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Building Project Appraisal

Analysis of value and cost

Keith Hutchinson

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University of Reading*

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Contents

<i>Preface</i>	ix
1 Introduction	1
1.1 Purpose	1
1.2 Meaning of the Term 'Developer'	1
1.3 Financial Appraisal	2
1.4 Building Projects	2
1.5 Need for Joint Appraisal of Cost and Value	2
1.6 Effective Project Cost Management	3
1.7 Computer Programs	3
1.8 Outline of Contents	4
2 Development Budget	5
2.1 Definition	5
2.2 Outline of Budget's Main Elements	6
2.2.1 Project Value	6
2.2.2 Project Costs	6
2.2.3 Price	6
2.2.4 Project Viability	7
2.3 Uses and Purposes of the Development Budget	7
2.3.1 Determination of Project Viability	7
2.3.2 Establishment of Cost Limits for Particular Budget Elements	7
2.3.3 Establishment of Project Management Cost Targets	8
2.4 Accounting for Time in the Development Budget	9
2.4.1 Effect of Time on Budgeted Amounts	9
2.4.2 Compounding and Discounting	10
2.4.3 Compounding and Discounting: Examples	11
2.4.4 Choice of Rate in Compounding and Discounting Calculations	14
2.5 Accounting for Inflation in the Development Budget	15
2.6 Further Reading	16

3	Development Process	17
3.1	Outline of the Development Process	17
3.1.1	Inception: Decision to Build	17
3.1.2	Acquisition of Land	18
3.1.3	Planning and Building Permission	18
3.1.4	Design	19
3.1.5	Construction	19
3.1.6	Commissioning	19
3.2	Methods of Procurement of Design and Construction	20
3.2.1	Introduction	20
3.2.2	Traditional Procurement	20
3.2.3	Design and Build	21
3.2.4	Management Contracting	23
3.2.5	Construction Management	24
3.3	Effect of Procurement Method on Total Cost of the Project	24
3.4	Effect of Procurement Method on Project Cost Management	25
3.4.1	Project Cost Management Using Traditional Procurement	25
3.4.2	Project Cost Management Using Design and Build Procurement	26
3.4.3	Project Cost Management Using Management Contracting and Construction Management Procurement	28
3.5	Further Reading	28
4	Project Value	29
4.1	Introduction	29
4.2	Methods of Forecasting Project Value	29
4.2.1	Basis and Derivation of Available Methods	29
4.2.2	Method 1: Comparable Sale Value	30
4.2.3	Method 2: Current Capital Value	33
4.2.4	Method 3: Capitalised Income	35
4.2.5	Method 4: Target Value	37
4.3	Uses of Methods of Determination of Project Value	40
4.3.1	Introduction	40
4.3.2	Uses of Methods in Different Development Situations	41
4.4	Summary of Use of Methods of Calculating Project Value	47
4.5	Taxation: Effect on Project Value	47
4.6	Further Reading	49

5 Project Cost	51
5.1 Cost Items	51
5.1.1 Land Acquisition Costs	52
5.1.2 Relocation Costs	52
5.1.3 Construction Costs	53
5.1.4 Commissioning Costs	54
5.1.5 Finance Costs	54
5.1.6 Taxation	56
5.2 Analysis of Building Cost	56
5.2.1 Introduction	56
5.2.2 Builder's Resource Costs	57
5.2.3 Builder's Price	61
5.3 Forecast of Builder's Price at Development Budget Stage	63
5.3.1 Basis of Development Budget Building Cost Forecast	63
5.3.2 Building Price Forecast by Floor Area	64
5.3.3 Other Methods of Forecasting Building Price	68
5.3.4 Price-forecasting for Alteration/Refurbishment Projects	70
5.3.5 Price-forecasting External Works	71
5.4 Further Reading	71
Appendix A to Chapter 5: Operational Building Work Sections	72
Appendix B to Chapter 5: Quantified Work Items	73
Appendix C to Chapter 5: Example of Unit Rate Resource Cost Calculation	74
Appendix D to Chapter 5: Example of Calculation of Project Overhead Cost	74
Appendix E to Chapter 5: Building Price Index	75
Appendix F to Chapter 5: Design Elements	76
6 Project Feasibility	77
6.1 Introduction	77
6.2 Methods of Determination of Project Feasibility	78
6.2.1 Balance of Realised Value and Incurred Cost	78
6.2.2 Balance of Present Value	78
6.2.3 Rate of Return	83
6.3 Suitability and Use of Methods of Determination of Feasibility	85
6.4 Further Reading	85
Appendix A to Chapter 6: Resource Use Profile for Typical New Build Construction Project	86

viii *Contents*

Appendix B to Chapter 6: Feasibility Calculation Using Present Value Method	86
7 Project Risk: Analysis and Management	89
7.1 Introduction	89
7.2 Quantification and Presentation of Risk in the Development Budget	90
7.2.1 Statistical Probability	91
7.2.2 Sensitivity Analysis	95
7.2.3 Simulation Technique	96
7.3 Management of Risk	96
7.4 Further Reading	98
Appendix A to Chapter 7: Sensitivity Graph – Effect on Rate of Return of Variation to Forecasts	98
<i>Appendix: Compounding and Discounting Tables</i>	99
<i>Index</i>	105

Preface

The task of writing this book was commenced under the influence and, in some instances, the inspiration of past professional experiences and acquaintances. Now that the task is finished I can more easily identify those experiences, views, opinions and practices of colleagues that have shaped the book and thus can give the acknowledgements and thanks that are properly due.

During my practice as a quantity surveyor I was involved, at various levels, with many different types of developer and building project. I thus saw many different methods and procedures used for budgeting and controlling the cost of development projects. These varied in style from that of pressing on regardless in hope and faith that things would be alright in the end, to that of an obsessive need to identify and record precisely every event that affected cost, however insignificant. This obsession, I noticed, often increased in intensity with the decrease of cost significance of the event. These variations in style initially puzzled and ultimately interested me with respect to their methods, purposes and results. When my professional activities turned to teaching on degree level courses in building management and surveying, this necessarily involved a closer and more analytical consideration of the methods that I had encountered during my professional practice.

The students I have met and taught during my educational activities are perhaps the prime cause of my desire to write this book. Degree level education in quantity surveying is, in terms of educational subject development, a new activity, particularly so in its part-time mode which was initially my first involvement in the process. Thus the students suffered the inevitable fog of uncertainty that surrounds any new activity. I was impressed by and admired the way they faced and found their way through the gloom. They generally appeared to be less daunted than I felt myself to be. I hope this book will be of use or interest to those of my ex-students, now in practice, who suffered the effects of my own feelings of uncertainty.

The dominant influence on the form and content of this book is

the work of Professor Ivor Seeley. He wrote the first book which identified and defined the constituent topics and practices for the subject of building economics. This book set the scene for an essential development which is still taking place, that is, the evolution of the role of the quantity surveyor to that of the specialist, technical accountant and cost manager of the building development process. Professor Seeley's book and the professional acquaintance I was privileged to make with him were influences without which I would not have been able to consider writing this book. I am also grateful to him for the advice he gave me while I was planning and writing it.

I would like to thank all my present and past colleagues who have spared me their time for the discussions which have contributed to the content of this book, and in this respect I would expressly mention Mike Canter, Andy Forgan, Tom Putt, Professors Brian Atkin and Roger Flanagan.

I would also like to thank all those people who gave me assistance with the vital technical processes of completing the manuscript (or diskette as now, perhaps, more properly it should be called), particularly Moira Gill, Tina Jeffrey, Ann Skinner and John Jewell.

I am grateful to the Royal Institution of Chartered Surveyors and the Building Cost Information Service for their permission to extract material from their publications for use in this book.

University of Reading
January 1993

Keith Hutchinson