

Update on Parish Council Insurance Cover

As part of preparation for the Annual Audit the Clerk reviewed the Parish Council's asset register (report WPC.20.05.03 refers) and identified that the Chapel of Rest required an updated replacement valuation.

The parish council authorised the clerk to arrange for a replacement valuation (Min.20.05.11.5 refers), for the purposes of updating the council's statement of fact with its insurers, BHIB.

BHIB recommended a desk based valuation service which they accept for the purposes of replacement valuations, which was significantly cheaper than the previous quotes the clerk had been able to obtain (£160). The clerk was further able to obtain an updated replacement valuation of the war memorial (free of charge).

The reports are attached as Appendix A. The replacement valuations advised are:

Chapel of Rest	£181,930
War Memorial	£ 61,560

BHIB advised on 4th September that the additional premium to cover the cost of increasing the sums insured would be £75.96 including insurance premium tax (the amount will reduce on a per diem basis)

Recommendation:

To authorise the Clerk to adjust the BHIB insurance cover for assets as identified above and the cost of the additional premium in the sum of not more than £75.96 including insurance premium tax.

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Desktop Rebuild Cost Assessment (RCA)

Report Prepared For:	Wickhambrook Parish Council
Rebuild Cost Assessment Ref:	54571178
Policy Reference:	Not Advised
Property Address:	Chapel of Rest Meeting Green, Wickhambrook, Newmarket, Suffolk
Postcode:	CB8 8UR
Date of Assessment:	01/09/2020 (Amended 02/09/2020)
Assessed By:	Elizabeth James BSc (Hons) MRICS
For Queries Please Contact:	info@rebuildcostassessment.com
Supporting Phone Call:	No

The Rebuild Cost Assessment must be read in conjunction with the Instructions and Basis of Assessment detailed later in this report.

CURRENT SUMS INSURED AND RCA

Rebuild Cost Assessment

	Current Sums Insured	RCA Ex VAT	RCA Inc VAT
Main Buildings:	£ Not Advised	£ 151,609	£ 181,930
Other Permanent Structures:	£ Not Advised	£ 51,300	£ 61,560
Listed:	Yes- Grade II		
Conservation Area:	No		

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Main Property			Ex VAT	Inc VAT
Ground floor	62 m ² x	£2,090 per m ²	£129,580	£155,496
Main Property Sub Total			£129,580	£155,496
Other Cost Factors				
Professional Fees at	10 %		£12,958	£15,550
Demolition at	7 %		£9,071	£10,885
Sub Total			£22,029	£26,434
Other Permanent Structures (OPS)			Ex VAT	Inc VAT
Grade II listed war memorial			£35,000	£42,000
Paving/ Fencing / Walls etc.			£10,000	£12,000
OPS Sub Total			£45,000	£54,000
Other Cost Factors				
Professional Fees at	7 %		£3,150	£3,780
Demolition at	7 %		£3,150	£3,780
Sub Total			£6,300	£7,560
Total Estimated Main Property Rebuild			£151,609	£181,930
Total Estimated OPS Rebuild			£51,300	£61,560
Total Rebuild Cost Assessment			£202,909	£243,490

Should I include VAT?

We would always recommend that you obtain professional advice from an accountant or local VAT office before making a decision to include or not include VAT within the sums insured. The Assessment includes a VAT breakdown and you can include or remove any element of VAT from the VAT breakdown as appropriate depending on the advice you receive.

How was the rate calculated?

BCIS is the Building Cost Information Service of RICS (Royal Institution of Chartered Surveyors) and is used where applicable, however, this is not always suitable for all types of property and other industry standard quantity surveying data may be used.

An explanation of how this was calculated is set out below.

1. Using BCIS model category **630** description: **churches, chapels**, and a total floor area of **62m²** we have applied a rate of **£2,090/m²** to arrive at the Rebuild Cost Assessment.
2. The rate chosen is in the **median** range.
3. An amount of **£51,300** has been applied for structures that are adjacent to the building, such as: war memorial, paving etc. (see additional comments below)
4. BCIS location index of **97 (St Edmundsbury)** has been applied.

How long will the rebuild take?

Using BCIS and other industry standard quantity surveying data, we suggest that you should think in terms of at least **22 months** being necessary should a complete rebuild be required. Please see notes within the INSTRUCTIONS AND BASIS OF ASSESSMENT section for more detail.

Additional information in respect of rebuild periods.

1. BCIS rebuild period estimated at **10 months + 12 months** for design, planning, site clearance and contractor procurement process.

How often should there be a reassessment?

We would recommend this property is reassessed every **3 years**. Please discuss with your broker or insurance agent with regards to indexing these rates for the next period prior to a reassessment.

Additional information in respect of reassessment

1. Costs of materials and labour in the construction industry have risen faster than general inflation in the last few years.
2. Any structural changes, extensions or changes of use to the property will require a new Rebuild Cost Assessment.

DESCRIPTION

Property Details

Main Building Material	Masonry
Roof Type and Material	Slate, gable and valley roof
Window Type and Material	Not known
Number of Floors (excluding basement)	One
Basement Yes / No	No
Year of Build (if listed)	N/A
Residential / Commercial / Usage	Commercial - Chapel
Extension / Conservatory	N/A
Outbuildings Structure / Usage	N/A
Other Permanent Structures	Grade II listed war memorial, paving, walling and railings
Car Parking / Loading Bays etc.	N/A

Information Sources Include

Google Earth:	Yes	Street View:	Yes
Find Maps:	Yes	Bing Maps:	N/A
Zoopla:	N/A		
Rightmove:	N/A		
Historic England:	Yes		
Local Authority Planning:	N/A		
Valuation Office:	N/A		

Other Industry Standard Quantity Surveyor Data: Yes

Royal Institution of Chartered Surveyors (BCIS) Data: Yes

Additional Comments

1. The headstones in the adjacent graveyard are **excluded** from the assessment.
2. Amended 02/09/2020 - The report has been amended as it was previously completed on the wrong building. Description and measurement information have been supplied by the client
3. The War Memorial is Grade II listed, however the main property is not listed.

PHOTOGRAPHS



Street View – War Memorial



Google
Aerial View



Map View

1 INSTRUCTIONS AND BASIS OF ASSESSMENT

- 1.1 Our rebuild cost assessment (the **Assessment**) is an estimate of the rebuilding costs in the event of a total loss of the property based on the gross external area and typical rates per square meter for the building use and type/quality of construction and excluding the contents of the property.
- 1.2 The external square meterage of the property is obtained from Ordnance Survey and other available data with an appropriate rate applied to each floor.
- 1.3 The Assessment is not derived from a detailed measured estimate, measured cost plan or bill of quantities.

2 THE ASSESSMENT

Costs included in the Assessment

- 2.1 In calculating the Assessment figure we have:
 - 2.1.1 included an appropriate sum to cover the cost of debris removal and architects, consulting engineers and surveyors fees. Please note a higher level of fees could apply if the property was partially damaged. The sum we have included has been calculated on the basis of a total loss and assumes that no original architectural, engineering or surveying documentation is available to be re-used;
 - 2.1.2 included an appropriate sum to cover the cost of complying with the Current Building Regulations
 - 2.1.3 made an allowance to take into consideration the listing of the property and its location in any conservation area and/or world heritage site
 - 2.1.4 made an allowance for all foundations appropriate to the building
 - 2.1.5 made an allowance for other permanent structures adjacent to the property.

Costs excluded from the Assessment

- 2.2 In calculating the Assessment figure we have:
 - 2.2.1 excluded piled foundations and ground improvement costs from the assessment unless noted in the comments section of the report;
 - 2.2.2 made no allowance for road closures or diversion of major services;
 - 2.2.3 made no allowance for any amount required for excavation, replacement or stabilisation of land under or around the property, including shoring up and support;
 - 2.2.4 made no allowance for any costs of demolition of pre-stressed or post tensioned concrete structures, appropriate to the building;

- 2.2.5 made no allowance for any value in salvaged materials;
- 2.2.6 made no allowance for the removal of any hazardous materials (including asbestos) or any improvements needed to unstable or contaminated land found post demolition of the property or other permanent structures;
- 2.2.7 made no allowance for any fees arising from any issues referred to at paragraph 2.2.6 above. The necessity, extent and cost of such work cannot be reasonably determined without a detailed investigation beyond the scope of a desktop rebuild cost assessment;
- 2.2.8 made no allowance for cost inflation over the elapse time from the date of an event that results in the need for a complete rebuild and the completion of that rebuild;
- 2.2.9 made no allowance for occupiers fitting-out works, fixtures fittings or furnishings. However, in assessing the extent of the building structure, services and fittings, we have made reasonable assumptions in respect of the inclusion of items which may have been installed by tenants but which, by nature of their degree of permanence or annexation to the structure have inured to the benefit of the owner;
- 2.2.10 made no provision in respect of process, plant and machinery, fitting out works and the like, in respect of which, further advice should be taken;
- 2.2.11 made no allowance for upgrading or improvements that may be incorporated in the redesign of the property.
- 2.3 We have also excluded:
 - 2.3.1 from the external works in the Assessment allowances for all trees, shrubs and soft landscaping and grassed areas; and
 - 2.3.2 from the Assessment claim negotiations fees for loss assessors.

Rebuild Period

- 2.4 The time it takes to rebuild the property will be influenced by many factors such as the nature of the event that caused the destruction, the extent of damage, the drafting of plans and securing of permissions, the availability of labour and so on. For example, any reconstruction work may be delayed due to the need to consult interested parties e.g. a mortgage company. It can also take time to source suitable building materials and draw up revised plans which will meet current Building Regulations. These will extend the period of reconstruction and therefore, depending on the property, greater inflationary factors may need to be taken into account than one may find in stated industry standards.
- 2.5 From the information we have available without the benefit of having undertaken a site assessment, we have suggested a timeframe being necessary should a complete rebuild be required. This is noted under the Rebuild Cost Assessment Breakdown. A longer period may be necessary depending on individual circumstances.

2.6 The period given assumes that planning and rebuilding proceeds expeditiously to completion following the event.

2.7 We are able to offer a Site Rebuild Cost Assessment if more specific guidance is required on the likely rebuild period.

3 **VAT**

3.1 The Assessment does not extend to advising you on whether all or any elements of your rebuild cost will carry VAT and thus need to be included when determining the building sum insured for insurance purposes.

3.2 Consequently the Assessment will always include a VAT breakdown for all elements of the rebuild cost and it is entirely at your discretion and risk as to whether you choose to include VAT on all or any element when arranging your insurance policy.

4 **ASSUMPTIONS AND PRINCIPLES ADOPTED FOR THE ASSESSMENT**

4.1 The Assessment is our opinion of the rebuild cost of the property for insurance purposes using current rebuilding costs and assumes tenders are sought in competition or realistically negotiated and is not related to the open market value of the site or the building.

4.2 Our Assessment is based on the assumption that the property is totally destroyed or damaged to such an extent that total reconstruction is required.

4.3 The Assessment assumes that rebuilding of the property in its present size, form and position will be permitted by the Local Authority in relation to:

4.3.1 current Building Regulations, but we recommend you clarify the position with them;

4.3.2 Local Authority Planning Policy. Such policy, which determines the extent to which sites may be developed, varies from time to time and we recommend you clarify the position with the Local Authority.

5 **LISTED BUILDINGS – SPECIAL NOTES**

5.1 Depending upon the category of listing and the viewpoint of the relevant Local Authority conservation officer, the ability to use modern construction methods and/or materials will vary considerably. Where the property or part thereof is listed the Assessment assumes the use of modern construction techniques and modern materials except where the use of historic (pre 1900 AD) methods of construction and materials and the salvaging and reuse of existing materials are essential to the preservation of the historic character of the property and/or were a specific condition in the decision to list the property or part thereof.

5.2 The Assessment allows for the cost of taking down the remaining structure and salvaging of materials for re-use or replication. It also allows for the excavation and, where practicable, conservation of the debris and recording of the remains together with the cost of any research necessary for reasonably accurate (but not meticulous) reinstatement.

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