

Appendix 1 Wath Library Cost Plan & Budget Implications

1 Cost Update

- 1.1 The estimated cost of the scheme was provided to Cabinet in July 2024, where an increased budget of £9.941m was approved. The construction costs were based on an estimate provided by external cost consultants, Turner and Townsend. Costs for the alternative option as per 2.3 of the main report are not considered as part of this appendix.
- 1.2 The cost estimates below have been provided by the construction partner for this project, Tilbury Douglas. These costs include the latest forecast for the delivery of the main construction works on site, along with the wider project costs required to deliver a scheme of this type.

| Section | Item | Amount (£000s) |
|--|--|----------------|
| Core Construction | Core works (demolition, building, externals, s278 highway works, identified items) | 6,675 |
| | Forecast inflation applied to project costs up to the anticipated mid-point of construction (Q2 2027) | 410 |
| | Preliminaries (site set-up, welfare, non-staff) | 850 |
| | Insurances & construction risk (applied to works) | 234 |
| Subtotal – Core Construction | | 8,169 |
| Construction phase additions | Site staff preliminaries | 461 |
| | Construction stage design fees | 209 |
| | Overhead & profit, risk & construction insurances. | 246 |
| | Provisional sums for the demolition, asbestos, and reading garden. | 164 |
| Subtotal – Construction phase additions | | 1,080 |
| Client & Professional | Design development risk / contingency | 653 |
| | Professional and statutory fees | 878 |
| | Pre-Construction Services Agreement (PCSA) covering detailed design and pre-construction activities (awarded April 2025) | 497 |
| | Surveys | 69 |
| | Client direct costs (decant, corporate recharges, advertising, marketing, fixtures, fittings and equipment, and Housing car park contribution) | 675 |
| Subtotal – Client & Professional | | 2,772 |
| Total | | 12,021 |

The project, to its original design, is now estimated to cost £12.0m.

2 Funding

2.1 The budget presented to Cabinet in July 2024, was as follows:

| Funding Stream | Amount (£000s) |
|---|-----------------------|
| Ministry for Homes, Communities and Local Government (MHCLG) Grant <i>Awarded in July 2023</i> | 8,941 |
| Towns and Villages Fund (Council Borrowing) <i>Agreed in July 2024</i> | 1,000 |
| Total | 9,941 |

Following this update to Cabinet, a £40k contribution from the Housing Revenue Account (HRA) was agreed for their proportion of the costs attributable to the car park works. The current budget is therefore:

| Funding Stream | Amount (£000s) |
|-------------------------|-----------------------|
| MHCLG Grant | 8,941 |
| Towns and Villages Fund | 1,000 |
| HRA Contribution | 40 |
| Total | 9,981 |

As at March 2026, £1.3m has been spent against this budget.

2.2 As noted in section 1.1, the contractor's latest cost estimate exceeds the approved budget. There is an estimated budget shortfall of £2.0m:

| | Amount (£000s) |
|------------------|-----------------------|
| Estimated cost | 12,021 |
| Current budget | 9,981 |
| Shortfall | 2,040 |

2.3 The Local Regeneration Grant (LRG) is a mix of the Towns Fund, High Streets Fund and Levelling Up Funds that Government have been combined to simplify the governance and monitoring arrangements for. The fund has spare capacity as projects that were funded by the LRG have been delivered with a small saving or have sourced additional grant funding, allowing an element of the LRG to be released. The Council has control over how this fund is allocated, though it does need to report outputs and outcomes delivered back to MHCLG.