

Early Years Facility Whole Life Cost Summary

NORR Reference Design

East Ayrshire Council

April 2019



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Document history

Revision	Purpose description	Originated	Checked	Reviewed	Authorised	Date
Rev 5.0	Issue copy	I Abbott	H Joyce	I Abbott	I Abbott	12.04.19

Client signoff

Client	East Ayrshire Council	
Project	Early Years Facility	Whole Life Cost Summary
Job number	5186402	
Client signature / date		

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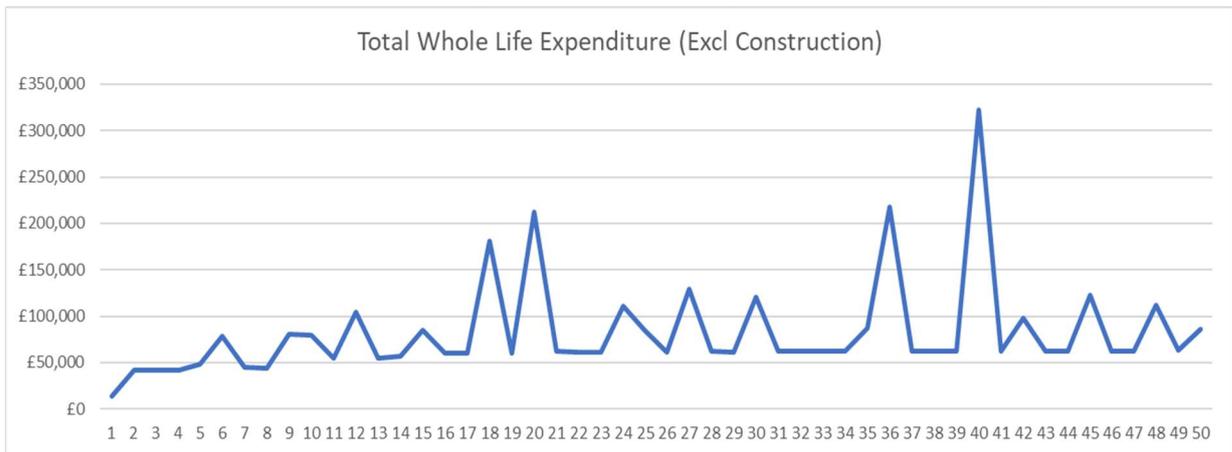
1.0 Introduction

1. To support the on-going development of local authority Early Learning and Childcare (ELC) Expansion Plans SFT has continued its engagement with East Ayrshire Council (EAC) to produce a whole life cost summary of each of the three ELC reference designs that were concluded in May 2018.
2. Each of the whole life cost summaries have been prepared in accordance with SFT's Whole Life Appraisal Tool for the Built Environment which consists of an online excel workbook that offers a clear and consistent method of reporting whole life outcomes for a project.
3. A total of three Whole Life Cost summaries have been prepared as listed below:
 - ABC Reference Design for the Kilmaurs ELC facility;
 - NORR Reference Design for the Netherthird ELC facility;
 - EAC's Generic ELC Reference Design;
4. The intention is to follow up this work with a further whole life cost assessment for each of the three ELC facilities that EAC are procuring via Hub South West.
5. The workbook for each whole life cost model provides a useful summary of the anticipated operating, energy, maintenance and life cycle replacement costs for each of the three reference designs.
6. This report relates to the NORR Reference Design of May 2018 an ELC Facility.
7. This report should be read in conjunction with the SFT Whole Life Cost Model "SFT WLAT V1.5 NORR 04.04.19.xlsm."
8. All costs stated in this report are 2Q 2018 prices.

2.0 Executive Summary

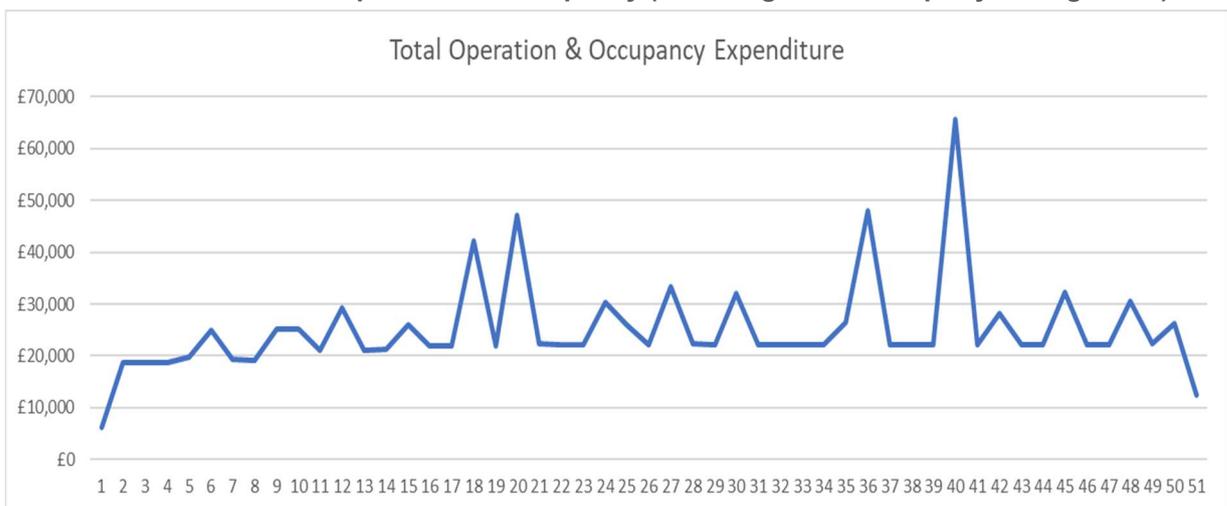
1. This review sets out the anticipated Whole Life Costs associated with the NORR Reference Design for the Netherthird ELC facility that was concluded in May 2018.
2. The graphs below indicate the build-up of the estimated expenditure annually (excl VAT) during the operating period using BS ISO 15686-5 guidance and SFT defined subject headings over a 50-year study period for the NORR Reference Design.
3. Total Whole Life Costs excluding Capital cost expenditure are estimated as £4,138,680 over the term as indicated below:

Whole Life Cost – Annual Project Revenue Total (Excl Construction Costs)



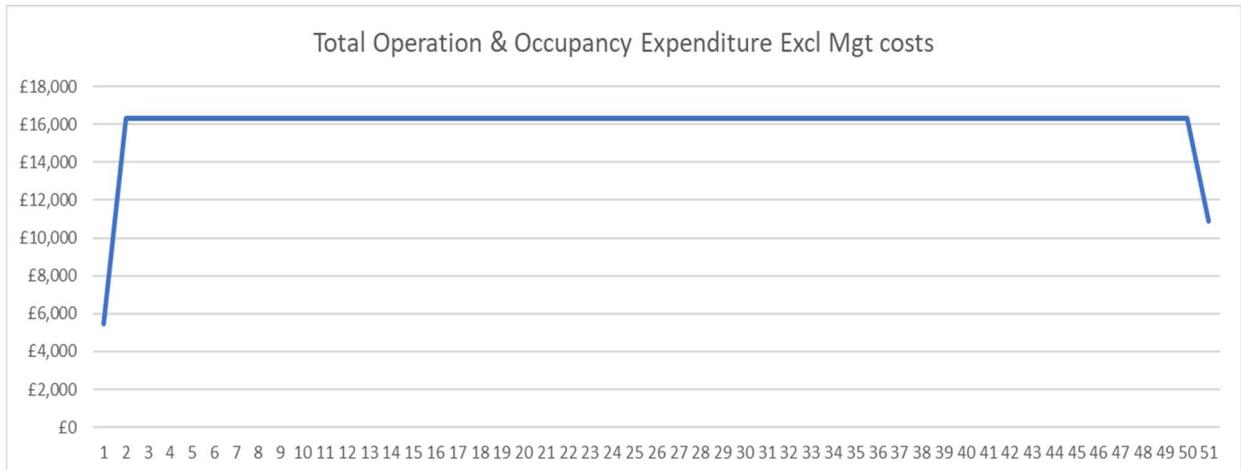
4. The Operation and Occupancy Costs include Estate and Property Management, Caretaking, Cleaning, Waste, Security, Catering, Telephony, Occupants FF&E, & ICT. The total anticipated allowance for Operation and Occupancy is variable due to the allowance for Estate / Property Management cost being derived from costs including Life Cycle provisions. The Estate / Property Management costs have been estimated as 8% of collective annual costs for Operation and Occupancy, Energy & Utilities, and Maintenance (Hard FM). This takes cognisance of the requirement for routine asset management necessary to support the anticipated maintenance delivery strategy and to maintain the registration of outdoor space. An additional management cost of 20% has been applied to forecast Life Cycle costs as and when they are forecast to occur.
5. Total Operation and Occupancy costs (including Estate / Property Management allowances) are estimated as £1,283,665 over the term as follows:

Whole Life Cost – Operation & Occupancy (including Estate /Property Management)



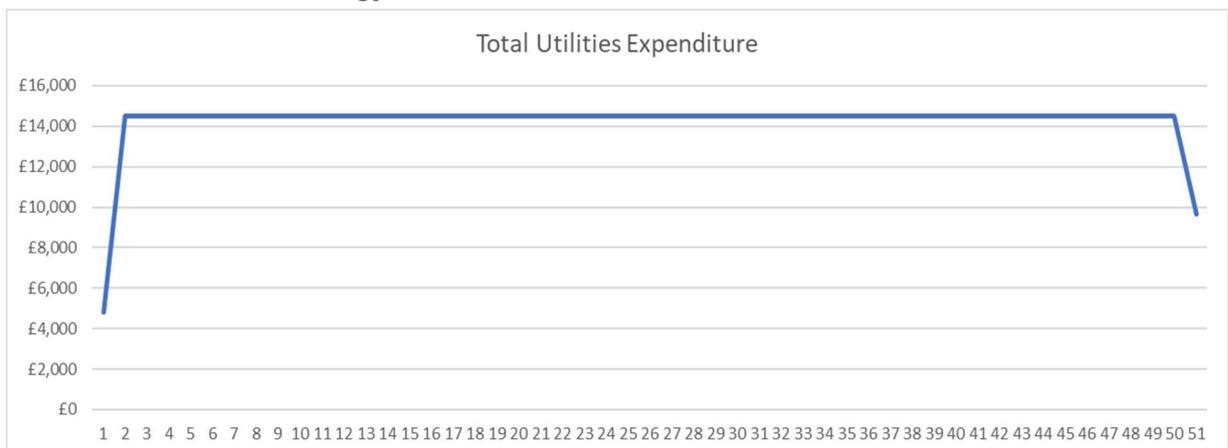
- Excluding Estate / Property Management costs, the forecast annual rate for the remaining Soft FM is estimated to be £16,320 per annum (£40/m²).

Whole Life Cost – Operation & Occupancy (excluding Estate / Property Management allowances)



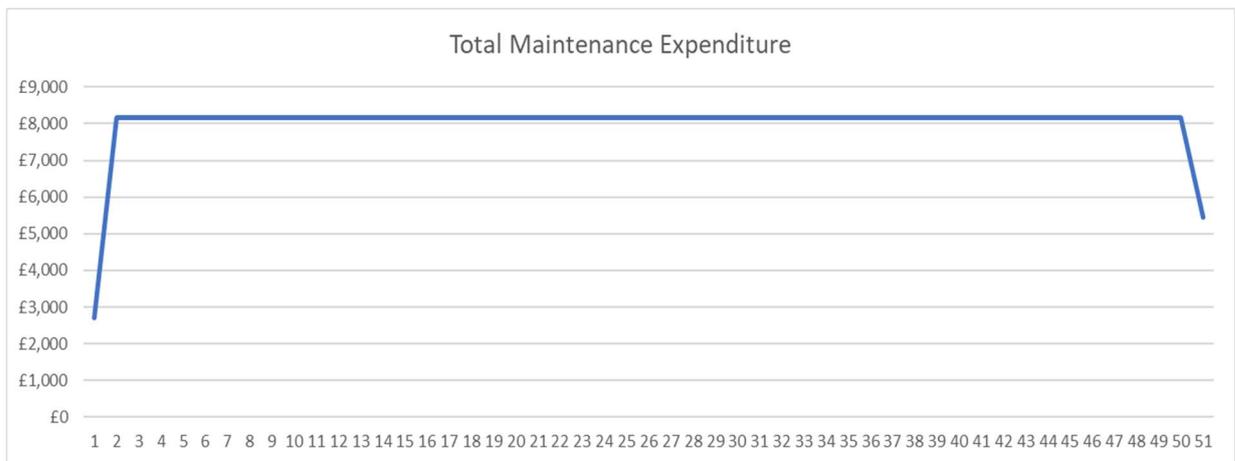
- Energy and Utility Costs comprise allowances for electricity, gas, water and sewerage, and telephony. Electricity and gas have been estimated at £2,285 per annum for each, water and sewerage at £2,040 per annum, and telephony at £8,000 per annum.

Whole Life Cost – Energy & Utilities



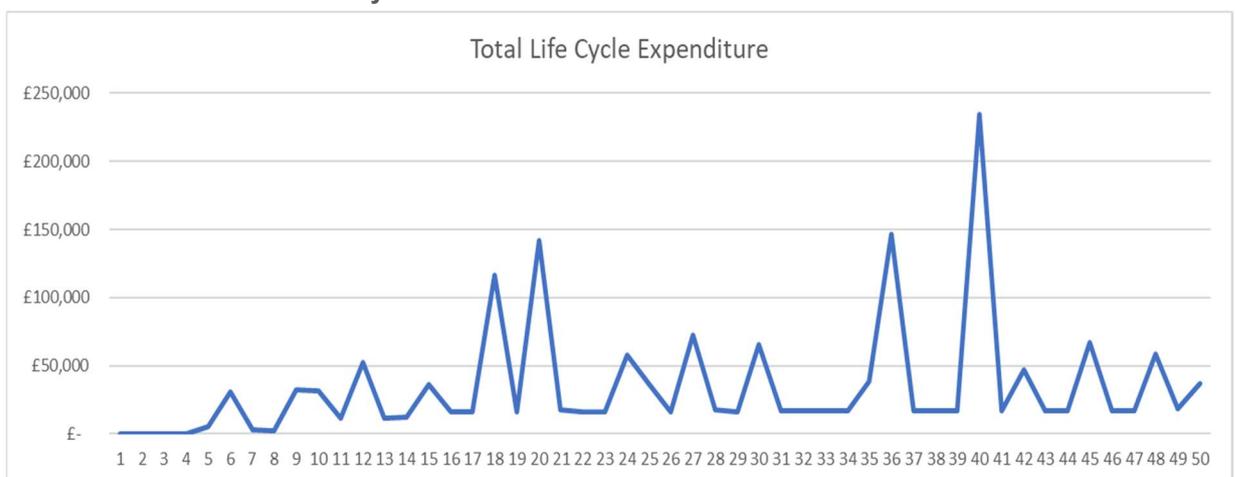
- Maintenance Costs (Hard FM) comprise allowances for planned/statutory maintenance, reactive maintenance and repairs, refurbishments and adaptations, redecoration, internal moves and modifications, grounds maintenance, FF&E, and any specialist equipment. A rate of £20/m² has been assumed, equating to an allowance of £8,160 per annum.
- Whilst the unit area rate is a generic allowance it takes cognisance of the asset components, including specific aspects of the outdoor facilities, and the anticipated maintenance associated with these facilities in particular to maintain the registration of outdoor space. It is also recognised that the small physical size of the facility does not justify a full-time or dedicated maintenance resource and that these will be delivered through an on-demand arrangement.

Whole Life Cost – Maintenance (Hard FM)



10. Life Cycle replacement costs comprise the estimated capital costs of major asset replacements. The cost profile is based on forecast asset renewal frequencies.
11. Total Life Cycle costs are estimated as £1,716,523 over the term. As illustrated by the graph below the estimate Life Cycle cost profile has distinct peaks in years 18, 20, 36, and 40, of £117k, £142k, £146k and £234k respectively, with a general baseline annual Life Cycle cost estimate of c. £20k per annum. Actual peaks of Life Cycle works activity will vary depending upon asset performance in use and the strategy for undertaking disruptive works, however these provide an illustration of the variable programme of Life Cycle works anticipated for the 50 year period.

Whole Life Cost – Life Cycle



12. Delivery assumptions across the whole life cost headings have been determined against typical arrangements within East Ayrshire Council’s education domain and from Faithful+Gould / published standards for asset maintenance. Where available, actual cost data has been used to inform the cost heading allowances, supplemented where necessary with typical benchmark costs to identify indicative budgets. Due to the small physical size and use characteristics of the facility some adjustment has been made to identified costs to reflect specific characteristics.
13. Disposal costs have been excluded from this Whole Life Cost Assessment and any forecast income associated with this facility is not applicable.
14. No costs have been allocated for rent and rates given that East Ayrshire Council will own the proposed facility and that following the Barclay review of 2017, day nurseries were entitled to 100% rates relief from April 2018.

3.0 Facility Description

General

1. The reference design building is sized to accommodate 83no children. The building itself is sized to accommodate 71no children plus an additional 20% outdoor allocation [12no.] broken down as follows:
 - 64no 3-5yrs
 - 10no 2-3yrs
 - 9 no 0-2yrs

2. The size of the building is based around the Scottish Government's Expansion Programme Baseline Planning Assumptions of 5.8m² per child and the area metrics from Space to Grow of 2.3m² play per child aged 3-5 and 2.8m² per child aged 2-3:
 - 71no x 5.8 = 411.8m² GIFA
 - 3-5yr playroom = 64no. children x 2.3m² = 147.2m²
 - 2-3yr playroom = 10no. children x 2.8m² = 28m²
 - 0-2yr playroom = 9no children x 3.7m² = 33.3m²

3. The NORR Reference Design has taken cognisance of the space metrics and the design is marginally below the 411.8m² target at 408m².

4. The operating model may of course differ across local authorities. The proposed models for East Ayrshire Council are set out below and will be delivered in either term time or full year centres which will operate from 9.00am - 3.00pm, or 8.00am - 6.00pm respectively.
 - Option 1 - Monday to Friday 09:00 - 15.00 (6 hours) term time during the school year (38 weeks)
 - Option 2 - 5 block sessions of 4 hours 45 minutes (08.00 to 12.45 or 13.15 to 18.00) per week for 48 weeks of the year, 5 mornings, 5 afternoons or a combination of mornings and afternoons can be chosen to create full daycare.
 - Option 3 - 6 block sessions per week for 38 weeks term time for the school year. Additional hours during the holiday periods may be purchased in blocks of 4hrs 45 minutes, where there is capacity.

5. Staffing - - It is proposed that staff who work in full year services will work shift patterns:
 - 07.45hrs to 15.15hrs
 - 08.45hrs to 16.15hrs and
 - 10.45hrs to 18.15hrs

6. Further information in relation to the design is available at the following location:
https://www.scottishfuturetrust.org.uk/storage/uploads/elcrefdesign_norr_part4.pdf

4.0 Approach Adopted

General

1. A Whole Life approach identifies indicative costs for the full range of activities from development through operations to preserve the functionality of a facility. The NORR Reference Design, which was developed to Stage 2 Elemental Level Design, has been reviewed using the SFT Whole Life Appraisal Tool cost categories as follows:
 - Purchase Costs;
 - Construction Costs;
 - Rent & Rates;
 - Operation & Occupancy Costs (Soft FM);
 - Energy & Utilities Costs;
 - Maintenance Costs (Hard FM);
 - Life Cycle Replace Costs;
 - Disposal Costs; and
 - Income.

2. The study period is 50 academic years which is assumed to commence in the academic year 2020-21 and continuing to 2069-70.
3. The costs within this review are based upon operating models set out in item 3.4. Should an alternative operating model be required then the costs stated in this review will need to be re-evaluated.
4. There are no costs associated with Purchase or Rent & Rates, and the cost category of Disposal is excluded due to the facility lifespan anticipated as greater than the 50 year study period.
5. For the purposes of this report, Life Cycle requirements exclude major alterations for upgrading works which may subsequently be required over the term to maintain future standards of accommodation. The necessity and extent of these are not capable of prediction or scope definition and will be determined by East Ayrshire Council as providers of Early Learning facilities.
6. Whole life allowances are predicated upon those anticipated throughout the life of the project, and cost allowances have taken cognisance of the profile of anticipated expenditure demonstrated within the initial construction, routine steady state costs, and the periodic asset renewals occurring over the study period.
7. Costs have been established against current data provided by East Ayrshire Council where available, and supplemented by Faithful+Gould benchmark data. The final cost implications for all elements will be a direct outcome of design finalisation, determination of service activity, and East Ayrshire Council's approach to procurement and delivery of these. As the cost allowances are presented based upon reference designs it is also recognised that actual project circumstances may further influence requirements and present associated cost implications. Consequently, the budget provisions cannot be fully determined at this stage and the costs in this report should be considered as estimates subject to final project definition.
8. The approach to delivery of the whole life cost categories by East Ayrshire Council has been incorporated within the allowances scheduled. It is recognised that the relatively small size of the facility influences the delivery strategy and the estimated cost for certain activities due to limitations with regard to economies of scale.
9. The design of the facility is predicated upon the provision of an environment for Early Years education, with the design and arrangement of space and facilities a carefully considered solution for an Early Years Facility. The characteristics of the design are considered generally supportive of optimising Whole Life costs, and whilst the incorporation of the outdoor areas as an integral learning space presents specific considerations, these do not indicate any notable adverse impact upon project cost. The relationship between indoor and outdoor space will have some impact, particularly in relation to higher heating demands, however this may be mitigated by good management practices, technical solutions within the detailed design, and off-set by the contribution to overall volume consumption through the electricity generated from the photovoltaic panels.

10. The approach to delivery of activities by East Ayrshire Council is considered practical and is subject to some key considerations, including central support for procurement, finance, and activities where resources can be shared / provided on-demand such as Helpdesk, Caretaking, IT resources, and the off-site preparation and supply of meals.
11. The facility size does not justify a full-time technical resource and the anticipated approach is that services will be undertaken through a strategy of site attendance by technical staff as requested by East Ayrshire Council management. This is a straightforward arrangement, with plans and a process for routine activities such as cleaning, statutory testing, and planned preventive maintenance (PPM) to be established along with a Helpdesk to facilitate any East Ayrshire Council requests. Activities are also anticipated to be subject to some practical review with East Ayrshire Council staff to ensure the delivery regime is best aligned with the effective operation of the facility.
12. Life Cycle requirements will support the routine operational maintenance activities within a sustainable maintenance regime. These have been considered using industry recognised techniques with replacement cost estimates based upon the Construction costs (2018) and published reference for life expectancy of specified components of the design. It is acknowledged that actual asset replacements and costs may vary due to a range of factors beyond accurate prediction (such as performance in use, procurement route, technical development / obsolescence, economic climate), with the forecast requirements subject to ongoing review to maintain accuracy.

5.0 Whole Life Cost Model Inputs

Purchase Costs

1. There are no purchase costs identified.

Construction Costs

Scope

2. The Construction Cost Plan has been prepared based on Stage 2 design information.

Basis for Costings

3. The Construction Costs are taken from the review dated May 2018 reported separately.
4. The Capital cost for the NORR concept proposal is identified as £1,223,493 – (see *SFT WLAT model ref Option A Tab H62*).

Cost Profile

5. The Construction Cost profile will be commensurate with the construction programme and associated payments. We have assumed expenditure of Construction costs over the 2019-20 period.
6. Full details of the cost plan for this reference design are available via the following link: https://www.scottishfuturetrust.org.uk/storage/uploads/elcrefdesign_norr_part4.pdf

Rent and Rates Costs

7. There are no Rent or Rates Costs identified.

Operation & Occupancy

Scope

8. The following activities are included for with Operation & Occupancy allowances: Estate / Property Management, Caretaking, Cleaning, Waste, Security, Catering, Telephony, Occupants FF+E, and ICT.
9. Reception, Helpdesk, Car parking, Logistics, Internal Plants, and Transportation are excluded and are either assumed to be provided by East Ayrshire Council directly, are not defined at this stage, or have no cost implications.

Basis for Costings

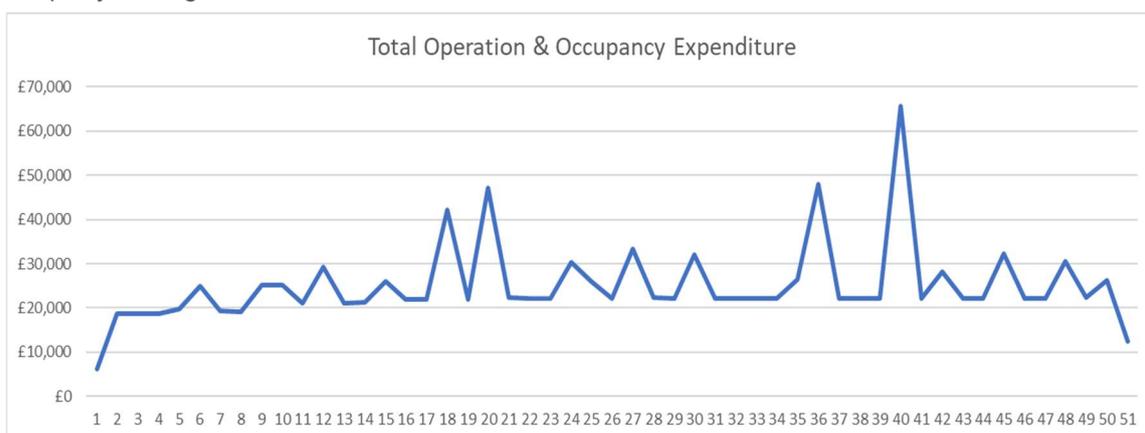
10. The study period is 50 years (assumed to be academic years), commencing 2020-21 and continuing to 2069-70. The SFT model identifies costs by calendar year so year 1 costs have been assumed as 33% of an annual total and what will be calendar year 51 estimated as 66%.
11. Operation & Occupancy cost allowances are predicated upon the design arrangement and use profile of the facility, and the characteristics associated with delivery of these cost centre activities.
12. Individual cost allowances for Operation & Occupancy are determined by a range of factors directly related to the physical characteristics of the facility, but also including delivery regime, procurement approach, and service standards, such that a generic allowance / unit area is used for this stage of cost evaluation. An allowance of £40/m² has been used which has been established against typically anticipated benchmark rates within the Faithful+Gould project database and verified against individual service information provided by East Ayrshire Council. This allowance may be reviewed upon any clarification of the determining factors stated above. (See *SFT WLAT model ref Option A Tab H102*).
13. Management of activities is considered a key aspect in a non-site-based methodology, and this will need to encompass reactive, routine, and extended frequency tasks within a professional system and process providing technical and financial management. The costs for such will vary as to the elected methodology employed and the approach to procurement of activities. We have assumed an annual cost of 8% of collective costs for the annual Operation & Occupancy (£40/m²), Energy & Utilities, and Maintenance (£20/m²) cost headings. In addition, Life Cycle expenditure will vary throughout the study period and an

allowance of 20% of annual Life Cycle expenditure has been allowed for East Ayrshire Council management of such events. (See SFT WLAT model ref Option A Tab H86).

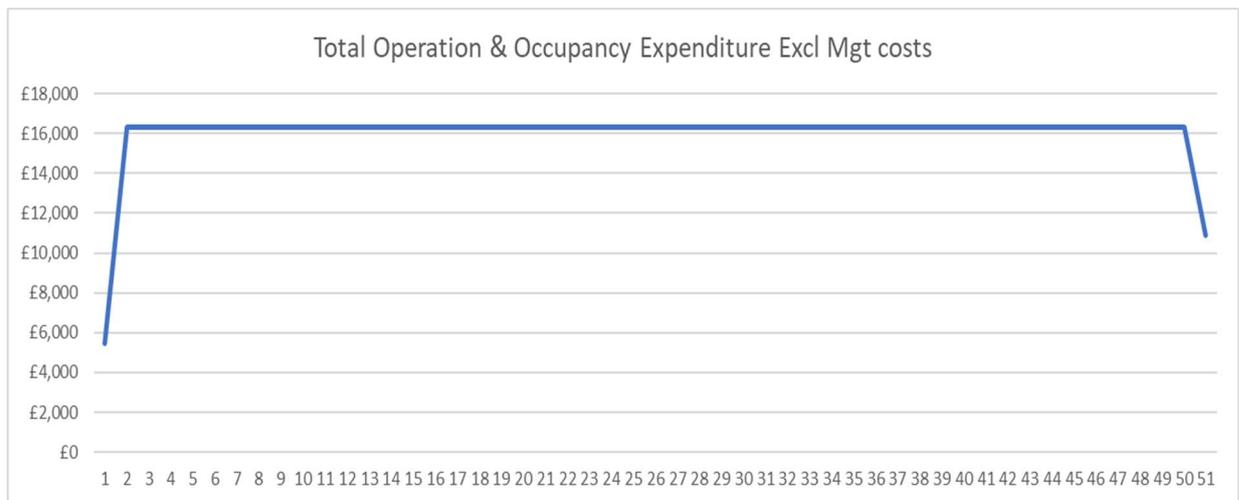
14. Caretaking will be required as a general assistance to school operations however due to the small size of the facility would not justify a full-time role. We are advised by East Ayrshire Council that a Caretaker position would be shared between schools and the overall rate /m² allowance includes for this provision.
15. Cleaning will be required for daily scheduled cleaning, reactive cleaning, and periodic hygienic cleans to the facility. The provision of suitable cleaning activities are paramount to maintaining not only a suitable environment but also ensuring asset longevity is not compromised. We have assumed daily scheduled cleaning to occur after school opening hours, with reactive cleans dealt with for emergency situations only. A hygienic clean is allowed for on an annual basis. Wash room restocking is included for based upon advised benchmarks of £1,000 / yr. The overall rate /m² allowance includes for these provisions.
16. Waste collection and disposal (inclusive of recycling) is included for with annual rates of £3,500 used based upon East Ayrshire Council benchmarks. The overall rate /m² allowance includes for these provisions. Waste costs relate to the disposal costs for all required elements and will be subject to policies on recycling.
17. This reference design does not include for the provision of CCTV systems. The unlocking and locking of the building is assumed to be included within the caretaker's role. The overall rate /m² allowance includes for this provision.
18. Catering provisions of £3.11 / child / session with 2 sessions available each day are excluded from the allowances as meals for this facility will be prepared off-site and delivered to the facility. Costs associated with the kitchen servery at the facility are included within the Maintenance Cost (Hard FM).
19. Telephony costs for managing incoming calls are anticipated as included within school staff costs. Line rental and data costs are included within the Utilities cost allowances however this does not include call charges. Equipment costs are included within the allowances for Life Cycle replacement costs.
20. Occupants FF+E is included for within the Maintenance and Life Cycle cost provisions.
21. Occupants ICT is included for within the Life Cycle provisions. No allowances have been identified for routine ICT support. It has been assumed that these are provided by East Ayrshire Council central resources.

Cost Profile

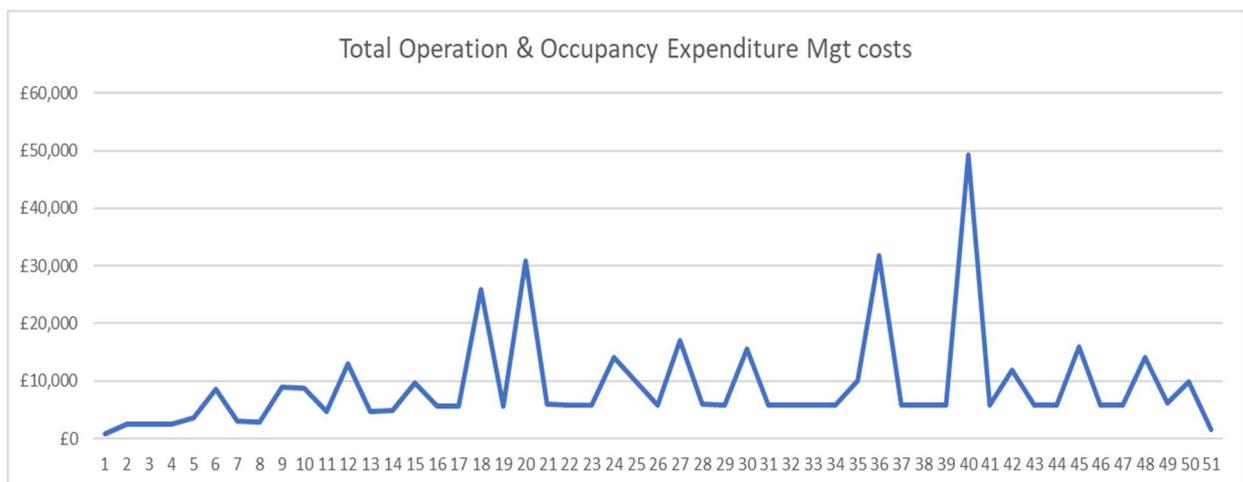
22. The cost profile for Operation and Occupancy Cost is considered consistent over the 50 year study period with the exception of allowances made for Estate Management which are variable based upon the profile of Life Cycle expenditure.
23. Operation and Occupancy costs provisions are currently made based upon an all-inclusive rate of £40/m² for the 408m² building plus allowances for the Estate / Property Management costs.
24. To align with the SFT model calendar year format, costs for year 1 have been assumed as 33% of an annual total and what will be calendar year 51 being estimated as 66%.
25. The cost allowances for the study period totals £1,283,665 (2Q2018). (See SFT WLAT model ref Option A Tab H107.)
26. The graph below profiles the estimated Operation and Occupancy expenditure including Estates / Property Management costs.



27. The graph below indicates the anticipated routine cost of services based upon the £40/m² allowance excluding Estates / Property Management costs.



28. The graph below indicates the allowances made for Estate / Property Management only, demonstrating a variable profile as determined by the periodic Life Cycle replacement costs.



Energy & Utilities

Scope

29. Energy & Utilities allowances are included to provide indicative budgets for electricity, gas, water, and telephony standard (excluding calls) charges.

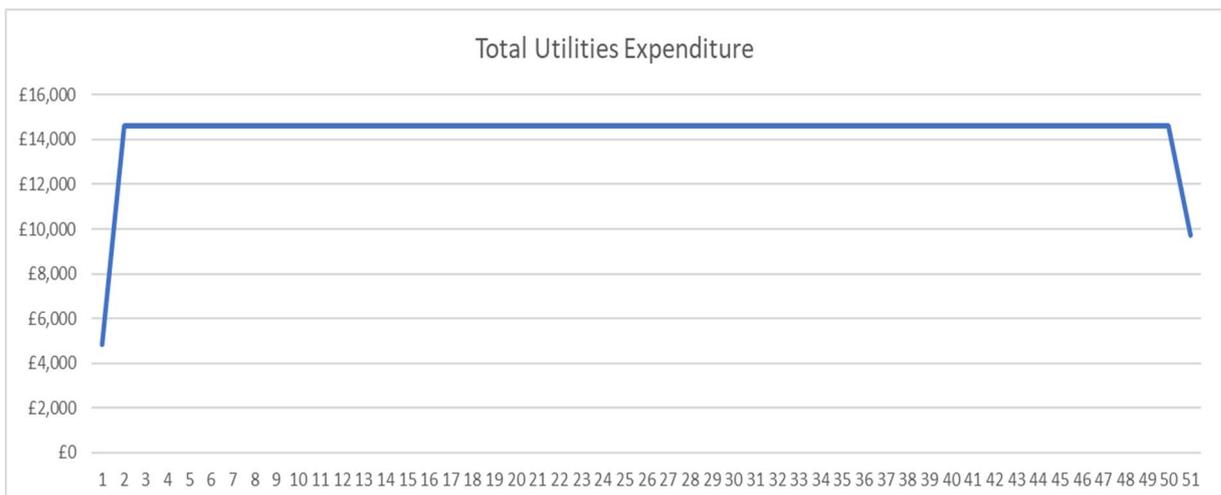
Basis for Costings

30. The study period is 50 years (assumed to be academic years), commencing 2020-21 and continuing to 2069-70. The SFT model identifies costs by calendar year so year 1 costs have been assumed as 33% of an annual total and what will be calendar year 51 being estimated as 66%.
31. It is recognised that utilities charges will vary by volume and tariff particularly over the project term and as such the allowances are considered purely indicative based upon current arrangements for procurement, and will need to be updated regularly to reflect future commercial positions.
32. It has not been possible at this stage of design development to establish the energy mix and allowances between utilities will need to be reviewed to establish greater detail as the design progresses.

33. No allowance has currently been made for the contribution from photovoltaic (PV) electrical generation which will undoubtedly reduce the volume of utility demand from statutory providers, with the nett position subject to determination with design development. There is currently no energy modelling data available for the design, and actual contributions will be variable based upon environmental efficiency factors. Industry published data indicates typical investment payback within a decade, which allowing for a 35 year renewal programme would indicate a positive contribution to overall project costs for a c.25 year period.
34. Allowances have been assessed based upon gas and electricity benchmarks supplied from East Ayrshire Council. The use profiles of the benchmark sites are considered sufficiently similar to the NORR reference design for this stage of evaluation and consideration has been made for the extended use of the facility over academic holiday periods which are not included within benchmarks. The benchmarks indicate variable consumption and do not indicate individual pricing for gas and electricity. As the energy mix in the NORR reference design is not established a combined gas and electricity rate is considered acceptable.
35. The variation in consumption / unit area is not able to be fully understood from the reference design, however consistent data across these indicates an allowance of £11.20 / m² to be broadly acceptable at this stage of evaluation. Based upon an area of 408m² this indicates a combined gas and electricity cost of £4,570 / yr. To incorporate this within the SFT model a 50:50 cost ratio for Electricity:Gas is assumed which may be revised upon more detailed energy mix data becoming available. Allowances are contained within SFT WLAT model ref Option A H115 & H116.
36. No reference data has been identified for Water & Drainage costs within Early Years' facilities and we have therefore allowed a provisional rate of £5/m² for this stage of evaluation. This indicates an annual budget of £2,040. Allowances are contained within SFT WLAT model ref Option A Tab H118.
37. Telephony charges are contained within two PSTN lines and a 100MB BT circuit for which an allowance of £8,000 / year has been assumed. It is recognised that technological advances may impact upon the costs presented and these are included as indicative at time of report. Allowances are contained within SFT WLAT model ref Option A Tab H119.

Cost Profile

38. The volume consumption and cost profile for Utilities is considered generally consistent over the 50 year study period subject to relative pricing arrangements for which indexation within the SFT model has been assumed as 5%.
39. The contribution of electrical generation from the PV panels is acknowledged as reducing with age. Renewal of these has been allowed for at year 36 within Life Cycle cost allowances. The contribution and cost benefits of the PV panels should be monitored to determine the most cost beneficial time for replacement.
40. To align with the SFT model calendar year format costs for year 1 costs have been assumed as 33% of an annual total and what will be calendar year 51 being estimated as 66%.
41. The estimated Energy and Utility cost allowances for the study period is £730,492 (2Q2018), with the profile of expenditure indicated below:



Maintenance Costs (Hard FM)

Scope

42. Maintenance Costs include for Hard FM activities comprising Statutory & Mandatory inspections, scheduled planned preventive maintenance (PPM), and reactive maintenance to the facility and equipment. This would include for a variety of technical and grounds maintenance activities commensurate with the design provisions.
43. Vandalism costs are excluded and are anticipated to be provided for through insurance.

Basis for Costings

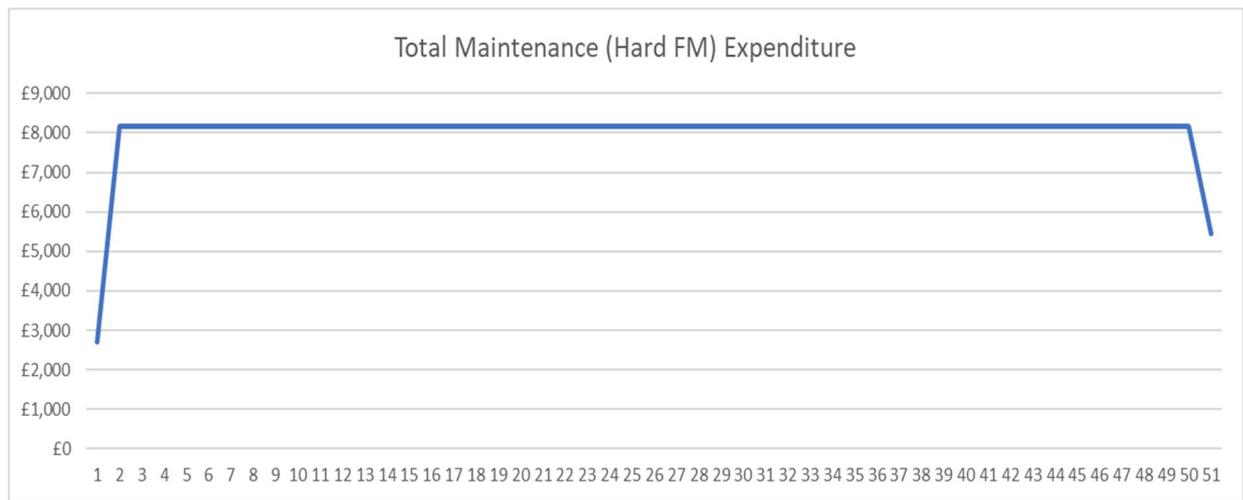
44. The study period is 50 years (assumed to be the academic years), commencing 2020-21 and continuing to 2069-70. The SFT model identifies costs by calendar year so year 1 costs have been assumed as 33% of an annual total and what will be calendar year 51 being estimated as 66%.
45. Individual cost allowances for Maintenance are determined by a range of factors directly related to the physical characteristics of the facility, but also including delivery regime, procurement approach, service standards, such that a generic allowance / unit area is used for this stage of cost evaluation. An allowance of £20/m² has been used which has been established against typically anticipated benchmark rates within the Faithful+Gould project database taking cognisance of the available Stage 2 design and anticipated maintenance strategy. The maintenance service approach has been considered in close association with the Life Cycle provisions which, collectively, will provide a holistic and sustainable approach to asset maintenance. This allowance may be reviewed upon any clarification of the determining factors stated above. Allowances are contained within SFT WLAT model ref Option A Tab H141.
46. Redecoration costs are included within the Life Cycle allowances.
47. New works / alterations that may be required for future refurbishments and adaptations are excluded due to their unknown nature.
48. The out-turn maintenance costs will be influenced by a number of factors, including for example, standard of service, manner by which services are provided, economic climate, specification standards for installed assets, access limitations, and asset criticality. We have therefore made assumptions based upon the characteristics and use profile of the facility to arrive at best estimates which can inform future indicative budgets.
49. Due to the small physical size of the facility it is not considered economically justified for any full-time dedicated technical resource to be employed. The delivery of Maintenance services will therefore be through attendance for planned and reactive tasks. We have assumed a Planned Preventive Maintenance (PPM) regime inclusive of Statutory & Mandatory tasks and a preventive regime suitable to maintain asset reliability and functionality as per manufacturers recommendations / industry best practice (e.g SFG 20) and facility use. The delivery of Maintenance services is therefore assumed as entirely through a remote methodology which will require to be managed and co-ordinated accordingly.
50. The PPM programme will be determined based upon asset composition and will require regular site attendance for execution. It is noted that certain PPM tasks such as weekly testing of the fire alarm may be capable of being performed by East Ayrshire Council site staff which would mitigate PPM contractor costs and a review of these activities would be undertaken in determining the final PPM delivery methodology.
51. The Maintenance service includes for management and maintenance of outdoor features and surfaces which within the facility must provide a safe environment for the children attending. This is to be managed by school staff and the Caretaker with contractor attendance at regular frequencies to ensure ongoing safe use. The characteristics of the proposed outdoor space are considered to present a marginally higher requirement for the required management and maintenance tasks compared to traditional pre-school grounds, however this is not considered to be material. The necessary tasks are considered to be capable of straightforward execution to support the utility of the external environment and associated facilities.

Cost Profile

52. The cost profile for Maintenance services are considered generally consistent over the 50 year study period. Reactive costs may present some small increase to requirements as time progresses however

liability for construction defects and the provisions within the Life Cycle allowances are scheduled to substantially mitigate these requirements.

53. To align with the SFT model calendar year format costs for year 1 costs have been assumed as 33% of an annual total and what will be calendar year 51 is estimated as 66%.
54. The cost allowances for the study period totals £408,000 (2Q2018), with the profile of expenditure indicated below:



Life Cycle Replacement Costs

Scope

1. Life Cycle costs include for major asset replacements, refurbishment, redecoration, and scheduled replacement.
2. The BCIS components considered within the SFT Whole Life Appraisal model are identified below:

Superstructure

- Roof
- External Walling
- Windows & External Doors

Internal Finishes

- Floor
- Wall
- Ceiling

Fixtures and Fittings

M&E Services

- Sanitary
- Water
- Heating
- Electrical
- Fire
- Communications

External Works

- External features
- Surfaces
- Fencing & Gates
- Roads & Pavings

3. East Ayrshire Council have advised of the requirement for network switches and Wi-Fi equipment, along with IT equipment of personal computers, iPad tablets, laptops, and smart boards.

Basis for Costings

4. The study period is 50 years (assumed to be academic years), commencing 2020-21 and continuing to 2069-70. The SFT model identifies costs by calendar year so the scheduled costs extend to a 51 year programme.
5. Life Cycle allowances have been derived using the industry recognised technique of establishing these from capex values within the Stage 2 Cost Plans, with allowances for anticipated renewal activities tabled within the BCIS headline and sub cost categories presented. For any East Ayrshire Council additional items, the arrangements for provision and replacement have also been advised and incorporated accordingly.
6. Due to the reference design only having been developed to Stage 2 only, all renewal tasks and costs are assumed upon typical replacement activities advised within BCIS and industry / manufacturer guidance. The estimated cost provisions should be reconciled with final specifications and cost plans respectively. These should also be reviewed during the operating period to ensure activities and associated cost allowances remain aligned with ensuring the facility remains serviceable.
7. Life Cycle activities will be undertaken commensurate with anticipated individual asset renewal requirements. These will occur at various frequencies throughout the 50 year term involving partial / whole / multiple asset renewals, and the allowances within the SFT model are based upon a fully sustainable maintenance regime with component replacement frequencies supported by the PPM programme in operation.
8. Due to the disruption to the facility from particular asset renewals it is assumed that some works activities would be grouped and scheduled for execution within specific periods to minimise facility disruption or temporary unavailability, and as such the programme for actual works packages will be subject to definition in use. This approach has been included for within the scheduling of allowances within the SFT model.
9. It is recognised that the management of Life Cycle works will entail additional management activities by East Ayrshire Council and we have allowed a nominal 20% of works value within the Estate / Property Management allowances within Operation & Occupancy costs for this requirement.

Superstructure

10. Allowances for Superstructure include Roof, External Walling, and Windows and Doors as indicated below. The collective cost allowance for these items is included at SFT WLAT model ref Option A Tab H154.

Roof

11. The roof on the building is predominantly a flat design with a pitched element incorporating skylights. The flat roof covering is single layer membrane along with the pitched element of an aluminium sheet. Life expectancy (according to published guidance) for single membrane roofs is c.18-22 years, and for the aluminium sheet approximately 35-45 years. Minimal maintenance only is anticipated to areas such as flashings / trims, rooflights and rainwater goods, throughout the anticipated life expectancy with no notable renewals prior to full replacement.
12. Renewal of the flat roof areas is allowed for twice during the study period at 20 year intervals. The life expectancy of aluminium sheet materials may in reality be sufficient to last the 50 year review period, however typical data indicates replacement will be required during the term. We have scheduled full replacement at year 40. Allowances are contained within SFT WLAT model ref Option A Tab H154.

External Walling

13. The external wall covering allowed for from the design and cost plan is a cementitious board with life expectancy (according to published guidance) of 50+ years. Minimal maintenance only is anticipated to areas such as flashings and trims throughout the anticipated life expectancy with no notable renewals during the study period. We note the design indicates the possibility for alternative options such as coated steel profiled sheets or traditional brickwork. Whilst brickwork would have no replacement requirement during the 50 year term, steel sheeting is anticipated as requiring such and will require an additional consideration within the modelled allowances should this be included within final design selection.

14. Noting the anticipated life expectancy of the cementitious board we have scheduled no replacements for wall cladding.

Windows and Doors

15. The window and external doors are anticipated to be specified of a sufficient standard to require minimal maintenance and renewal requirements, with a BCIS life expectancy of 40 years assumed. The allowances below are included in SFT WLAT model ref Option A Tab H154.
16. External doors are recognised as enduring a high level of utilisation and we have allowed for a 5 year programme of overhaul and component renewal commencing year 10.
17. A full replacement of windows and external doors is scheduled for year 40 to align with cladding replacement.
18. An allowance is made at 18 year intervals for selected internal door replacements within SFT WLAT model ref Option A Tab H154. Ironmongery renewals allowed for within the General allowance within SFT WLAT model ref Option A Tab H161 or if prior to these provisions as a reactive task within Maintenance allowance within SFT WLAT model ref Option A Tab H141.

Finishes

19. Allowances for Finishes include Walls, Floors, and Ceilings as indicated below. The collective cost allowance for these items is included at SFT WLAT model ref Option A Tab H155.
20. The Finishes component of the Life Cycle provisions is typically a significant area due to the magnitude of cost associated with the tasks and multiple frequencies occurring over the project term.
21. We assume that the final design choices selected for the project for finishes elements will ensure appropriate durability within the selection process.
22. Internal wall finishes identify a predominantly painted interior with areas of wet wall and the use of IPS (we assume within washrooms).
23. We have assumed that it will be sufficient for general redecoration to take place on a 9 year cycle to maintain aesthetic appearance, supported by selected redecoration to more intensive impact areas on an annual basis commencing year 6.
24. Wet wall covering materials are not specified however a laminate sheet is assumed. An initial allowance to replace at 9 year frequency has been included subject to final material selection.
25. Floor finishes are anticipated as carpet or vinyl coverings. The use of the facility by pre-school children would suggest a low impact upon floor finishes however the integrated use of external areas may place the internal flooring at increased risk of debris such that a management protocol is anticipated. We have allowed for regular replacement of barrier mats with floor finishes anticipated as being replaced on a condition basis from year 6.
26. Ceiling finishes, where painted, would be redecorated at the 9 year frequency. Ceiling tiles are anticipated as subject to some use for services access throughout the term but to remain generally serviceable. It is unrealistic to consider the ceiling tiles and grid to remain fully serviceable and aesthetically acceptable for the 50 year term and so a full replacement has been allowed at a latter redecoration cycle at year 27.

Fixtures, Furnishings & Equipment

27. General fixtures and furnishings renewals for the project are not anticipated as extensive and will have their own bespoke life expectancy for which a general Life Cycle allowance has been made based on typically anticipated use and age deterioration. We have allowed 5% of capital cost allowance at annual intervals commencing year 15 for general FF&E replacement based upon condition.
28. We have assumed all fixtures and furnishings will be subject to regular maintenance in order to ensure life expectancies are achieved.
29. Allowances are contained within SFT WLAT model ref Option A Tab H156.

Services Elements

30. The Services elements include mechanical, electrical, and sanitary appliances, with these categories presenting the largest impact on Life Cycle within the constructed asset. Services elements are also the most critical to the building's functionality. Services within the facility will be maintained by a combination

of asset renewal and regular maintenance within an appropriate maintenance regime by East Ayrshire Council to support Life Cycle allowances.

31. Heating systems Life Cycle renewals are recognised over the term with heat source and associated component renewals allowed for. BCIS guidance and benchmarks indicates a 15-20 year life expectancy for boilers and we have assumed 2 no boiler replacements at a 18 year frequency over the term.
32. Electrical system infrastructure providing power and lighting is assumed to be substantially serviceable for the 50 year term however an annual allowance for general component renewal commences at year 10.
33. We note the inclusion of PV panels within the design and have allowed for inverter replacements at 12 year cycles along with PV panel replacement at year 36 when efficiency for electrical generation is anticipated as justifying renewal.
34. Communication systems will include for Telephony, Security and Fire systems. A scheduled allowance for renewal combined with an ad-hoc replacement is envisaged and an annual allowance for component renewal commences at year 10. Technical obsolescence is recognised as a major factor to system maintenance and allowances should be monitored over future years for system requirements.
35. Sanitary Appliances / Fittings and Water installations include for general facilities within the building. We have made an annual allowance for general renewals commencing year 10, with sanitary items subject to overhaul at 18 year frequency. Small items with premature failure will be addressed within the Maintenance budget.
36. We note the consideration of inclusion of a sprinkler system within final designs which is currently excluded and will require incorporation within the final provisions.
37. Allowances are contained within SFT WLAT model ref Option A Tab H157

Externals

38. External play areas form a key component in the design, and the multi-surfaces and variety of items located within this area need to be carefully maintained to ensure a safe environment. In addition to the PPM regime we have allowed for partial renewals to surfaces and features / landscaping on an annual basis from year 5, with a 9 year cycle for more significant renewals.
39. Replacement works to fencing and gates has been allowed for at year 27 as a mid term activity.
40. Paths and paved / car parking areas have an indicative renewal schedule ranging to 50 years, dependant on a range of use factors. An allowance has been incorporated for overhaul within year 40. It is assumed that Maintenance budgets will manage any earlier specific replacements.
41. Allowances are contained within SFT WLAT model ref Option A Tab H158

General Allowance

42. In addition to specified allowances above a general allowance has been made for the increased component renewals anticipated from year 5 onwards. This allowance increases from £500/yr (years 5-9), £1000/yr (years 10-19), £1500/yr (years 20-29), to £2000/yr (years 30-50).
43. Allowances are contained within SFT WLAT model ref Option A Tab H161.

Network Switches and Wi-Fi

44. East Ayrshire Council network and Wi-Fi requirements additions have been modelled separately. Network switches and Wi-Fi equipment renewals are allowed for on a 6 year cycle.
45. Allowances are contained within SFT WLAT model ref Option A Tab H162.

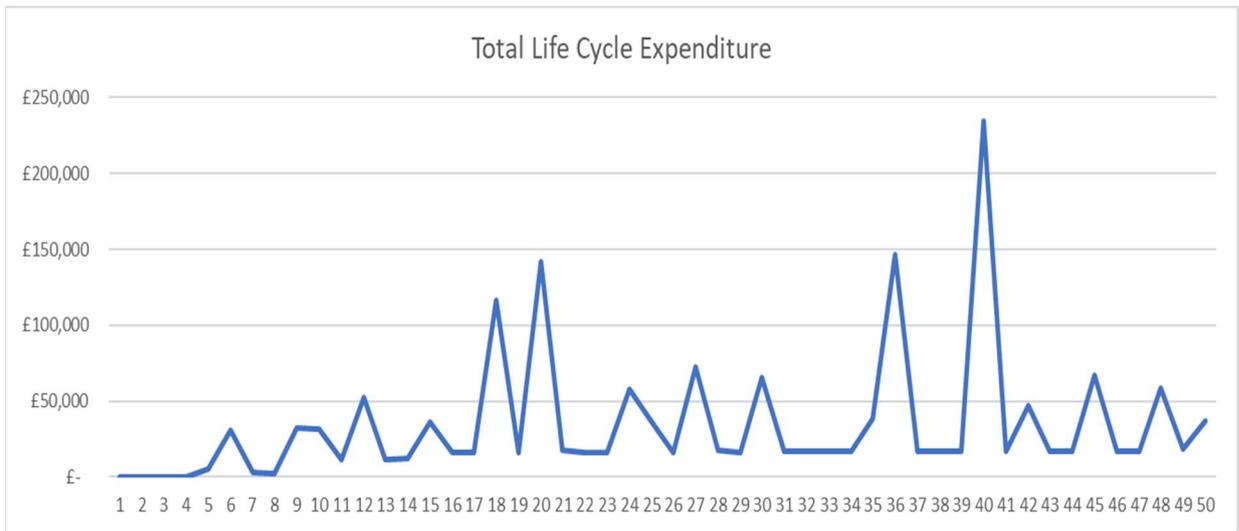
Educational IT equipment

46. East Ayrshire Council IT additions have been modelled separately. Renewal of IT equipment of personal computers, iPad tablets, and laptop on 7 / 5 / 6 year respective frequency, and smart boards are allowed for on a 9 year programme of replacement.
47. Allowances are contained within SFT WLAT model ref Option A Tab H163.

Cost Profile

48. The total value of Life Cycle expenditure over the 50 year term is estimated as £1,716,523 (2Q2018).

49. The profile of overall expenditure for Life Cycle determined by the allowances identified above is as follows:

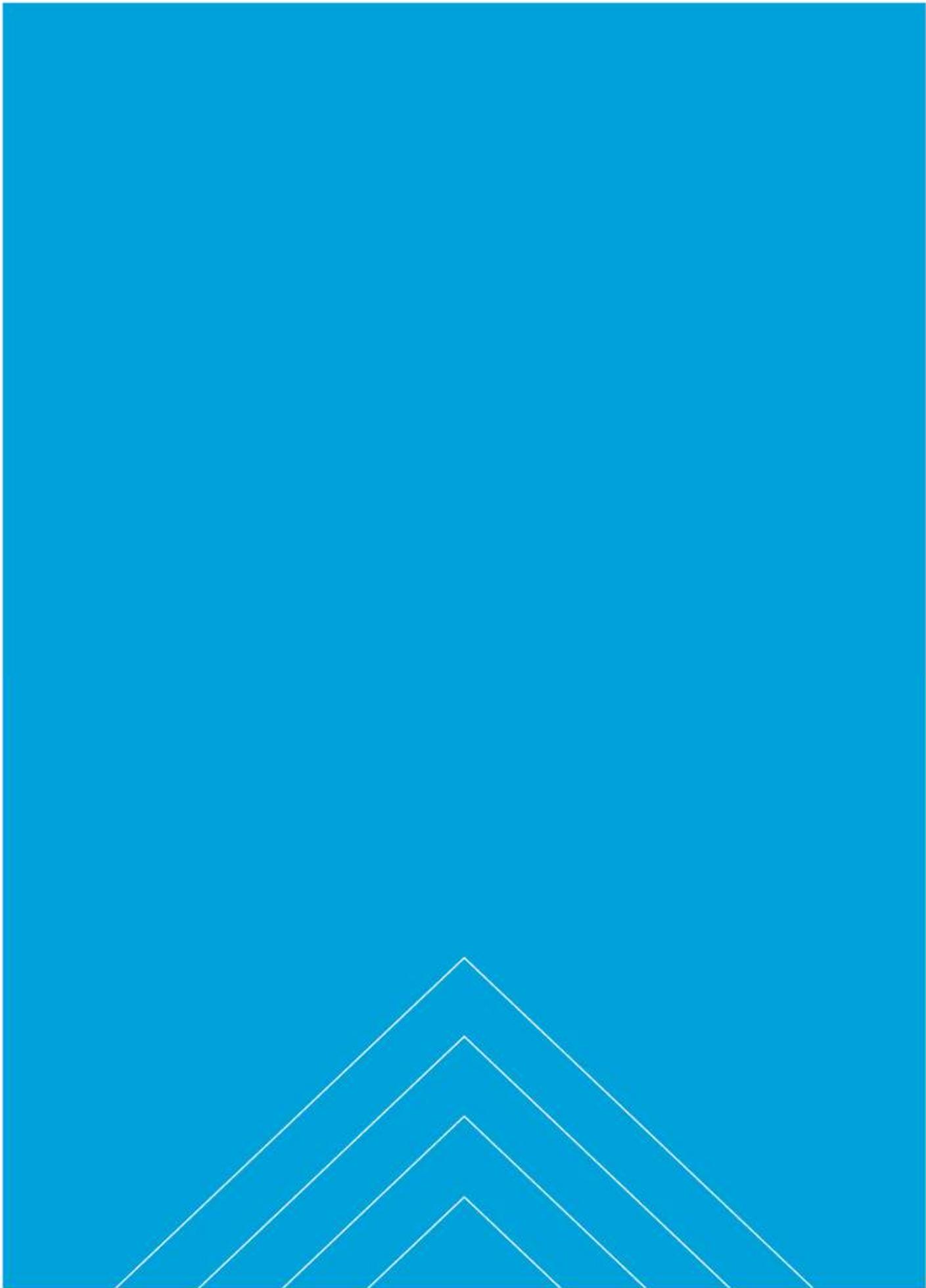


Disposal Costs

1. There are no Disposal Costs identified.

Income

1. There are no Income Costs identified.



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