



## Valuation Office Agency Rating Cost Guide 2023 Guidance Note – EDITION No. 8

*This guidance note provides explanation and information about the methodology and application of common adjustments to the estimated replacement costs for items contained therein.*

### Preface

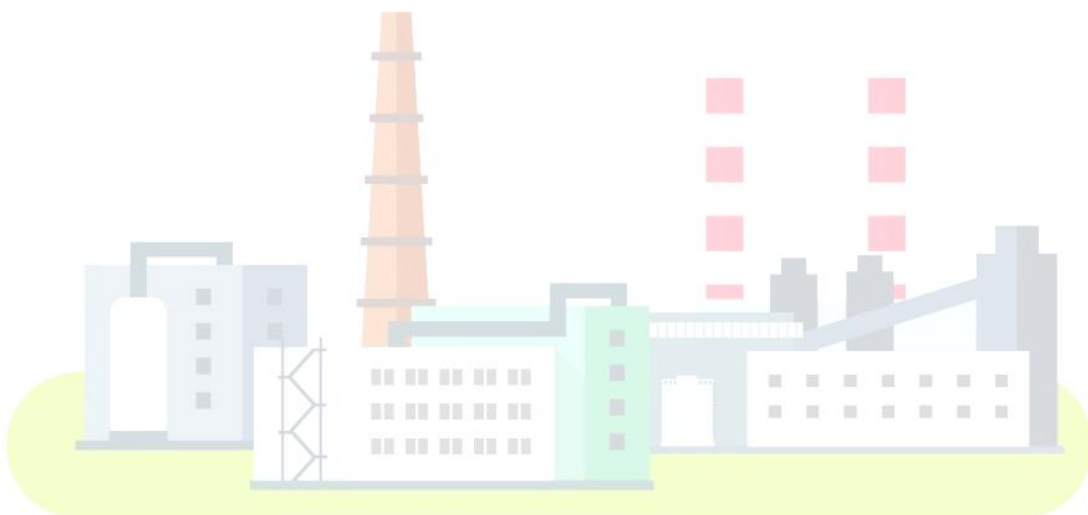
Users of the Rating Cost Guide (RCG) 2023 are reminded that the data within it has been gathered from various reputable sources. These include:

- statutory forms of return (actual cost evidence)
- price books
- Royal Institution of Chartered Surveyors (RICS) Building Construction Information Services (BCIS)
- online or published manufacturers data
- specific case studies, where available.

The pricing levels for all rates within the RCG 2023 have been adjusted to a price level equivalent to reflect a £4 million contract value at a Tender Price Index level of 329 and a location factor of 1.

The RCG 2023 adopts the BCIS All in Tender Price Index (TPI). This index tracks the trend of contractor's pricing levels in accepted tenders at commitment to construction stage.

For the purposes of this RCG 2023 we have forecast a level of the BCIS All in TPI as at the Antecedent Valuation Date (AVD) of 1 April 2021, based on knowledge and information available on the eve of the AVD, 31 March 2021 or first quarter 2021.



## Contents

Whilst the contents list below provided a quick link to the various sections of the RCG we recommend that individuals new to the use of the RCG read the guidance in its entirety before compiling any valuations.

|   |    |
|---|----|
| <b>1. Introduction</b> .....  | 2  |
| <b>2. How to use the Rating Cost Guide</b> .....                              | 4  |
| <b>3. Procedures</b> .....  | 5  |
| <b>4. Basis of Costings</b> .....   | 8  |
| <b>5. Location Factors</b> .....  | 9  |
| <b>6. Contracted Size Adjustment</b> .....                                    | 10 |
| <b>7. Fees and Charges</b> .....  | 11 |
| <b>8. Stage Two Allowance (for information and valuation reference)</b> ..... | 12 |
| <b>9. Maintenance of the Rating Lists</b> .....                               | 13 |
| <b>10. Obtaining a Copy of the Cost Guide</b> .....                           | 13 |
| <b>11. Indexation of Known Building Costs</b> .....                           | 14 |
| <b>12. Decapitalisation Rate</b> .....  | 15 |
| <b>13. Location Factors</b> .....   | 15 |
| <b>14. Contract Size Adjustment</b> .....                                     | 31 |
| <b>15. Fees and Charges</b> .....   | 32 |

## 1. Introduction

This is the eighth edition of the Valuation Office Agency's Rating Cost Guide (The Guide).

**Note:** *The seventh edition referred to as RCG 2021 was deferred.*

The guide has been prepared for the Valuation Office Agency (VOA) to use solely in connection with the preparation of contractor's basis valuations for the 2023 Rating Revaluation.

The guide **must not** be used for any other purpose, such as the preparation of valuations for asset or reinstatement cost assessments (for insurance) purposes. Whilst every effort has been made to ensure the accuracy of the information given in the guide, the VOA does not accept any liability for loss of any kind resulting from any person making use of such information for any other purpose than valuations for Non-Domestic Rating.

This guidance note outlines the basis (see preface) on which the information has been compiled, the recommended adjustments and considerations necessary to produce realistic and reliable replacement cost estimates for Non-Domestic Rating purposes in England and Wales.

The Rating Manual and Practice Notes (Class Specific) may provide further instruction to the application of adjustments contained within this guide.

The Agency acknowledges the assistance of the Royal Institution of Chartered Surveyors (RICS) Building Cost Information Service (BCIS) for allowing publication of its Tender Price Indices and Location Factor adjustments, which provide the basis of the tables included in this publication.

Where possible each entry in the RCG 2023 has a photograph representative of the item being described and for which a cost is being provided. Where we do not hold or have not been able to source a relevant photograph the expression "**No Photograph Available**" has been inserted.

All photographs contained within the 2023 Cost Guide are for identification only and are a "typical" example of an item within the range under consideration. The photographs have been taken in a working environment and do not represent the only manufacturers of the item.

Photographs of buildings are generally "typical" of type whereas pictures of "beacon" buildings are of the actual costed item, the details of which will be described within the body of that cost guide entry.

All costs have been produced to form levels of "new" costs for rating purposes at the Antecedent Valuation Date (AVD) of 1 April 2021 and are intended for use in assessing the Estimated Replacement Cost (ERC) of the hereditament at "Stage One" of a contractor's basis of valuation.

Costs of plant and machinery items are an amalgamation of several manufacturers' actual costs for the items "as new", suitably adjusted in terms of rating valuation.

Costs of buildings / civil items have been built up from a variety of actual build costs and industry recognised price books.

ERCs for "beacons" have been established where possible from several actual costs applicable to the beacon hereditament or part of it.

How and when to use cost adjustments and other considerations are described more fully in the body of this guidance note and the appendices thereto.

## 2. How to use the Rating Cost Guide

### 2.1 Scope

The RCG provides levels of costs at the Antecedent Valuation Date (AVD) of 1 April 2021 and is intended for use in assessing the Estimated Replacement Cost (ERC) of the hereditament at Stage One of the contractor's basis of valuation.

### 2.2 General

The Agency is committed to the adoption of a uniform and consistent level of costs in the production of their contractor's basis valuations for Non-Domestic Rating purposes and the Estimated Replacement Cost (ERC) figures contained within the RCG inform the basis of its valuations adopting the principles of contractor's-based valuation methodology.

When using the RCG valuers may need to search wider than simply on the item they intend to value.

*For example, some costs for Specialist Class Items do not include external works and these should be costed separately.*

The baseline costs in the RCG will require additional adjustment for location and/or size of contract before any addition is made for fees.

The baseline costs contained in the RCG reflect the specification as described for each item.

In some circumstances the valuer may adapt the ERC appearing for specific items to reflect any differences from the specification described within the RCG 2023. Where the specification of an item to be costed is the same as that found in the RCG, the cost should not be altered without the prior approval

In cases where the specification of the item differs from that in the RCG, an appropriate ERC figure can be derived either by extrapolation / interpolation or by adjusting the cost for items of similar construction, which may be found elsewhere in the RCG.

## 2.3 Numbering

Each item appearing in the Cost Guide has a unique Cost Guide reference number, many of which can be traced back through past Cost Guides.

New additions to the Guide will have new **unique numbers**. No old number will be used again.

*In some cases, technological advances mean that some examples are no longer manufactured, for example oil circuit breakers might be replaced with vacuum circuit breakers depending upon the capacity. The principle being followed is that the cost given in the RCG is the cost for the modern equivalent substitute item*

In past editions of the RCG provision was made to automatically redirect the user, where coded items had been superseded and new figures adopted to reflect the Modern Equivalent Asset (MEA).

In consultation with Valuation Panel leads and the Non-Bulk Server Valuation Application (NBS), it has been agreed that the inbuilt capability of the NBS and Valuation sheets to identify obsolete codes, now allows for the removal of all obsolete and redundant codes/items. This rationalisation exercise ensures that the RCG only includes MEA's, the majority of which were updated for the intended 2021 Reval exercise and where this is not possible the users may see a warning or error code flagged in their valuations.

## 3. Procedures

### 3.1 Estimated Replacement Cost (ERC)

The total ERC of a hereditament must be prepared using the individual ERC rates contained in the RCG. During this exercise it may be necessary to undertake several searches either on: -

- a) The hereditament (if the property to be valued can be identified as a Specialist Class Item)  
or
- b) Built up via the component parts of the item, property or hereditament.

In undertaking this exercise, the valuer must first; ascertain whether the property can be costed, whole or by its component parts.

***For example:*** A Community Centre would be costed as a single entity using the relevant Specialist Class Item information. {See category listing – Category [Community Centres] / Main Item [Day Care] / Sub item [small]} whereas the various buildings, plant and machinery, and structures comprising a Sewage Treatment Works would be costed in parts using costs for Buildings, Common Elements and Structures, and, Plant & Machinery. {These can be identified separately under the Category Listings}.

Each ERC chosen from the Guide must be considered and adjusted to reflect the differences in specification (e.g. size and / or quality) between the selected item and the item being costed. The resulting cost may require further modification to reflect the actual cost of the item on a particular site and as part of a contract for the whole hereditament.

Once the total ERC for a hereditament has been arrived at it will then need to reflect adjustments for location and contract size.

Such adjustments should be applied in the following sequence:

- a) Location ([see section 5](#))
- b) Contract size ([see section 6](#))
- c) Professional fees & other charges ([see section 7](#))

**Note:** *The adjustments should be made to the total ERC, rather than to each individual rate (see paragraphs 5.6 and 6.6).*

The relevant Non-Bulk Server (NBS) **Contractor's Basis Spreadsheet** to be used may be either of the following:

- a) The Generic Contractor's spreadsheet;
- b) The Plant and Machinery Spreadsheet specifically designed where P&M is found on a hereditament that is valued on a rental's valuation method;  
or
- c) A spreadsheet specifically designed for the subject being valued (e.g., Sewage Treatment Works).

All spreadsheets either:

- a) Automatically adjust costs for location, fees and contract size
- b) Provide the facility to take these adjustments into account when valuing a hereditament  
or
- c) Provide the facility to activate the above automatically using the rates specified within this guide.

All items of P&M are subject to adjustment for contract size and fees. However, care must be taken to ensure that the location factor is not applied to adjust items which the RCG identifies as not subject to a location factor adjustment (refer to individual item entries in RCG). By using the correct "code" (*see spreadsheet*) the adjustments for location will be automatically added where appropriate when using the NBS application.

The **2023 Generic Contractor's Spreadsheet** has been developed to ensure that all valuations within the same specialist category (SCAT) code or type are produced in a similar format and that each stage of the valuation is undertaken in the required order.

Use of the spreadsheet will automatically calculate these adjustments in the prescribed order, location factors, contract size adjustments and allowances (with reference to the age of the item under consideration).

The “Industrials” spreadsheet will allow the relevant location, fees and contract size adjustments to be made to a valuation on a rental comparison basis but requiring additional P&M items to be added.

Recording of the Cost Guide’s unique number for individual items is important when using the spreadsheets. Use of the 2023 Generic Contractor's spreadsheet together with specific codes will prevent errors in location factor additions etcetera and unify the approach for similar properties within the same SCAT code.

### **3.2 Adjusted Replacement Cost (ARC)**

Stage two of the contractor’s basis valuation method seeks to adjust the costs obtained at Stage one (ERC) to reflect any differences, variations or deficiencies when comparing the actual item being considered to the named item described in the RCG. These adjustments should be made to individual ERC costs obtained at Stage one, as these are likely to vary from item to item.

The Rating Manual guidance on the Contractor’s Basis gives details on how to adjust ERC to ARC including standard scales of allowances. Reval 2023 Practice Notes will give details of any bespoke scales to be adopted.

### **3.3 Use of the NBS Application and Contract Size Adjustment**

Contract size is always determined on total ERC (excluding the land element). The NBS spreadsheet **automatically adjusts** for these items and should always be used when valuing a hereditament on a rental comparable basis, where five or more items of plant and machinery are to be valued. Discretion is needed if you are dealing with less than five items of P&M but the NBS spreadsheet may still prove more convenient than performing a manual calculation.

Even though you may be valuing, the majority of the hereditament on a rental’s basis an estimate of the likely ERC for the buildings value is required to ensure that the fees and contract size adjustments are made correctly. The contract size adjustment should be used where the “buildings” rateable value can be entered in order to calculate an estimated cost figure for the buildings.

Essentially, the whole hereditament, including P&M is assumed to be provided under a single building contract, even though you are valuing mostly on a rental basis, and this facility calculates the correct contract size adjustment.

The addition to the ARC for fees will be at the same percentage as that applied to the ERC from which total the percentage level is derived. Where the minimum fee applies this should be reduced in the ratio ARC to ERC.

## 4. Basis of Costings

4.1 Costs for individual categories have been prepared in accordance with the following:

- a) The whole hereditament is constructed under a single contract assuming competitive tendering in the open market.  
**Note:** *Extensions and adaptations often include extra costs and utilise existing facilities, which are not reflected in the figures given.*
- b) The total ERC is required for the whole of the hereditament based on costs/prices prevailing at the AVD
- c) A cleared level site is assumed without the need for abnormal works.
- d) All mains services (where required) are available adjacent to the site.
- e) At AVD, the estimated tender price index published by the RICS Building Cost Information Service (BCIS) was 329.  
**Note:** *329 is the figure adopted by the VOA for the purposes of this RCG as at the 1<sup>st</sup> April 2021 (AVD) ([see section 11](#)).*  
**Note:** *RICS Building Cost Information Service Index (BCIS) is applicable to **BUILDINGS** only.*
- f) The ERC figures and Specialist Class Items will have been derived from costs at variety of locations, but the analysis adjusts all these costs to a location factor of 1.00.  
**Note:** ([see section 5](#)) for adjustments for location.
- g) Professional fees, or other charges, are not included in the rates unless otherwise stated. **Note:** ([see section 7](#)) for fees and other charges.
- h) Value Added Tax has not been included in any of the costs.
- i) All the ERC costs reflect rates for a contract of the order of £4 million.  
**Note:** See ([see section 6](#)) concerning contract size adjustment.
- j) The cost figures apply to the unit of measurement shown in each case  
**Note:** *For most buildings the relevant unit is Gross Internal Area (GIA) as defined in the [VOA Code of Measurement Practice for Rating](#).*

### 4.2 Cost adjustment of Plant and Machinery Items

The figures appearing in the ERC columns have been fully adjusted to take account of:

- a) Design, manufacture, transportation to site, installation, testing and costs involved with the placement of the item on site.
- b) All other costs involved in the installation of specific P&M items are included in the ERC provided and it is unlikely further adjustments will have to be considered. Full details of what is and what is not included for each item are noted against the relevant Cost Guide item.
- c) Costs incurred by the main contractor for installing the P&M item on site i.e. the provision of security, sanitary accommodation and welfare facilities for manufacturers employees, site electricity, temporary water and lighting supply, standing craneage and standing scaffolding for example, [*Known as preliminaries or on-costs*], are



included in the ERC. Number of items adjustment. The costs in the RCG do not represent the cost of a single item where it would be expected on an average site there would be several similar items. It is assumed that the item forms part of an “average size specialist industrial complex”. Therefore, where it would be normal to find more than one item in such a hereditament the ERC stated has been adjusted to reflect any number, quantity discount. In such circumstances the figures are **NOT** one-off figures.

## 5. Location Factors

**5.1** The cost of construction (buildings and civil engineering) is affected by many localised variables, including demand for, supply of, labour and materials. This indicates that certain areas of the country tend to have different tender levels from others. Research undertaken by the BEAMS team in conjunction with BCIS has identified all relevant factors relating to regional variations that impact on construction costs.

**5.2** The Location Factors table show pricing levels relative to the National Average, sets out the factors that must be used in all contractor’s valuations. These are provided on a regional basis based on the BCIS boundary data for the year 2000 and for London are sub divided into the various boroughs.

**5.3** Each item requiring an adjustment for location is separately identified in the RCG. Generally, P&M items that are specifically designed and manufactured under a separate contract with specialist suppliers will **NOT** attract a location factor adjustment (e.g. *compressors, pumps and boilers etc*). This is because manufactured items of P&M will attract, within reason, the same unit price irrespective of location, these items are typically manufactured/fabricated off site.

The **Generic Contractor’s Spreadsheet** automatically adjusts for location factor between P&M and Civil / Building items having reference to the code type of the item being costed (see relevant spreadsheet).

When using the relevant Contractor’s Basis Spreadsheet, it will automatically default to the appropriate location factor for the hereditament based on the factor chosen from the drop-down menu.

**5.4** Any adjustments for location must be reflected in all ERC calculations, before the addition of professional fees.

**5.5** Costs in the Guide are based on a UK mean of 1.00. The factors for England, and Wales will be found in the guide under Location Factors ([see section 5](#)).

**5.6** Each individual cost derived from the Guide, other than for manufactured P&M, should be multiplied by the appropriate location factor to produce the rate applicable to the hereditament being valued **before** calculating the total ERC or making any contract size adjustment ([see section 6](#)).

## 6. Contract Size Adjustment

**6.1** The size of contract has a direct influence on tender prices and small projects will usually cost more per unit (project) than larger ones. Although economies of scale reduce prices on larger contracts, on very large multi-million-pound projects this tends to be offset by the limited number of contractors able to undertake them and this may result in reduced competitiveness and the likelihood of increased administration costs.

**6.2** Over the wide range of contract sizes likely to be encountered, and with contracts taking up to three years to complete, overall costs can vary by up to +/- 10% reflecting economies of scale.

*This is **not** a **quantity allowance adjustment** but an allowance normally available reflecting the prudent management of the total monies involved.*

The smaller the overall contract involved the less scope there is for savings.

**6.3** Each **Specialist Class Item** cost in the RCG is adjusted for a notional **£4 million** contract. The actual cost of the hereditament will also be shown. When a Specialist Class Item is used as a guide to the costing of a different sized hereditament, adjustment to those base costs may be needed.

**6.4** Common Elements and Structures in the Cost Guide reflect an overall contract size in the order of £4 million after adjustment for location but before any addition for professional fees (or site value).

The ERC for P&M items should be added to this figure where applicable. These costs should be used for those classes where the ERC will be built up using unit rates (this also applies where P&M items are additional to a rental comparison basis property).

**6.5** If the built-up cost of a particular hereditament (Contractor's Basis), or the built-up cost of the additional P&M (buildings rental with P&M additions) totals more or less than £4 million, the appropriate adjustment for contract size should be made using the scale shown ([see section 6](#)) to reflect the higher or lower adjustments which would be appropriate having regard to the resultant ERC (an addition of the buildings and P&M ERCs but not that for the land).

The Contractor's Basis spreadsheet automatically adjusts the valuation for the contract size adjustment and provides the facility to adjust the contract size where part of the valuation has been made on a rental comparison basis.

Hereditaments valued by way of a scheme should be costed in accordance with that scheme's instructions. Certain specialised building costs have been adjusted to that of a £4m contract.

**6.6** The contract size adjustment should be made using the **total ERC**, excluding the land element. (e.g., after adjustment for location but before the addition for fees).

**6.7** The **TOTAL ERC** of all plant and machinery items is required to be added to the TOTAL ERC of the buildings to calculate the correct Contract Size Adjustment. Where the buildings

are valued on a rental's basis with P&M as an addition, enter in the ADDITIONAL RV FOR CSA box (bottom right-hand side of the spreadsheet) the RV of the buildings calculated on a rental's basis. *Typical no adjustments as stated under section 3.1 will apply in this situation – please refer to BEAMS for guidance.*

## **6.8 Use of the NBS Application for properties valued to rentals and Contract Size Adjustment**

The NBS spreadsheet should be used even for properties valued by the rentals basis where that property contains significant plant items. 'Significant' means more than five plant items, or items of high cost. Discretion is needed if you are dealing with less than five items of P&M but the NBS spreadsheet may still prove more convenient than performing a manual calculation.

Even though you may be valuing a majority of the hereditament on a rental's basis an estimate of the likely ERC for the buildings value is required to ensure that the fees and contract size adjustments are made correctly. For the NBS to calculate the adjustment properly you will need to enter the RV attributable to the 'buildings' into the appropriate cell in the NBS.

The NBS will then apply the contract size adjustment based on the notional cost of the whole hereditament as this is the basis assumed in the contractor's method of valuation.

## **7. Fees and Charges**

**7.1** The estimated replacement costs in the RCG exclude professional fees and other charges, which are normally payable on overall contracts where building, plant and machinery and civil engineering works are undertaken unless otherwise stated in the individual entries for the items. An overall percentage addition should therefore be made to cover the following:

### **Professional fees**

Feasibility Study  
Architect - design/landscape  
CDM coordinator  
Quantity surveyor  
Consulting engineer - structural/civil  
Mechanical/Electrical engineer

### **Other charges**

Site investigation  
Planning application  
Building Regulations - prescribed fees  
Professional disbursements

Some larger contracts are carried out under the control of a project manager, which may increase the total fees payable.

**7.2** Scales of fees recommended by the professional bodies are not mandatory, but they frequently form the basis for fee negotiations and fee bidding. The total fees payable is

largely dependent on the value, type and complexity of the contract as well as the level of competition.

**7.3** The following percentage additions should be added to the estimated replacement costs (ERC) , excluding the land value, represented by the total sum of all the component parts of the hereditament - including external works - after adjustment for location ([see section 5](#)) and contract size ([see section 6](#)) where appropriate.

**7.4** Since fees will vary, particularly depending on the value, type and complexity of the contract, it is accepted that the following additions for fees may not be appropriate in all cases, but **there should be no departure** from this approach as this would vary the consistency of the methodology/approach set out in this guide.

**7.5** When considering evidence of fees and charges, particularly those obtained from Local Authorities and other public bodies, such costs may require an upward adjustment to allow for “fees”, which have been incurred and absorbed using "in-house" professional staff.

**7.6** Up to a further 4% should be added to the above scales for hereditaments of a more complex nature i.e. those with a higher mechanical and electrical content and/or requiring more detailed design co-ordination ([click for types of hereditaments that fall within this category](#)).

**7.7** Some large hereditaments (i.e. those with an ERC in excess of £10 million), which are formed of a relatively simple structures of a repetitive nature, may attract professional fees at a lower level. In such cases, the addition for fees and charges may be varied. However, as there may be other criteria to consider besides contract value, the following scale should only be used after careful consideration ([click for the alternative scale for hereditaments that fall within this category](#)).

## **8. Stage Two Allowance (for information and valuation reference)**

**8.1** Allowances should be considered in accordance with the guidance given in the Rating Manual Section 4 Part 3 – The Contractor’s Basis of Valuation.

**8.2** In previous lists the valuation approach at Stage 2 of the Contractor’s Basis had regard to a scale of allowances for age related physical obsolescence that originated from the decision in *Monsanto v Farris (VO) (1998) RA 217*. Following the Upper Tribunal decision, *Stephen G Hughes (VO) and York Museums and Gallery Trust [2017] RA/20/2015*, the member in an obiter comment questioned the correctness of applying the "Monsanto allowances" to buildings other than industrial (para 187):

*“We do not criticise the widespread adoption of the Monsanto allowances in contractor’s basis settlements relating to industrial buildings, but their use in industrial settlements lends them no additional credibility or relevance as a tool for valuing other types of building.”*

Following the decision in the above-named case the VOA received a proposal to revisit the allowances made at stage 2 of the Contractor’s Basis for University buildings on a Depreciated Replacement Cost (DRC) approach more commonly found in asset valuations.

The VOA has created a scale of allowances that simulate an overall typical “Life” for a **hereditament**. This VOA PAFOAS (VOA Physical and Functional obsolescence adjustment Scales) should be applied to non-Industrial type buildings and comprises a single age-related scale. ***The VOA has created a model that generates revised allowances that simulate an overall typical Life for a hereditament, short life buildings or long life over engineered buildings have not been considered within the scope of the model but could be reflected with alternate data sets overlaid within the existing VO model structure.***

DRC is a globally recognised valuation approach for specialist properties that cannot be valued by more conventional methods. It has close similarities with the contractor’s basis valuation method for rating and is defined as ‘The current cost of replacing an asset with its modern equivalent asset less deductions for ‘physical deterioration and all relevant forms of obsolescence and optimisation’ (RICS Depreciated replacement cost method of valuation for financial reporting 1<sup>st</sup> Ed. Nov 2018)

## 9. Maintenance of the Rating Lists

**9.1** The RCG is the primary means of co-ordinating costs, and it should be the guide for adopted stage 1 costs on a contractor’s basis when preparing valuations for the 2023 Rating Lists.

**9.2** If appellants wish to query any RCG ERCs used in the valuation of a hereditament they must provide their own evidence for the Valuation Office to consider.

**9.3** Any “New Evidence” will need analysis and the appropriate application of rebasing adjustments to identify any conflict with the existing information in the RCG.

**9.4** The purpose of the RCG is to aid valuers when preparing cost-based valuations. It is guide based upon advice received from the Agency's Built Environment costing specialists.

**9.5** The Guide provides general levels of cost advice, but it would be misleading and incorrect to adopt unit costs straight from the Guide. Such item costs need further adjustment *e.g., to reflect the location and contract size of any hereditament.*

**9.6** It is also incorrect to avoid any stages of a contractor's basis valuation by having regard to an end figure analysis of allegedly comparable properties. Each stage (apart from a statutory decapitalisation rate at Stage 4) should reflect site-specific costs, allowances and other adjustments.

**9.7** Adopting the short cut approach could result in misleading or inaccurate figures, even when full details of the comparable evidence are known, particularly if adjustments are required to the end figure, which it is proposed to adopt.

**9.8** The costs and allowances contained in the RCG must remain the base point of reference.

## 10. Obtaining a Copy of the Cost Guide

The intention is providing the Rating Cost Guide 2023 publication free of charge upon request. This means the RCG 2023 will be freely available for general distribution to

Agents or Ratepayers. It is therefore appropriate in negotiations to refer to its existence and to specific items.

To discuss assessments with Agents/Ratepayers single item entries in the RCG can be forwarded to relevant persons.

## 11. Indexation of Known Building Costs

**11.1** One method of arriving at or checking building costs used in the ERC for Stage one of the contractor's basis of valuation is to obtain actual cost information and adjust to reflect cost levels at the AVD.

**11.2** Economy and Influences affecting costs - The effects of inflation and changing legislation will make such results less reliable as the time span increases and pre-2021 costs should be regarded as unsuitable. Costs of alteration or extension works should also be treated with care because these are frequently distorted by costs of demolition or using existing services or other facilities.

The RCG 2023 TPI was set to 329 based on those indices' tables included in the appendices. The TPI's stated in these tables are those that were available to download for the 1<sup>st</sup> Qtr. 2021.

The most accurate results will only be derived when full cost information is made available, either in the form of priced bills of quantities or from a fully detailed final account. In addition, details of the form of contract will be required together with copies of small-scale plans and sections showing all site and building works to properly analyse these costs.

Useful results however can be obtained from less extensive cost information which may be more readily available. Details of any non-rateable items are required, so that these can be omitted, together with any work which may have been carried out separately, location factors, professional fees, VAT, etc.

**11.3** Non-Rateable elements - Details of Non-Rateable items are required to produce the Net ERC figure for the Cost Guide.

**a. Gross ERC for Hereditament**

**b. Non-Rateable items** (*% per component part making up the whole*)

**c. Net ERC Figure** (*this is the rate shown in the RCG 2023 entries*)

**11.4** Cost information is most likely to be available in one of three forms each of which needs to be adjusted from a different date by applying the Tender Price Index in accordance with the relevant formulae. By using one of these calculations (depending on the available information) it is possible to establish the likely cost of the completed works at the AVD.

- a) Where the **variation of price tender** (VOPT) is being used, the tender base date (TBD) is required. The tender base date is the date by reference to which costs are adjusted to produce the final account. This method is now rarely used.

$$\begin{array}{l} \text{Index figure at AVD} \\ \text{Index figure at TBD} \end{array} \quad \times \quad \text{VOPT} \quad = \quad \text{ERC at AVD}$$

- b) Where the **final account** (FA) figure is being used, the actual mid- contract point (AMCP) is required. That is the date midway between the contract base date and the authorised completion date.

$$\begin{array}{l} \text{Index figure at AVD} \\ \text{Index figure at AMCP} \end{array} \quad \times \quad \text{FA} \quad = \quad \text{ERC at AVD}$$

- c) Where the **firm price tender** (FPT) figure is being used, the notional mid- contract point (NMCP) is required. That is the date mid-way between the start and completion dates stated in the tender documents

$$\begin{array}{l} \text{Index figure at AVD} \\ \text{Index figure at NMCP} \end{array} \quad \times \quad \text{FPT} \quad = \quad \text{ERC at AVD}$$

The preferred method is b, but care must be taken to adjust for contractor’s claims, the expenditure of provisional sums and contingencies as well as variations that have occurred during the contract. Considerable caution is also needed when adjusting actual costs where the contract period involves a falling market.

If the variation of price tender figure is known, to determine costs at the AVD (method a) care must be taken to ensure that the scope of the work has not materially changed between commencement and completion.

**11.5** Indexation of known building costs should be checked against a replacement cost estimate prepared using the appropriate Cost Guide figures and considering any differences in the basis of costing (Section 4). If there is a substantial difference between the adjusted actual cost and the ERC the BEAMS team should be consulted.

**Note:** *The formulae given assume a consistent rise or fall in the level of inflation and interim payments of equal amounts to the contractor.*

## 12. Decapitalisation Rate

**12.1** The prescribed Statutory Decapitalisation Rate must be used to adjust the costs to rateable value. The generic and bespoke spreadsheets within the NBS will automatically default to the correct statutory decapitalisation rate for the hereditament class being assessed.

## TABLES AND APPENDICES

### 13. Location Factors

| BA Code | Regional Valuation Unit | Billing Authority            | BCIS Location  | BCIS Location |
|---------|-------------------------|------------------------------|----------------|---------------|
| 114     | Wales and West          | Bath and North East Somerset | North Somerset | 102.00        |
| 116     | Wales and West          | Bristol                      | North Somerset | 102.00        |

|                |                                |                          |                      |                      |
|----------------|--------------------------------|--------------------------|----------------------|----------------------|
| 119            | Wales and West                 | South Gloucestershire    | North Somerset       | 102.00               |
| 121            | Wales and West                 | North Somerset           | North Somerset       | 102.00               |
| 230            | East                           | Luton                    | Bedfordshire         | 104.00               |
| 235            | East                           | Bedford                  | Bedfordshire         | 104.00               |
| 240            | East                           | Central Bedfordshire     | Bedfordshire         | 104.00               |
| 335            | South                          | Bracknell Forest         | Berkshire            | 108.00               |
| 340            | South                          | West Berkshire           | Berkshire            | 108.00               |
| 345            | South                          | Reading                  | Berkshire            | 108.00               |
| 350            | South                          | Slough                   | Berkshire            | 108.00               |
| 355            | South                          | Windsor and Maidenhead   | Berkshire            | 108.00               |
| 360            | South                          | Wokingham                | Berkshire            | 108.00               |
| 405            | South                          | Aylesbury Vale           | Buckinghamshire      | 107.00               |
| 410            | South                          | South Buckinghamshire    | Buckinghamshire      | 107.00               |
| 415            | South                          | Chiltern                 | Buckinghamshire      | 107.00               |
| 425            | South                          | Wycombe                  | Buckinghamshire      | 107.00               |
| 435            | South                          | Milton Keynes            | Buckinghamshire      | 107.00               |
| 505            | East                           | Cambridge                | Cambridgeshire       | 100.00               |
| 510            | East                           | East Cambridgeshire      | Cambridgeshire       | 100.00               |
| 515            | East                           | Fenland                  | Cambridgeshire       | 100.00               |
| <b>BA Code</b> | <b>Regional Valuation Unit</b> | <b>Billing Authority</b> | <b>BCIS Location</b> | <b>BCIS Location</b> |
| 520            | East                           | Huntingdonshire          | Cambridgeshire       | 100.00               |
| 530            | East                           | South Cambridgeshire     | Cambridgeshire       | 100.00               |
| 540            | East                           | Peterborough             | Cambridgeshire       | 100.00               |



|                |                                |                           |                      |                      |
|----------------|--------------------------------|---------------------------|----------------------|----------------------|
| 650            | North                          | Halton                    | Cheshire             | 97.00                |
| 655            | North                          | Warrington                | Cheshire             | 97.00                |
| 660            | North                          | Cheshire East             | Cheshire             | 97.00                |
| 665            | North                          | Cheshire West and Chester | Cheshire             | 97.00                |
| 724            | North                          | Hartlepool                | Tees Valley          | 94.00                |
| 728            | North                          | Redcar and Cleveland      | Tees valley          | 94.00                |
| 734            | North                          | Middlesbrough             | Tees valley          | 94.00                |
| 738            | North                          | Stockton-on-Tees          | Tees valley          | 94.00                |
| 835            | Wales and West                 | Isles of Scilly           | Cornwall             | 105.00               |
| 840            | Wales and West                 | Cornwall                  | Cornwall             | 105.00               |
| 905            | North                          | Allerdale                 | Cumbria              | 98.00                |
| 910            | North                          | Barrow-in-Furness         | Cumbria              | 98.00                |
| 915            | North                          | Carlisle                  | Cumbria              | 98.00                |
| 920            | North                          | Copeland                  | Cumbria              | 98.00                |
| 925            | North                          | Eden                      | Cumbria              | 98.00                |
| 930            | North                          | South Lakeland            | Cumbria              | 98.00                |
| 1005           | East                           | Amber Valley              | Derbyshire           | 105.00               |
| 1010           | East                           | Bolsover                  | Derbyshire           | 105.00               |
| 1015           | East                           | Chesterfield              | Derbyshire           | 105.00               |
| <b>BA Code</b> | <b>Regional Valuation Unit</b> | <b>Billing Authority</b>  | <b>BCIS Location</b> | <b>BCIS Location</b> |
| 1025           | East                           | Erewash                   | Derbyshire           | 105.00               |
| 1030           | East                           | High Peak                 | Derbyshire           | 105.00               |
| 1035           | East                           | North East Derbyshire     | Derbyshire           | 105.00               |

|                |                                    |   |                      |                      |
|----------------|------------------------------------|---|----------------------|----------------------|
| 1040           | East                               | South Derbyshire                          | Derbyshire           | 105.00               |
| 1045           | East                               | Derbyshire Dales                          | Derbyshire           | 105.00               |
| 1055           | East                               | Derby                                     | Derbyshire           | 105.00               |
| 1105           | Wales and West                     | East Devon                                | Devon                | 101.00               |
| 1110           | Wales and West                     | Exeter                                    | Devon                | 101.00               |
| 1115           | Wales and West                     | North Devon                               | Devon                | 101.00               |
| 1125           | Wales and West                     | South Hams                                | Devon                | 101.00               |
| 1130           | Wales and West                     | Teignbridge                               | Devon                | 101.00               |
| 1135           | Wales and West                     | Mid Devon                                 | Devon                | 101.00               |
| 1145           | Wales and West                     | Torrige                                   | Devon                | 101.00               |
| 1150           | Wales and West                     | West Devon                                | Devon                | 101.00               |
| 1160           | Wales and West                     | Plymouth                                  | Devon                | 101.00               |
| 1165           | Wales and West                     | Torbay                                    | Devon                | 101.00               |
| 1265           | Wales and West                     | Dorset                                    | Dorset               | 104.00               |
| 1260           | Wales and West                     | Bournemouth,<br>Christchurch and<br>Poole | Dorset               | 104.00               |
| 1350           | North                              | Darlington                                | Tees Valley          | 94.00                |
| 1355           | North                              | Durham                                    | Durham County        | 91.00                |
| 1410           | South                              | Eastbourne                                | East Sussex          | 109.00               |
| <b>BA Code</b> | <b>Regional<br/>Valuation Unit</b> | <b>Billing Authority</b>                  | <b>BCIS Location</b> | <b>BCIS Location</b> |
| 1415           | South                              | Hastings                                  | East Sussex          | 109.00               |
| 1425           | South                              | Lewes                                     | East Sussex          | 109.00               |
| 1430           | South                              | Rother                                    | East Sussex          | 109.00               |

|                |                                |                          |                      |                      |
|----------------|--------------------------------|--------------------------|----------------------|----------------------|
| 1435           | South                          | Wealden                  | East Sussex          | 109.00               |
| 1445           | South                          | Brighton and Hove        | East Sussex          | 109.00               |
| 1505           | East                           | Basildon                 | Essex                | 103.00               |
| 1510           | East                           | Braintree                | Essex                | 103.00               |
| 1515           | East                           | Brentwood                | Essex                | 103.00               |
| 1520           | East                           | Castle Point             | Essex                | 103.00               |
| 1525           | East                           | Chelmsford               | Essex                | 103.00               |
| 1530           | East                           | Colchester               | Essex                | 103.00               |
| 1535           | East                           | Epping Forest            | Essex                | 103.00               |
| 1540           | East                           | Harlow                   | Essex                | 103.00               |
| 1545           | East                           | Maldon                   | Essex                | 103.00               |
| 1550           | East                           | Rochford                 | Essex                | 103.00               |
| 1560           | East                           | Tendring                 | Essex                | 103.00               |
| 1570           | East                           | Uttlesford               | Essex                | 103.00               |
| 1590           | East                           | Southend-on-Sea          | Essex                | 103.00               |
| 1595           | East                           | Thurrock                 | Essex                | 103.00               |
| 1605           | Wales and West                 | Cheltenham               | Gloucestershire      | 103.00               |
| 1610           | Wales and West                 | Cotswold                 | Gloucestershire      | 103.00               |
| 1615           | Wales and West                 | Forest of Dean           | Gloucestershire      | 103.00               |
| <b>BA Code</b> | <b>Regional Valuation Unit</b> | <b>Billing Authority</b> | <b>BCIS Location</b> | <b>BCIS Location</b> |
| 1620           | Wales and West                 | Gloucester               | Gloucestershire      | 103.00               |
| 1625           | Wales and West                 | Stroud                   | Gloucestershire      | 103.00               |
| 1630           | Wales and West                 | Tewkesbury               | Gloucestershire      | 103.00               |

|                |                                |                          |                      |                      |
|----------------|--------------------------------|--------------------------|----------------------|----------------------|
| 1705           | South                          | Basingstoke and Deane    | Hampshire            | 105.00               |
| 1710           | South                          | East Hampshire           | Hampshire            | 105.00               |
| 1715           | South                          | Eastleigh                | Hampshire            | 105.00               |
| 1720           | South                          | Fareham                  | Hampshire            | 105.00               |
| 1725           | South                          | Gosport                  | Hampshire            | 105.00               |
| 1730           | South                          | Hart                     | Hampshire            | 105.00               |
| 1735           | South                          | Havant                   | Hampshire            | 105.00               |
| 1740           | South                          | New Forest               | Hampshire            | 105.00               |
| 1750           | South                          | Rushmoor                 | Hampshire            | 105.00               |
| 1760           | South                          | Test Valley              | Hampshire            | 105.00               |
| 1765           | South                          | Winchester               | Hampshire            | 105.00               |
| 1775           | South                          | Portsmouth               | Hampshire            | 105.00               |
| 1780           | South                          | Southampton              | Hampshire            | 105.00               |
| 1805           | Wales and West                 | Bromsgrove               | Worcestershire       | 98.00                |
| 1825           | Wales and West                 | Redditch                 | Worcestershire       | 98.00                |
| 1835           | Wales and West                 | Worcester                | Worcestershire       | 98.00                |
| 1840           | Wales and West                 | Wychavon                 | Worcestershire       | 98.00                |
| 1845           | Wales and West                 | Wyre Forest              | Worcestershire       | 98.00                |
| 1850           | Wales and West                 | Herefordshire            | Herefordshire        | 92.00                |
| <b>BA Code</b> | <b>Regional Valuation Unit</b> | <b>Billing Authority</b> | <b>BCIS Location</b> | <b>BCIS Location</b> |
| 1860           | Wales and West                 | Malvern Hills            | Worcestershire       | 98.00                |
| 1905           | East of England                | Broxbourne               | Hertfordshire        | 107.00               |
| 1910           | East                           | Dacorum                  | Hertfordshire        | 107.00               |

|                |                                |                          |                                    |                      |
|----------------|--------------------------------|--------------------------|------------------------------------|----------------------|
| 1915           | East                           | East Hertfordshire       | Hertfordshire                      | 107.00               |
| 1920           | East                           | Hertsmere                | Hertfordshire                      | 107.00               |
| 1925           | East                           | North Hertfordshire      | Hertfordshire                      | 107.00               |
| 1930           | East                           | St Albans                | Hertfordshire                      | 107.00               |
| 1935           | East                           | Stevenage                | Hertfordshire                      | 107.00               |
| 1940           | East                           | Three Rivers             | Hertfordshire                      | 107.00               |
| 1945           | East                           | Watford                  | Hertfordshire                      | 107.00               |
| 1950           | East                           | Welwyn Hatfield          | Hertfordshire                      | 107.00               |
| 2001           | East                           | East Riding of Yorkshire | East Riding and North Lincolnshire | 92.00                |
| 2002           | East                           | North East Lincolnshire  | East Riding and North Lincolnshire | 92.00                |
| 2003           | East                           | North Lincolnshire       | East Riding and North Lincolnshire | 92.00                |
| 2004           | East                           | Kingston upon Hull       | East Riding and North Lincolnshire | 92.00                |
| 2100           | South                          | Isle of Wight            | Isle of Wight                      | 105.00               |
| 2205           | South                          | Ashford                  | Kent                               | 109.00               |
| 2210           | South                          | Canterbury               | Kent                               | 109.00               |
| 2215           | South                          | Dartford                 | Kent                               | 109.00               |
| 2220           | South                          | Dover                    | Kent                               | 109.00               |
| 2230           | South                          | Gravesham                | Kent                               | 109.00               |
| 2235           | South                          | Maidstone                | Kent                               | 109.00               |
| <b>BA Code</b> | <b>Regional Valuation Unit</b> | <b>Billing Authority</b> | <b>BCIS Location</b>               | <b>BCIS Location</b> |
| 2245           | South                          | Sevenoaks                | Kent                               | 109.00               |
| 2250           | South                          | Shepway                  | Kent                               | 109.00               |
| 2255           | South                          | Swale                    | Kent                               | 109.00               |

|                |                                |                          |                            |                      |
|----------------|--------------------------------|--------------------------|----------------------------|----------------------|
| 2260           | South                          | Thanet                   | Kent                       | 109.00               |
| 2265           | South                          | Tonbridge and Malling    | Kent                       | 109.00               |
| 2270           | South                          | Tunbridge Wells          | Kent                       | 109.00               |
| 2280           | South                          | Medway                   | Kent                       | 109.00               |
| 2315           | North                          | Burnley                  | Lancashire                 | 97.00                |
| 2320           | North                          | Chorley                  | Lancashire                 | 97.00                |
| 2325           | North                          | Fylde                    | Lancashire                 | 97.00                |
| 2330           | North                          | Hyndburn                 | Lancashire                 | 97.00                |
| 2335           | North                          | Lancaster                | Lancashire                 | 97.00                |
| 2340           | North                          | Pendle                   | Lancashire                 | 97.00                |
| 2345           | North                          | Preston                  | Lancashire                 | 97.00                |
| 2350           | North                          | Ribble Valley            | Lancashire                 | 97.00                |
| 2355           | North                          | Rossendale               | Lancashire                 | 97.00                |
| 2360           | North                          | South Ribble             | Lancashire                 | 97.00                |
| 2365           | North                          | West Lancashire          | Lancashire                 | 97.00                |
| 2370           | North                          | Wyre                     | Lancashire                 | 97.00                |
| 2372           | North                          | Blackburn with Darwen    | Lancashire                 | 97.00                |
| 2373           | North                          | Blackpool                | Lancashire                 | 97.00                |
| 2405           | East                           | Blaby                    | Leicestershire and Rutland | 104.00               |
| <b>BA Code</b> | <b>Regional Valuation Unit</b> | <b>Billing Authority</b> | <b>BCIS Location</b>       | <b>BCIS Location</b> |
| 2410           | East                           | Charnwood                | Leicestershire and Rutland | 104.00               |
| 2415           | East                           | Harborough               | Leicestershire and Rutland | 104.00               |
| 2420           | East                           | Hinckley and Bosworth    | Leicestershire and Rutland | 104.00               |

|                |                                |                             |                            |                      |
|----------------|--------------------------------|-----------------------------|----------------------------|----------------------|
| 2430           | East                           | Melton                      | Leicestershire and Rutland | 104.00               |
| 2435           | East                           | North West Leicestershire   | Leicestershire and Rutland | 104.00               |
| 2440           | East                           | Oadby and Wigston           | Leicestershire and Rutland | 104.00               |
| 2465           | East                           | Leicester                   | Leicestershire and Rutland | 104.00               |
| 2470           | East                           | Rutland                     | Leicestershire and Rutland | 104.00               |
| 2505           | East                           | Boston                      | Lincolnshire               | 103.00               |
| 2510           | East                           | East Lindsey                | Lincolnshire               | 103.00               |
| 2515           | East                           | Lincoln                     | Lincolnshire               | 103.00               |
| 2520           | East                           | North Kesteven              | Lincolnshire               | 103.00               |
| 2525           | East                           | South Holland               | Lincolnshire               | 103.00               |
| 2530           | East                           | South Kesteven              | Lincolnshire               | 103.00               |
| 2535           | East                           | West Lindsey                | Lincolnshire               | 103.00               |
| 2605           | East                           | Breckland                   | Norfolk                    | 96.00                |
| 2610           | East                           | Broadland                   | Norfolk                    | 96.00                |
| 2615           | East                           | Great Yarmouth              | Norfolk                    | 96.00                |
| 2620           | East                           | North Norfolk               | Norfolk                    | 96.00                |
| 2625           | East                           | Norwich                     | Norfolk                    | 96.00                |
| 2630           | East                           | South Norfolk               | Norfolk                    | 96.00                |
| 2635           | East                           | Kings Lynn and West Norfolk | Norfolk                    | 96.00                |
| <b>BA Code</b> | <b>Regional Valuation Unit</b> | <b>Billing Authority</b>    | <b>BCIS Location</b>       | <b>BCIS Location</b> |
| 2705           | East                           | Craven                      | North Yorkshire            | 98.00                |
| 2710           | East                           | Hambleton                   | North Yorkshire            | 98.00                |
| 2715           | East                           | Harrogate                   | North Yorkshire            | 98.00                |

|                |                                |                          |                      |                      |
|----------------|--------------------------------|--------------------------|----------------------|----------------------|
| 2720           | East                           | Richmondshire            | North Yorkshire      | 98.00                |
| 2725           | East                           | Ryedale                  | North Yorkshire      | 98.00                |
| 2730           | East                           | Scarborough              | North Yorkshire      | 98.00                |
| 2735           | East                           | Selby                    | North Yorkshire      | 98.00                |
| 2741           | East                           | City of York             | North Yorkshire      | 98.00                |
| 2805           | East                           | Corby                    | Northamptonshire     | 109.00               |
| 2810           | East                           | Daventry                 | Northamptonshire     | 109.00               |
| 2815           | East                           | East Northamptonshire    | Northamptonshire     | 109.00               |
| 2820           | East                           | Kettering                | Northamptonshire     | 109.00               |
| 2825           | East                           | Northampton              | Northamptonshire     | 109.00               |
| 2830           | East                           | South Northamptonshire   | Northamptonshire     | 109.00               |
| 2835           | East                           | Wellingborough           | Northamptonshire     | 109.00               |
| 2935           | North                          | Northumberland           | Northumberland       | 95.00                |
| 3005           | East                           | Ashfield                 | Nottinghamshire      | 103.00               |
| 3010           | East                           | Bassetlaw                | Nottinghamshire      | 103.00               |
| 3015           | East                           | Broxtowe                 | Nottinghamshire      | 103.00               |
| 3020           | East                           | Gedling                  | Nottinghamshire      | 103.00               |
| 3025           | East                           | Mansfield                | Nottinghamshire      | 103.00               |
| 3030           | East                           | Newark and Sherwood      | Nottinghamshire      | 103.00               |
| <b>BA Code</b> | <b>Regional Valuation Unit</b> | <b>Billing Authority</b> | <b>BCIS Location</b> | <b>BCIS Location</b> |
| 3040           | East                           | Rushcliffe               | Nottinghamshire      | 103.00               |
| 3060           | East                           | Nottingham               | Nottinghamshire      | 103.00               |
| 3105           | South                          | Cherwell                 | Oxfordshire          | 104.00               |



|                |                                |                           |                      |                      |
|----------------|--------------------------------|---------------------------|----------------------|----------------------|
| 3110           | South                          | Oxford                    | Oxfordshire          | 104.00               |
| 3115           | South                          | South Oxfordshire         | Oxfordshire          | 104.00               |
| 3120           | South                          | Vale of White Horse       | Oxfordshire          | 104.00               |
| 3125           | South                          | West Oxfordshire          | Oxfordshire          | 104.00               |
| 3240           | Wales and West                 | Telford and Wrekin        | Shropshire           | 95.00                |
| 3245           | Wales and West                 | Shropshire                | Shropshire           | 95.00                |
| 3305           | Wales and West                 | Mendip                    | Somerset             | 101.00               |
| 3310           | Wales and West                 | Sedgemoor                 | Somerset             | 101.00               |
| 3330           | Wales and West                 | Somerset West and Taunton | Somerset             | 101.00               |
| 3325           | Wales and West                 | South Somerset            | Somerset             | 101.00               |
| 3405           | Wales and West                 | Cannock Chase             | Staffordshire        | 94.00                |
| 3410           | Wales and West                 | East Staffordshire        | Staffordshire        | 94.00                |
| 3415           | Wales and West                 | Lichfield                 | Staffordshire        | 94.00                |
| 3420           | Wales and West                 | Newcastle-under-Lyme      | Staffordshire        | 94.00                |
| 3425           | Wales and West                 | Stafford                  | Staffordshire        | 94.00                |
| 3430           | Wales and West                 | South Staffordshire       | Staffordshire        | 94.00                |
| 3435           | Wales and West                 | Staffordshire Moorlands   | Staffordshire        | 94.00                |
| 3445           | Wales and West                 | Tamworth                  | Staffordshire        | 94.00                |
| 3455           | Wales and West                 | Stoke-on-Trent            | Staffordshire        | 94.00                |
| <b>BA Code</b> | <b>Regional Valuation Unit</b> | <b>Billing Authority</b>  | <b>BCIS Location</b> | <b>BCIS Location</b> |
| 3505           | East                           | Babergh                   | Suffolk              | 97.00                |
| 3515           | East                           | Ipswich                   | Suffolk              | 97.00                |
| 3545           | East                           | West Suffolk              | Suffolk              | 97.00                |

|                |                                |                          |                      |                      |
|----------------|--------------------------------|--------------------------|----------------------|----------------------|
| 3540           | East                           | East Suffolk             | Suffolk              | 97.00                |
| 3535           | East                           | Waveney                  | Suffolk              | 97.00                |
| 3605           | South                          | Elmbridge                | Surrey               | 113.00               |
| 3610           | South                          | Epsom and Ewell          | Surrey               | 113.00               |
| 3615           | South                          | Guildford                | Surrey               | 113.00               |
| 3620           | South                          | Mole Valley              | Surrey               | 113.00               |
| 3625           | South                          | Reigate and Banstead     | Surrey               | 113.00               |
| 3630           | South                          | Runnymede                | Surrey               | 113.00               |
| 3635           | South                          | Spelthorne               | Surrey               | 113.00               |
| 3640           | South                          | Surrey Heath             | Surrey               | 113.00               |
| 3645           | South                          | Tandridge                | Surrey               | 113.00               |
| 3650           | South                          | Waverley                 | Surrey               | 113.00               |
| 3655           | South                          | Woking                   | Surrey               | 113.00               |
| 3705           | Wales and West                 | North Warwickshire       | Warwickshire         | 98.00                |
| 3710           | Wales and West                 | Nuneaton and Bedworth    | Warwickshire         | 98.00                |
| 3715           | Wales and West                 | Rugby                    | Warwickshire         | 98.00                |
| 3720           | Wales and West                 | Stratford-upon-Avon      | Warwickshire         | 98.00                |
| 3725           | Wales and West                 | Warwick                  | Warwickshire         | 98.00                |
| 3805           | South                          | Adur                     | West Sussex          | 108.00               |
| <b>BA Code</b> | <b>Regional Valuation Unit</b> | <b>Billing Authority</b> | <b>BCIS Location</b> | <b>BCIS Location</b> |
| 3810           | South                          | Arun                     | West Sussex          | 108.00               |
| 3815           | South                          | Chichester               | West Sussex          | 108.00               |
| 3820           | South                          | Crawley                  | West Sussex          | 108.00               |

|                |                                |                          |                      |                      |
|----------------|--------------------------------|--------------------------|----------------------|----------------------|
| 3825           | South                          | Horsham                  | West Sussex          | 108.00               |
| 3830           | South                          | Mid Sussex               | West Sussex          | 108.00               |
| 3835           | South                          | Worthing                 | West Sussex          | 108.00               |
| 3935           | Wales and West                 | Swindon                  | Wiltshire            | 103.00               |
| 3940           | Wales and West                 | Wiltshire                | Wiltshire            | 103.00               |
| 4205           | North                          | Bolton                   | Greater Manchester   | 97.00                |
| 4210           | North                          | Bury                     | Greater Manchester   | 97.00                |
| 4215           | North                          | Manchester               | Greater Manchester   | 97.00                |
| 4220           | North                          | Oldham                   | Greater Manchester   | 97.00                |
| 4225           | North                          | Rochdale                 | Greater Manchester   | 97.00                |
| 4230           | North                          | Salford                  | Greater Manchester   | 97.00                |
| 4235           | North                          | Stockport                | Greater Manchester   | 97.00                |
| 4240           | North                          | Tameside                 | Greater Manchester   | 97.00                |
| 4245           | North                          | Trafford                 | Greater Manchester   | 97.00                |
| 4250           | North                          | Wigan                    | Greater Manchester   | 97.00                |
| 4305           | North                          | Knowsley                 | Merseyside           | 97.00                |
| 4310           | North                          | Liverpool                | Merseyside           | 97.00                |
| 4315           | North                          | St Helens                | Merseyside           | 97.00                |
| 4320           | North                          | Sefton                   | Merseyside           | 97.00                |
| <b>BA Code</b> | <b>Regional Valuation Unit</b> | <b>Billing Authority</b> | <b>BCIS Location</b> | <b>BCIS Location</b> |
| 4325           | North                          | Wirral                   | Merseyside           | 97.00                |
| 4405           | East                           | Barnsley                 | South Yorkshire      | 94.00                |
| 4410           | East                           | Doncaster                | South Yorkshire      | 94.00                |

|                |                                |                          |                      |                      |
|----------------|--------------------------------|--------------------------|----------------------|----------------------|
| 4415           | East                           | Rotherham                | South Yorkshire      | 94.00                |
| 4420           | East                           | Sheffield                | South Yorkshire      | 94.00                |
| 4505           | North                          | Gateshead                | Tyne and Wear        | 91.00                |
| 4510           | North                          | Newcastle-upon-Tyne      | Tyne and Wear        | 91.00                |
| 4515           | North                          | North Tyneside           | Tyne and Wear        | 91.00                |
| 4520           | North                          | South Tyneside           | Tyne and Wear        | 91.00                |
| 4525           | North                          | Sunderland               | Tyne and Wear        | 91.00                |
| 4605           | Wales and West                 | Birmingham               | West Midlands        | 95.00                |
| 4610           | Wales and West                 | Coventry                 | West Midlands        | 95.00                |
| 4615           | Wales and West                 | Dudley                   | West Midlands        | 95.00                |
| 4620           | Wales and West                 | Sandwell                 | West Midlands        | 95.00                |
| 4625           | Wales and West                 | Solihull                 | West Midlands        | 95.00                |
| 4630           | Wales and West                 | Walsall                  | West Midlands        | 95.00                |
| 4635           | Wales and West                 | Wolverhampton            | West Midlands        | 95.00                |
| 4705           | East                           | Bradford                 | West Yorkshire       | 92.00                |
| 4710           | East                           | Calderdale               | West Yorkshire       | 92.00                |
| 4715           | East                           | Kirklees                 | West Yorkshire       | 92.00                |
| 4720           | East                           | Leeds                    | West Yorkshire       | 92.00                |
| 4725           | East                           | Wakefield                | West Yorkshire       | 92.00                |
| <b>BA Code</b> | <b>Regional Valuation Unit</b> | <b>Billing Authority</b> | <b>BCIS Location</b> | <b>BCIS Location</b> |
| 5030           | Inner London                   | City of London           | City of London       | 124.00               |
| 5060           | South                          | Barking and Dagenham     | Barking and Dagenham | 118.00               |
| 5090           | South                          | Barnet                   | Barnet               | 123.00               |

|                |                                |                          |                        |                      |
|----------------|--------------------------------|--------------------------|------------------------|----------------------|
| 5120           | South                          | Bexley                   | Bexley                 | 125.00               |
| 5150           | South                          | Brent                    | Brent                  | 122.00               |
| 5180           | South                          | Bromley                  | Bromley                | 121.00               |
| 5210           | Inner London                   | Camden                   | Camden                 | 132.00               |
| 5240           | South                          | Croydon                  | Croydon                | 124.00               |
| 5270           | South                          | Ealing                   | Ealing                 | 127.00               |
| 5300           | South                          | Enfield                  | Enfield                | 118.00               |
| 5330           | South                          | Greenwich                | Greenwich              | 124.00               |
| 5360           | Inner London                   | Hackney                  | Hackney                | 125.00               |
| 5390           | Inner London                   | Hammersmith and Fulham   | Hammersmith and Fulham | 132.00               |
| 5420           | Inner London                   | Haringey                 | Haringey               | 131.00               |
| 5450           | South                          | Harrow                   | Harrow                 | 118.00               |
| 5480           | South                          | Havering                 | Havering               | 109.00               |
| 5510           | South                          | Hillingdon               | Hillingdon             | 116.00               |
| 5540           | South                          | Hounslow                 | Hounslow               | 116.00               |
| 5570           | Inner London                   | Islington                | Islington              | 129.00               |
| 5600           | Inner London                   | Kensington and Chelsea   | Kensington and Chelsea | 134.00               |
| 5630           | South                          | Kingston upon Thames     | Kingston upon Thames   | 126.00               |
| 5660           | Inner London                   | Lambeth                  | Lambeth                | 128.00               |
| <b>BA Code</b> | <b>Regional Valuation Unit</b> | <b>Billing Authority</b> | <b>BCIS Location</b>   | <b>BCIS Location</b> |
| 5690           | Inner London                   | Lewisham                 | Lewisham               | 121.00               |
| 5720           | South                          | Merton                   | Merton                 | 124.00               |
| 5750           | Inner London                   | Newham                   | Newham                 | 118.00               |

|                |                                |                           |                      |                      |
|----------------|--------------------------------|---------------------------|----------------------|----------------------|
| 5780           | South                          | Redbridge                 | Redbridge            | 115.00               |
| 5810           | South                          | Richmond upon Thames      | Richmond upon Thames | 122.00               |
| 5840           | Inner London                   | Southwark                 | Southwark            | 128.00               |
| 5870           | South                          | Sutton                    | Sutton               | 120.00               |
| 5900           | Inner London                   | Tower Hamlets             | Tower Hamlets        | 126.00               |
| 5930           | South                          | Waltham Forest            | Waltham Forest       | 118.00               |
| 5960           | Inner London                   | Wandsworth                | Wandsworth           | 130.00               |
| 5990           | Inner London                   | Westminster               | Westminster          | 130.00               |
| 6805           | Wales and West                 | Isle of Anglesey          | Isle of Anglesey     | 95.00                |
| 6810           | Wales and West                 | Gwynedd                   | Gwynedd              | 97.00                |
| 6815           | Wales and West                 | Cardiff                   | Cardiff              | 94.00                |
| 6820           | Wales and West                 | Ceredigion                | Ceredigion           | 99.00                |
| 6825           | Wales and West                 | Carmarthenshire (1)       | Carmarthenshire      | 98.00                |
| 6828           | Wales and West                 | Carmarthenshire (2)       | Carmarthenshire      | 98.00                |
| 6829           | Wales and West                 | Carmarthenshire (3)       | Carmarthenshire      | 98.00                |
| 6830           | Wales and West                 | Denbighshire              | Denbighshire         | 90.00                |
| 6835           | Wales and West                 | Flintshire                | Flintshire           | 89.00                |
| 6840           | Wales and West                 | Monmouthshire             | Monmouthshire        | 99.00                |
| 6845           | Wales and West                 | Pembrokeshire             | Pembrokeshire        | 92.00                |
| <b>BA Code</b> | <b>Regional Valuation Unit</b> | <b>Billing Authority</b>  | <b>BCIS Location</b> | <b>BCIS Location</b> |
| 6850           | Wales and West                 | Powys 1 (Montgomeryshire) | Powys                | 97.00                |
| 6853           | Wales and West                 | Powys 2 (Radnorshire)     | Powys                | 97.00                |
| 6854           | Wales and West                 | Powys 3 (Breconshire)     | Powys                | 97.00                |

|      |                |                    |                    |       |
|------|----------------|--------------------|--------------------|-------|
| 6855 | Wales and West | Swansea            | Swansea            | 93.00 |
| 6905 | Wales and West | Conwy              | Conwy              | 93.00 |
| 6910 | Wales and West | Blaenau Gwent      | Blaenau Gwent      | 96.00 |
| 6915 | Wales and West | Bridgend           | Bridgend           | 93.00 |
| 6920 | Wales and West | Caerphilly         | Caerphilly         | 93.00 |
| 6925 | Wales and West | Merthyr Tydfil     | Rhondda Cynon Taff | 93.00 |
| 6930 | Wales and West | Neath Port Talbot  | Neath Port Talbot  | 88.00 |
| 6935 | Wales and West | Newport            | Newport            | 95.00 |
| 6940 | Wales and West | Rhondda Cynon Taff | Rhondda Cynon Taff | 93.00 |
| 6945 | Wales and West | Torfaen            | Torfaen            | 91.00 |
| 6950 | Wales and West | Vale of Glamorgan  | Vale of Glamorgan  | 97.00 |
| 6955 | Wales and West | Wrexham            | Wrexham            | 91.00 |

#### 14. Contract Size Adjustment

| ERC £              | % Adjustment |
|--------------------|--------------|
| Up to 0.25 million | +10% max     |
| 0.5 million        | 8%           |
| 0.75 million       | 6%           |
| 1.0 million        | 4%           |
| 1.5 million        | 3%           |
| 2.0 million        | 2%           |
| 3.0 million        | 1%           |
| 4.0 million        | 0%           |
| 5.0 million        | -0.5%        |
| 6.0 million        | -1%          |
| 8.0 million        | -1.5%        |
| 10.0 million       | -2%          |
| 15.0 million       | -3%          |
| 18.0 million       | -4%          |
| 20.0 million       | -5%          |

|  |          |
|--|----------|
| 25.0 million   | -6%      |
| 35.0 million   | -9%      |
| Over 40.0 million                                    | -10% max |
| <i>NB. Intermediate figures may be interpolated.</i> |          |

## 15. Fees and Charges

### *Estimated Replacement Cost Addition for Fees/Charges*

| <b>Scheme Cost Category</b> | <b>Total</b> | <b>Unit</b> | <b>Minimum Fee</b> |
|-----------------------------|--------------|-------------|--------------------|
| Sums up to £750,000         | 12.0         | %           | NA*                |
| £750,000 to £1,500,000      | 11.5         | %           | £90,000            |
| £1,500,000 to £4,000,000    | 9.5          | %           | £172,500           |
| £4,000,000 to £7,500,000    | 8.5          | %           | £380,000           |
| £7,500,000 to £15,000,000   | 7.5          | %           | £637,500           |
| Over £15,000,000            | 7.0          | %           | £1,125,000         |

\*Schemes up to £750,000 would be charged on a time basis.

*The following % Additions can be added to the above scales where applicable*

| <b>The following additions should be added to the above scales.</b>  | <b>% Adjustment</b> | <b>Examples where this may be applicable</b>  |
|--|---------------------|---|
| For hereditaments of a more "Complex Nature".  | Premium + 4%        | This is for highly serviced buildings where the design and co-ordination are greater due to more complex services and environmental controls.                     |
| Associated with the building and the level of specification and complexity of the design.  | Premium + 2%        | Community Infrastructure - Branch libraries, Law Courts, Educational establishments, recreation and leisure facilities, community centres and conference centres. |
| Blue Light - complex challenges and specialist bespoke design considerations that affect the emergency service provisions.<br><i>Extensive professional expertise feed into every new project.</i> | Premium + 2%        | Buildings that would attract this addition are ambulance, police and fire stations.   |
| Professional services associated with "High Calibre" design, specification and bespoke high-level operational requirements of Hospital Design.   | Premium + 3%        | Buildings that would attract this addition are Hospitals.   |
| Professional services associated with "High Calibre" design, specification and bespoke high-level operational requirements   | Premium + 4%        | Crematoria, main libraries, public conveniences, laboratories, microelectronic factories and other such buildings.  |



(Subject to design standards and use).

## BCIS Tender Price Index

|         |                                   |     |     |     |
|---------|-----------------------------------|-----|-----|-----|
| Year    | 1996                              |     |     |     |
| Quarter | 1                                 | 2   | 3   | 4   |
| Index   | 127                               | 131 | 131 | 130 |
| Year    | 1997                              |     |     |     |
| Quarter | 1                                 | 2   | 3   | 4   |
| Index   | 134                               | 137 | 140 | 140 |
| Year    | 1998 (AVD: 01.04.98 taken as 140) |     |     |     |
| Quarter | 1                                 | 2   | 3   | 4   |
| Index   | 141                               | 147 | 148 | 146 |
| Year    | 1999                              |     |     |     |
| Quarter | 1                                 | 2   | 3   | 4   |
| Index   | 147                               | 149 | 152 | 154 |
| Year    | 2000                              |     |     |     |
| Quarter | 1                                 | 2   | 3   | 4   |
| Index   | 158                               | 158 | 162 | 167 |
| Year    | 2001                              |     |     |     |
| Quarter | 1                                 | 2   | 3   | 4   |
| Index   | 170                               | 171 | 177 | 177 |
| Year    | 2002                              |     |     |     |
| Quarter | 1                                 | 2   | 3   | 4   |
| Index   | 182                               | 189 | 188 | 190 |
| Year    | 2003 (AVD 01.04.03 taken as 195)  |     |     |     |
| Quarter | 1                                 | 2   | 3   | 4   |
| Index   | 196                               | 198 | 198 | 195 |
| Year    | 2004                              |     |     |     |
| Quarter | 1                                 | 2   | 3   | 4   |
| Index   | 200                               | 215 | 213 | 225 |
| Year    | 2005                              |     |     |     |
| Quarter | 1                                 | 2   | 3   | 4   |
| Index   | 221                               | 228 | 221 | 226 |
| Year    | 2006                              |     |     |     |
| Quarter | 1                                 | 2   | 3   | 4   |
| Index   | 228                               | 231 | 228 | 232 |
| Year    | 2007                              |     |     |     |
| Quarter | 1                                 | 2   | 3   | 4   |
| Index   | 239                               | 241 | 248 | 251 |
| Year    | 2008 (AVD: 01.04.08 taken as 250) |     |     |     |
| Quarter | 1                                 | 2   | 3   | 4   |

|         |                                   |       |       |       |
|---------|-----------------------------------|-------|-------|-------|
| Index   | 249                               | 247   | 246   | 240   |
| Year    | 2009                              |       |       |       |
| Quarter | 1                                 | 2     | 3     | 4     |
| Index   | 223                               | 216   | 216   | 212   |
| Year    | 2010                              |       |       |       |
| Quarter | 1                                 | 2     | 3     | 4     |
| Index   | 209                               | 218   | 219   | 220   |
| Year    | 2011                              |       |       |       |
| Quarter | 1                                 | 2     | 3     | 4     |
| Index   | 219                               | 223   | 220   | 223   |
| Year    | 2012                              |       |       |       |
| Quarter | 1                                 | 2     | 3     | 4     |
| Index   | 215                               | 230   | 223   | 224   |
| Year    | 2013                              |       |       |       |
| Quarter | 1                                 | 2     | 3     | 4     |
| Index   | 234                               | 236   | 232   | 239   |
| Year    | 2014                              |       |       |       |
| Quarter | 1                                 | 2     | 3     | 4     |
| Index   | 247                               | 259   | 257   | 259   |
| Year    | 2015                              |       |       |       |
| Quarter | 1                                 | 2     | 3     | 4     |
| Index   | 226                               | 272   | 271   | 270   |
| Year    | 2016                              |       |       |       |
| Quarter | 1                                 | 2     | 3     | 4     |
| Index   | 275                               | 282   | 281   | 291   |
| Year    | 2017                              |       |       |       |
| Quarter | 1                                 | 2     | 3     | 4     |
| Index   | 301                               | 307   | 306   | 317   |
| Year    | 2018                              |       |       |       |
| Quarter | 1                                 | 2     | 3     | 4     |
| Index   | 326                               | 326   | 327   | 330   |
| Year    | 2019                              |       |       |       |
| Quarter | 1                                 | 2     | 3     | 4     |
| Index   | 331                               | 335   | 335   | 333   |
| Year    | 2020                              |       |       |       |
| Quarter | 1                                 | 2     | 3     | 4     |
| Index   | 335*                              | 335   | 330*  | 328*  |
| Year    | 2021 (AVD: 01.04.21 taken as 329) |       |       |       |
| Quarter | 1                                 | 2     | 3     | 4     |
| Index   | 328*                              | 329** | 332** | 336** |
| Year    | 2022                              |       |       |       |
| Quarter | 1                                 | 2     | 3     | 4     |
| Index   | 339**                             | 340** | 343** | 348** |
| Year    | 2023                              |       |       |       |

|         |       |       |       |       |
|---------|-------|-------|-------|-------|
| Quarter | 1     | 2     | 3     | 4     |
| Index   | 353** | 354** | 357** | 362** |
| Year    | 2024  |       |       |       |
| Quarter | 1     | 2     | 3     | 4     |
| Index   | 366** | 369** | 371** | 376** |
| Year    | 2025  |       |       |       |
| Quarter | 1     | 2     | 3     | 4     |
| Index   | 381** | 383** | 386** | N/A   |

**Forecast:**

- Note 1:** The index figures relate to a mean of 100 for the base year 1985.
- Note 2:** The antecedent valuation date 1.4.21 is at the start of the second quarter and should be regarded as firm at 329.
- Note 3:** The Tender Price Index measures the trend of contractors' accepted tenders and therefore reflects movements in the prices paid for completed buildings. It should not be confused with the General Building Cost Index which measures changes in costs of labour, materials and plant to contractors and is not relevant in the context of this guide.
- Note 4:** With careful application one of the three calculations suggested should produce realistic results. It is not suggested, however, that these will equal the accuracy possible from more complex calculations using fully detailed information.