

CAPITAL INVESTMENT VALUE (CIV) REPORT

Byron Shire Central Hospital

Prepared for

Health Infrastructure



14th August 2014

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1.0 INTRODUCTION

Altus Page Kirkland has been requested by the Health Infrastructure to prepare a Capital Investment Value (CIV) report for the proposed Byron Shire Central Hospital located in Byron Bay, NSW.

The project scope of works includes acute and sub-acute services, maternity, emergency department, chemotherapy, oral health, operating theatres (master plan only), procedure room, imaging department with X-ray, OPG, CT and ultrasound and involve the decanting of two separate existing health:

For the purposes of calculating the Capital Investment Value, only the main works above have been considered.

2.0 CAPITAL INVESTMENT VALUE

Capital Investment Value (CIV) is defined by the Environmental Planning and Assessment Regulation 2000 – Reg 3, as required by the State Environmental Planning Policy Amendment (Capital Investment Value) 2010 to be:

“Capital Investment Value of a development or project includes all costs necessary to establish and operate the project, including the design and construction of buildings, structures, associated infrastructure and fixed or mobile plant and equipment, other than the following costs:

- a) amounts payable, or the cost of land dedicated or any other benefit provided, under a condition imposed under Division 6 or 6A of Part 4 of the Act or a planning agreement under that Division,
- b) costs relating to any part of the development or project that is the subject of a separate development consent or project approval,
- c) land costs (including any costs of marketing and selling land),
- d) GST (within the meaning of A New Tax System (Goods and Services Tax) Act 1999 of the Commonwealth).”

Calculation of CIV

Altus Page Kirkland has prepared a Scheme Design Cost Plan dated 06th August 2014 for the development identifying cost of construction works which forms the basis of the estimated total Capital Investment Value of **\$64,979,760 (excl GST)**, broken down as follows:

Item	Description	Cost (\$)
1	Net Construction Cost:	\$47,345,016
2	Preliminaries & Margin	\$10,069,958
3	Design Contingency	Excluded
	Sub Total Construction Works	\$57,414,974
4	Statutory Fees	Excluded
5	Professional Fees	\$7,564,786
6	Development Management Fees	Excluded
7	Escalation beyond June 2014	Excluded
8	Finance Cost	Excluded
9	FF&E / Major Medical Equipment / ICT	Excluded
10	Long Service Levy based on 0.35% of Gross Construction Cost	Included
	Sub Total Applicable Development Costs	\$7,564,786
	TOTAL ESTIMATED CIV (excl GST)	\$64,979,760

3.0 INFORMATION USED

Altus Page Kirkland has relied upon information, assumptions and exclusions referenced in Section 5.1 and 5.2 contained within the Scheme Design Cost Plan dated 06th August 2014, prepared by Altus Page Kirkland.

4.0 DEVELOPMENT NOTES

Program

We note the Scheme Design Cost Plan is based on rates and allowances as at August 2014.

The proposed duration is approximately 15 months for main construction works based on a commencement date of February 2015.

Statutory Fees

We note Statutory Fees are excluded from the calculation in accordance with the amended definition.

Professional Fees

We have based the Professional Fees on the allowances detailed in the Scheme Design Cost Plan which comprise the following:

- Professional Consultant fees

Development Management Fees

All Development Management Fees (HI and LHD Management Costs) have been excluded from this calculation as advised Health Infrastructure

Contingencies

No contingencies have been included within this calculation

Escalation

No allowance has been included for escalation beyond August 2014.

Finance Costs

Finance costs are Excluded from the calculation in accordance with the amended definition.

5.0 EXCLUSIONS

1. Land acquisition, realisation and holding cost
2. Agent and Legal Fees
3. Local Authority Fees and Charges
4. Latent site conditions, including in-ground contamination, etc.
5. GST
6. Early Works Package
7. Loose FF&E. Major Medical Equipment and ICT
8. Planning, Design and Construction Contingencies
9. HI Management and LHD Costs
10. Construction Contingency
11. Executive / Client Contingency
12. Escalation beyond August 2014

6.0 REPORT PARAMETERS

Please note this report is provided for the purposes of the named party only and must not be used by any third party for any other purpose whatsoever without the prior written consent of Altus Page Kirkland.

This report has been prepared from documentation and/or information provided to Altus Page Kirkland by third parties in circumstances where Altus Page Kirkland

- a. Has not performed our own independent investigations in order to ascertain the veracity and/or accuracy of the documentation and/or information so provided; and
- b. Do not, in any way, warrant the veracity and/or accuracy of the said documentation and/or information; and
- c. Do not, in any way, adopt the said documentation and information as our own.

Altus Page Kirkland note this report is an expression of opinion based upon the documentation and/or information provided by third parties and Altus Page Kirkland expressly disclaims any liability to the named party and any third parties where the documentation and/or information is found to be untrue and/or inaccurate in any way.

Please note the following Project Contacts at the time of Scheme Design:

Client:	Health Infrastructure
Project Manager:	Aurora Projects
Architect:	Woods Bagot
Cost Manager:	Altus Page Kirkland
Structural Engineer:	TTW
Hydraulic & Fire Consultants:	DSC
Electrical Consultants:	Wood and Grieve
Mechanical Consultants:	AECOM
Traffic Consultants:	TTW