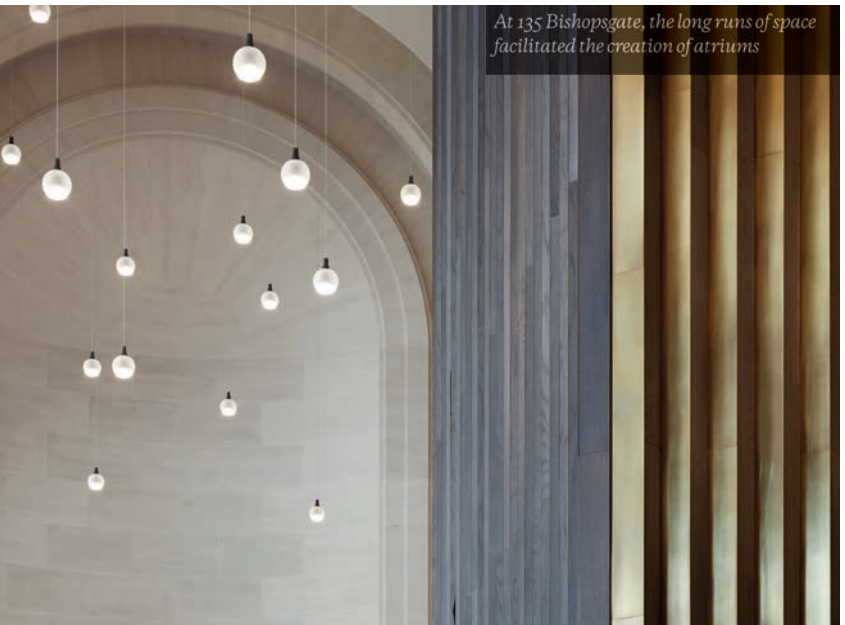
» 07 /THE COST MODEL

	Element cost (£)	Cost/m² GIFA (£)	% total cost
DEMOLITION/SITE PREPARATION	**4,506,000**	**127.37**	**6**
Temporary and protective works generally	35,000		
Soft strip of existing building; 35,377m² @£80/m²	2,830,160		
Demolition of existing stair core, basement to ground floor	80,000		
Allowance for minor demolition to facilitate reconfiguration of ground floor, penetrations for new lifts and risers	415,000		
Removal of existing facade including access scaffolding; 1,181m² @£200/m²	236,101		
Main contractor preliminaries @ 16%, OH&P @5%, contract fixed price/risk @ 3%	910,000		
SHELL AND CORE			
Substructure	**30,000**	**0.85**	**0.04**
Form new lift pit to retail area	30,000		
Frame	**2,808,000**	**79.37**	**3**
Steel beams and trusses; strip existing Conlit fire protection, remove pins, prepare surface and intumescent spray; to office floors only; 20,793m² @ £115/m²	2,391,195		
Allowance for making good/replacement of passive fire protection as required	417,000		
Upper floors	**150,000**	**4.24**	**0.2**
Infill existing openings generally with 200mm in-situ reinforced concrete floor incl trimming steels and stitching into existing structure	150,000		
Stairs	**142,000**	**4.01**	**0.2**
Allowance for making good to existing stairs, incl repainting of walls, floors and ceilings and new signage; handrails and balustrades retained; 46 flights @ £2,000/flight	92,000		
Retail – new steel staircase between basement and ground floor	50,000		
Roof	**3,744,000**	**105.83**	**5**
Strip off existing roof coverings and replace with new membrane, new insulation, new concrete paving and ballast; replace rainwater gullies in existing locations (all pipework retained); 3,310m² @ £625/m²	2,068,750		
Works to create new terraces, with new composite decking, balustrades, planters and planting; 558m² @ £3,000/m²	1,675,000		
External walls, windows and doors	**4,677,000**	**132.20**	**6**
Specialist subcontractors' design agreement (PCSA)	225,000		
Aluminium stick system; low-iron glass to retail; 903m² @ £1,750/m²	1,580,250		
Aluminium stick system; low-iron glass to reception; 110m² @ £1,750/m²	192,500		
Feature stainless steel panels to overclad portals to existing stone columns; 308m² @ £2,300/m²	709,167		
Entrance revolving doors; manual; 2nr @ £80,000 each	160,000		
Allowance for external doors	180,000		
Allowance for facade mock-up and testing	200,000		
Cleaning and repairs to existing facade; access by combination of building maintenance unit and temporary cradles; 7,500m² @ £120/m²	900,000		
Allowance for plant screens to roof plant; 450m² @ £1,000/m²	450,000		
New sliding/folding door to newly created terraces; 2nr @ £40,000 each	80,000		
Internal walls, partitions and doors	**4,313,000**	**121.92**	**5**
Internal block walls to form new layout; 846m² @ £125/m²	105,729		
Internal block walls to separate A1 and A3 units; 2,151m² @ £150/m²	322,650		
Demolish existing blockwork boundary walls and replace with drylined shaft wall; 2,200m² @ £700/m²	1,540,000		
Demolish existing drylined walls to main core, stair cores and lift shafts and replace with drylined shaft walls; 8,558m² @ £145/m²	1,240,958		
New fire-rated kitchen extracts (ductwork included in MEP); 3nr @ £75,000	225,000		
Doors to lift lobbies; glazed double door with 2nr glazed side panels; 18nr @ £20,000 each	360,000		
Internal riser door to commercial office building: single, incl painted softwood frame, hardwood veneer and ironmongery; 33nr @ £1,800 each	60,000		
Fire-rated doors to commercial office circulation: single-leaf incl ironmongery; 167nr @ £2,750 each	458,333		
INTERNAL FINISHES, FITTINGS, FURNISHINGS AND EQUIPMENT	**12,615,000**	**356.59**	**16**
Allowance for finish to showers, changing and cycle store; incl lockers, 12nr showers, bike racks and lockers; 292m² @ £3,000/m²	875,000		
Reception fit-out incl tenant sign board, mat-well, concrete and timber panel feature walls, cleaning of existing stone floor and wall, suspended plasterboard ceiling with pendant lighting, timber booth seating and planters, 1nr reception desk (level 1), 1nr concierge podium (ground floor), 5nr turnstiles (level 1); 598m² @ £3,450/m²	2,061,375		

07 / THE COST MODEL (CONTINUED)

	Element cost (£)	Cost/m² GIFA (£)	% total cost
WC fit-out incl metal-framed partition system, IPS duct panelling to walls, Duravit WC pans and urinals, concrete trough vanity, sensor taps and soap dispensers, sundry fixtures and fittings; 1,184m² @ £4,100/m²	4,855,083		
Lift lobby fit-out incl cleaning of existing stone wall finish, new painted plasterboard lining above existing stone finish, exposed soffits, timber flooring and signage; 488m² @ £2,550/m²	1,245,250		
New finishes to existing passenger lifts incl internal refurbishment of lift cars, new porcelain tiled floor finish, metal console panel, mirror to back wall, ceiling and lighting; 8nr @ £21,500 each	172,000		
Fit-out of communal business lounge/club house: incl associated 2nr WCs, kitchenette, credenza and bespoke wall unit with integrated appliances and TV, timber panelling to walls, natural stone floor finish, timber slatted ceiling and metal-clad doors; 150m² @ £6,200/m²	930,000		
Fitting out back-of-house common area; painted direct to blockwork or plasterboard walls, vinyl to floor, and suspended ceiling; 4,504m² @ £350/m²	1,576,458		
Statutory and wayfinding signage	185,000		
External signage	50,000		
Sundry fittings	10,000		
Prepare and paint internal framing elements of external facade; 1,440m² @ £130/m²	187,200		
Prepare and paint exposed metal deck soffit to office floors; 20,793m² @ £22.50/m²	467,843		
MEP AND VERTICAL TRANSPORTATION	**23,067,000**	**652.03**	**29**
Disposal installations; 35,377m² @ £15/m²	530,655		
Water installations; 35,377m² @ £18/m²	636,786		
Heat source; 35,377m² @ £24/m²	849,048		
Space heating and air treatment; 35,377m² @ £101/m²	3,573,077		
Ventilation systems; 35,377m² @ £40/m²	1,415,080		
Electrical installations; 35,377m² @ £197/m²	6,969,269		
Gas installations; 35,377m² @ £1/m²	35,377		
Protective installations; 35,377m² @ £21/m²	742,917		
Communication, security and controls installations; 35,377m² @ £80/m²	2,830,160		
MEP testing and commissioning; 35,377m² @ £15/m²	530,655		
MEP trade contractors' preliminaries; 35,377m² @ £77/m²	2,724,029		
Vertical transportation			
Mechanical refurbishment of passenger lifts: replace door operators, overhaul landing gear, re-roping, replace hall call allocation system; 8nr @ £75,000 each	600,000		
Modernisation of goods lift	150,000		
Mechanical refurbishment of escalators; 11nr @ £85,000 each	935,000		
New passenger lift to retail: feature lift, basement to ground floor	300,000		
New goods lift to retail: platform	165,000		
New passenger lift to cycle store: platform	80,000		
Builders' work in connection @ 5%	**1,153,000**	**32.59**	**1**
Sub-total (rounded)	**52,699,000**	**1,489.64**	**66**
PRELIMINARIES AND CONTINGENCIES			
Main contractor preliminaries and general @ 16%	8,432,000	238.35	11
Main contractor overhead and profit @ 5%	3,057,000	86.41	4
Contingency – design and build risk @ 3%	1,926,000	54.44	2
TOTAL SHELL AND CORE (ROUNDED)	**66,114,000**	**1,868.84**	**82**
Other works			
Utility connections incl BWIC	884,000	24.99	1
Remodelling of external landscaping/ public realm; 1,025m² @ £3,000/m²	3,075,000	86.92	4
Contingencies	**5,687,000**	**160.75**	**7**
Construction contingency @ 5%	3,728,950		
Design reserve @ 2.5%	1,957,699		
SUB-TOTAL (ROUNDED)	**9,646,000**	**272.66**	**12**
TOTAL COMMERCIAL OFFICE AND RETAIL UNITS (ROUNDED)	**80,266,000**	**2,268.88**	**100**



At 135 Bishopsgate, the long runs of space facilitated the creation of atriums

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