

NEWS & COMMENT FROM CHANDLERKBS

INSITE



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Can going green get the UK construction industry building again? ChandlerKBS Partner Paul Rogers looks at the opportunities for renewable energy projects.

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Can going green get the UK construction industry building again?



Paul Rogers, Partner

In an uncertain financial world, one thing is always certain – recession forces the pace of change. We saw it in the mid nineties when one of the construction sector saviours came in the form of lottery funded millennium projects, and we'll see it again this time around with the opportunities of tomorrow's renewable energy projects such as recycling facilities, energy from waste, wind farms and other renewable technologies.

Plans for energy from waste plants are top of the political agenda as the UK comes under increased pressure to meet the demanding EU waste to landfill reduction targets and avoid the hefty fines for failure to do so. With current predictions of just seven years of landfill space left, the race is on to get sustainable alternatives up and running as soon as possible. A recent example of this is the £150 million project for the proposed



energy from waste facility at Cardiff's Trident Park, which, when fully operational, will have capacity to process 500,000 tonnes of waste per year.

Major investment in more sustainable waste management and renewable energy production schemes such as Trident Park can only mean good news for the construction sector. Contracts for the new energy from waste plants, as well as other renewables such as wind farms and nuclear power stations, require sizeable investment and resource, all of which will provide a welcome recessionary reprieve for the construction industry. With the Welsh Assembly Government's aspiration to meet most of Wales' energy needs with low carbon electricity production by 2050, these renewable infrastructure contracts look set to continue.

Another area of opportunity for construction industry recovery lies in the nuclear power sector. It typically takes ten years to bring a new nuclear power station into operation, which represents a potentially lucrative and long term commitment for the construction sector. While the new Coalition Government is currently reviewing the previous Government's nuclear policy targets, one thing is clear - nuclear power will have a role to play in delivering a low carbon economy for the UK in the future. With Government pressure on more efficient procurement processes there is a huge opportunity in construction contracts for new power stations.





Simon Lander wins Achievers Award

Simon Lander is celebrating winning the Achievers Award at the 2010 Constructing Excellence in Wales

Awards. Simon was praised by Constructing Excellence for clearly demonstrating that a collaborative approach to procurement and project management not only guarantees

great projects, but is the only way to achieve Government targets on waste and low/zero carbon. Sponsored by Magnox and TSIF, the annual awards are an opportunity for every

part of the Welsh built environment to demonstrate their achievements and promote the ideals of collaborative working and best practice.

Firms need to switch on to tax relief benefits of enhanced capital allowances



Partner Dylan Davies of the Capital Allowances division

Many property owners and developers are yet to catch on to the additional tax relief opportunities provided by Enhanced Capital Allowances ECA's

A key part of the Government's programme to manage climate change, ECA's provide businesses with enhanced tax relief for investment in new energy saving and water conserving equipment and technologies. Claimed as part of a firm's annual income or corporation tax return, developers could be missing a trick if they have not yet considered ECA's.

Dylan Davies of the Capital Allowances division said:

"ECA's provide 100% first year tax savings. Therefore the full cost of an investment on designated energy saving or water

conservation equipment is written off against the taxable profits in the period in which the investment was made. Firms not yet switched on to this additional tax relief could be missing out on considerable cost savings and we would encourage them to seek advice from their tax adviser by identifying expenditure incurred on qualifying assets, which previously were not being claimed. In many instances these additional tax savings were in the millions. We have helped several major utility companies in the last 12 months alone.

ChandlerKBS has provided enhanced capital allowance advice on over £13 billion of investment, covering all sectors across the UK from £100,000 office refurbishments to heavy industrial projects with expenditures in excess of £1 billion."





Gareth Davies promoted to Associate

Gareth Davies has been promoted to Associate. Gareth joined the practice in 1997 as a

trainee Cost Manager. His lengthy experience of working with clients as part of a delivery team has resulted in his in-depth understanding of client processes which enables him to

add significant value to projects. ChandlerKBS is particularly pleased to mark his career development with this promotion to Associate and look forward to working with Gareth

to ensure that many new clients will benefit from his wealth of experience, process innovations and client focused approach.

Essential improvements to Belfast International Airport

Belfast International Airport is undertaking essential improvements to the airport with ChandlerKBS providing the cost management services.

The project is being managed in two phases, the first phase included the creation of a new drop-off zone within the existing short stay car park as well as the reconfiguration of the existing taxi and bus collection areas, enhanced CCTV, improved lighting, cabling for ticket machines and barriers, and a new mini-roundabout and realignment of bus routes.

The second phase will consist of the creation of an exclusion zone around the main entrance to the terminal building. This anti-terrorism measure will provide a 30m exclusion area from the terminal building for unauthorised vehicles.

Ian Morris, Partner at ChandlerKBS commented

“We are delighted to retain Belfast International Airport as one of our major clients in Northern Ireland. We have worked with them for a number of years on projects including the East Apron Aircraft Stands, the provision of a New Passenger Boarding Bridge and a £10 million internal refurbishment of the airport.”



Church Village Bypass opens to the public

A major new road scheme in South Wales has opened to the public after two years of construction and over 20 years of campaigning and hard work. ChandlerKBS provided procurement and cost management advice for Rhondda Cynon Taf Council on the Church Village Bypass scheme.



The £90 million Bypass stretches over 7km and was the largest project of its kind undertaken by a local authority in the UK over the past two years. It is seen as strategically important for the economic regeneration of the whole of Rhondda Cynon Taf.

The Bypass will remove traffic from the surrounding residential areas and the heavily congested A473 whilst providing environmental and safety benefits to local residents, shoppers and businesses.

Simon Parkhouse, Partner at ChandlerKBS commented: “The Church Village Bypass has been a major achievement for ChandlerKBS as the project was delivered on time and within budget and provided an outstanding example of effective partnership working.

All contractors in the supply chain were encouraged to work collaboratively and to share in any cost savings that were made by this approach. During these tough economic conditions, many lessons can be learnt from working in this way.”



Alpenrhein Outlet Centre Retail Fit Out

Following the completion of the construction works and the opening of the centre earlier in 2010 ChandlerKBS continues to provide services

for the ongoing fit out of retail units on the Alpenrhein Outlet Centre. The 82 million Swiss Franc retail outlet centre was delivered on programme and within

budget. ChandlerKBS provided full project, cost management and tenant liaison services for ING Real Estate Development.

ChandlerKBS grows in European Hotel Sector



ChandlerKBS continues to see strong investment in the hotel sector. The past few months has seen the successful completion of ChandlerKBS' first project for Mövenpick Hotels and Resorts. The commission involved the cost management, project management and site supervision of the refurbishment of the 125 hotel in Egerkingen, Switzerland.



ChandlerKBS is also providing technical advisory services for the new 138 room Mövenpick hotel in Ankara, Turkey scheduled to open in Spring 2011.



The 294 room Radisson Blu Ambassador Hotel on Boulevard Haussmann, Paris and the 590 room Hilton Berlin have both also seen the successful completion of the first phase of refurbishment works.

More recently ChandlerKBS has been appointed on its first project for the Steigenberger Hotel Group who plan to fully refurbish the famous Steigenberger Park Hotel in central Düsseldorf.



Craig Maunder, Partner at ChandlerKBS said "our appointments on this latest batch of hotel projects encompasses a wide range of services and further strengthens our experience and capability in this sector. We are pleased to be involved with so many different brands, operators and owning companies".



Technical due diligence and risk assessment completed on prestigious Sony Centre in Berlin

ChandlerKBS has completed Technical Due Diligence and detailed Technical Risk Assessment services to assist the acquisition of the Sony Centre in Berlin. The high profile centre, located at Potsdamer Platz in the heart of Berlin, comprises eight buildings and a central, roofed forum area with a total gross floor area of over 227,000m². The complex serves as the national headquarters for office tenants such as Deutsche Bahn, Sony and Sanofi-Aventis, as well as offering a broad mix of residential, retail, restaurants, cinema and museum use and operations.

The property was purchased by South Korea's National Pension Service (NPS), who were advised by Hines Immobilien GmbH. Lawrence Wainwright, Associate at ChandlerKBS said "we were delighted to assist NPS and Hines with such a high profile deal. The size and profile of this transaction clearly demonstrates the experience and capabilities we have in the provision of Technical Due Diligence services".



ChandlerKBS achieves Environmental ISO Certification

ChandlerKBS has recently achieved certification to BS OHSAS 18001:2007 and BS EN ISO 14001:2004, (the industry recognised

standards for Occupational Health and Safety and Environmental Management respectively). ChandlerKBS achieved this accreditation by the development of an integrated management system to meet the

requirements of health and safety and the environment. The management system, which uses process mapping and associated documentation, clearly communicates the systems and procedures

of ChandlerKBS to all staff members and provides a sound framework to ensure continuous improvement.

Latest phases of the Cardiff International Sports Village



Cardiff City Council and ChandlerKBS have successfully delivered the latest phases of the International Sports Village development.

ChandlerKBS provided the cost management services for the new £12.5 million white water rafting centre which is the UK's first on demand white water rafting facility. The centre provides a unique environment of white water rafting and access to a diverse river system for flat water paddlers.

The second project at the site was the construction of a new 140m bridge (Pont y Werin bridge) that provides a sustainable link for pedestrians and cyclists between the Sports Village and neighbouring Penarth town. The £4.5m bridge was officially opened in July 2010 and has made a huge difference to the surrounding communities by completing the bay edge walkway. ChandlerKBS provided the cost management services for Pont y Werin bridge which was part funded by a Big Lottery Fund grant and is affectionately named 'The People's Bridge'.

Don Merrifield, Partner at ChandlerKBS said: "We are delighted to have been involved in the latest phases of the Sports Village which has been delivered on time and on budget for Cardiff County Council. The entire programme forms a major part of the continuing regeneration strategy for the Cardiff Bay area in Wales, which has seen the transformation of a former brown field industrial site into a top class international leisure destination as well as a key training ground for the UK's sporting elite ahead of the 2012 Olympics."

