



AKC-Work Complete Blackpool Retail Park

A further phase of the Blackpool Park Development was recently completed for the Shipton Group. Designed by Kelly, Barry, O'Brien, Whelan and built by PJ Hegarty & Son Ltd this phase consisted of three separate projects viz. 28 apartments, 4,200 m2 of retail, 18,500 m2 of office space and an additional level of multistorey parking for over 200 cars. The construction value was €50 million.



Wage Increases under Social Partnership Agreement 'Towards 2016'

Private Sector Wage Increases	Public Sector Wage Increases
3% from 1st April 2006	3% from 1st December 2006
2% from 1st October 2006	2% from 1st June 2007
2.5% from 1st July 2007	2.5% from 1st March 2008
2.5% from 1st January 2008	2.5% from 1st September 2008

National Minimum Wage Increase

From 1st of January 2007 the National Minimum Wage has been increased to €8.30 per hour. This rate will apply to any worker not covered by the Registered Employment Agreement for the Construction Industry. The categories of worker covered under the Registered Employment Agreement for the Construction Industry are Craftsmen and General Operatives.

- The €8.30 rate applies to an experienced adult employee who has any work experience in any two years since turning age 18.
- Employees who are in their first year of employment since turning 18 are entitled to €6.64 per hour with effect from 1st January 2007.
- Employees who are in their second year of employment since turning 18 are entitled to €7.47 per hour with effect from 1st January 2007.
- Employees who are under 18 years of age are entitled to €5.81 per hour with effect from 1st January 2007.
- The National Minimum Wage does not apply to an employee who is under going structured training, such as an apprenticeship.

SCS Housing Study 2007

The "SCS Housing Study 2007 – Urban Sprawl and Market Fragmentation in the Greater Dublin Area" was published by the SCS on 17th January 2007 and is available to download online either from the News Section of www.akc.ie or www.scs.ie.

SCS Rebuilding Insurance Guide

The Society of Chartered Surveyors published on 23rd November 2006 an updated edition of the SCS Guide to House Rebuilding Insurance. The table of costs in the guide are effective from July 2006. The guide can be downloaded from the SCS website at www.scs.ie. There is also a link to the guide on the www.akc.ie website within the Cost Data section.

Safety, Health & Welfare at Work (Construction) Regulations 2006

The SCS, RIAI, ACEI & EI in November 2006 issued a Briefing Note for Clients, Designers and Project Supervisors Design Process on the "Safety, Health & Welfare at Work (Construction) Regulations 2006" which came into operation on 6th November 2006 and replace the Safety, Health and Welfare at Work (Construction) Regulations 2001 and 2003. The Health & Safety Authority have also published "Summary of Key Duties under the Procurement, Design and Management Requirements of the Safety Health & Welfare at Work (Construction) Regulations 2006." Full details of the Briefing Note, the Summary of the Key Duties and the 2006 Regulations are published in the News section of www.akc.ie

New Government Construction Contracts

The Government Construction Contracts Committee (GCCC) has published its new suites of Contracts to be effective from 19th February 2007, as follows:

1. Public Works Contract for Minor Civil Engineering and Building Works Designed by the Employer (projects less than €5 million)
2. Public Works Contract for Civil Engineering Works Designed by the Employer
3. Public Works Contract for Civil Engineering Works Designed by the Contractor
4. Public Works Contract for Building Works Designed by the Employer
5. Public Works Contract for Building Works Designed by the Contractor

The new forms are fundamentally different to GDLA and IEI 3 and state at Article 4 "The Contractor has satisfied itself before entering into the Contract of all the circumstances that may affect the cost of executing and completing the Works and of the correctness and sufficiency of the Contract Sum to cover the costs of performing the Contract. The Contractor has included in the initial Contract Sum allowances for all risks, customs, policies, practices, and other circumstances that may affect its performance of the Contract, whether they could or could not have been foreseen, except for events for which the Contractor provides for adjustment of the initial Contract Sum.

The CIF have embarked on an extensive training programme for their members and advise that the new forms are designed to be adversarial.

Time will tell if the New Contracts will achieve the Cost Certainty to which the Government aspires or, create such a hostile environment that the next phase of the National Development Plan will be seriously impeded. One senses a lot of excitement in the Construction Contracts divisions of the big law firms.

High Level Skills Shortages

With effect from 1st February 2007 the Government has introduced a new Green Card Scheme to attract highly skilled people from outside the European Economic Area. The Guide to the New Green Card Scheme is in the News section of www.akc.ie

RICS to Measure the World

The RICS is in talks with international construction bodies to create a worldwide standard of measurement. Construction faculty chairman Michael Byng said the organisation was in discussions with groups such as the Association for the Advancement of Cost Engineering in the US, the European Committee for Construction Economics (CEEC), the International Federation of Consulting Engineers and the Society of Chartered Surveyors in Ireland.

Byng said the groups were working on a two-part measurement document – the first part would be the basic standard and the second part would be relevant to the particular region. Byng stressed it was "not a one size fits all document".

Byng said the Irish standard (ARM3) was more in common usage than the SMM7 method of measurement in the UK.

He said an international standard would have significant benefits for the UK. He said: "One of the biggest supermarkets over here is US-owned and there are massive Australian developers such as Multiplex coming over here. It would be a good idea to translate this information across countries."

Byng said the idea had stemmed from a conference he attended earlier in the year in New Orleans. He said: "US clients saw what we did over in the UK with the BCIS and were keen to get one in the States as well. It was obviously clear that there needed to be a standard method for them to start from."



**SCS Construction Cost Index** (Source: Society of Chartered Surveyors)

Base Year 1985 = 100

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Yearly % Jan to Jan.
1998	167.0	167.3	168.0	168.1	169.1	169.3	171.0	170.8	171.0	171.1	171.0	170.8	2.46%
1999	171.1	171.1	171.2	176.8	176.9	177.1	179.0	179.1	182.9	183.6	183.7	183.7	8.12%
2000	185.0	185.5	186.2	186.4	187.0	187.1	187.4	187.5	188.2	210.4	210.4	210.5	14.05%
2001	211.0	211.8	213.2	215.8	215.8	215.8	220.0	227.1	227.2	232.2	232.2	232.1	10.19%
2002	232.5	232.6	231.5	231.5	231.6	231.7	237.6	237.7	237.7	237.7	237.7	237.8	2.32%
2003	237.9	238.0	238.0	242.2	242.2	242.2	242.5	242.5	242.5	242.5	242.5	242.5	3.49%
2004	246.2	247.8	249.5	251.4	252.7	253.0	255.0	255.6	255.9	258.6	259.2	259.8	5.61%
2005	260.0	260.1	260.2	262.4	262.7	262.8	263.6	264.0	264.6	268.7	268.6	268.7	3.50%
2006	269.1	269.3	269.7	274.7	274.8	275.0	275.1	275.1	275.2				

DOE House Building Cost Index (Source: Department of the Environment)

Base Year 1991 = 100

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Yearly % Jan to Jan.
1998	122.9	123.1	123.8	123.8	124.5	124.5	125.7	125.7	126.0	126.2	126.2	126.1	2.77%
1999	126.3	126.4	126.5	130.5	130.5	130.5	131.5	131.5	134.1	134.7	134.8	134.9	7.52%
2000	135.8	136.1	136.4	136.5	136.8	136.9	137.2	137.2	137.7	153.8	153.8	153.9	13.62%
2001	154.3	154.7	155.6	157.4	157.6	157.7	161.1	165.9	166.0	169.3	169.4	169.3	10.11%
2002	169.9	170.0	169.5	169.5	169.5	167.7	173.8	173.9	173.9	173.9	174.0	174.1	2.53%
2003	174.2	174.5	174.5	177.3	177.3	177.4	177.1	177.2	177.2	177.2	177.2	177.2	2.76%
2004	179.6	179.7	179.9	179.9	180.0	180.2	182.1	182.2	182.2	183.9	184.2	184.2	2.84%
2005	184.7	184.8	184.9	186.5	186.6	186.6	186.7	186.9	186.9	189.5	189.4	189.7	2.82%
2006	189.9	190.1	190.6	194.0	194.2	194.3	194.4	194.5	194.6	197.7	198.0	198.1	

CSO Wholesale Price Index for Construction Wages & Materials (WPCM4040)

(Source: Central Statistics Office)

This index has been rebased to the year 2000, historical index figures are available on our website www.akc.ie

Base Year 2000 = 100

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Yearly % Jan to Jan
2001	108.0	108.4	108.5	110.4	110.4	110.6	112.6	115.6	115.7	117.8	117.8	117.7	9.35%
2002	118.1	118.4	118.4	119.2	119.4	119.4	121.6	121.7	121.9	122.3	122.2	122.2	2.88%
2003	121.5	121.7	121.9	123.8	123.8	123.7	123.7	123.9	123.9	124.3	124.5	124.6	3.62%
2004	125.9	127.1	128.6	130.1	131.0	131.3	132.9	133.4	133.9	135.2	135.7	136.3	8.18%
2005	136.2	136.0	135.9	137.1	137.4	137.5	137.7	137.8	138.0	140.1	140.6	140.8	3.82%
2006	141.4	142.5	143.4	146.6	147.7	147.6	147.9	148.6	148.9	151.0	151.3	151.4	

CSO Consumer Price Index (CPAM 063) (Source: Central Statistics Office)

Base Year 1996 = 100

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Yearly % Jan to Jan
1999	102.8	103.4	103.7	104.2	104.7	105.0	104.6	105.2	105.6	105.7	105.9	107.1	3.99%
2000	106.9	107.8	108.5	109.3	110.1	110.8	111.1	111.7	112.1	112.9	113.3	113.4	5.24%
2001	112.5	113.5	114.4	115.4	116.1	116.7	116.4	116.8	117.3	117.7	117.6	118.2	4.89%
2002	118.0	118.8	119.9	120.9	121.5	121.7	121.3	122.0	122.6	123.2	123.3	124.1	4.75%
2003	123.6	124.8	125.8	126.1	126.0	126.0	125.1	125.9	126.1	126.0	126.0	126.5	1.86%
2004	125.9	126.9	127.4	127.9	128.1	128.8	128.5	129.2	129.3	129.4	129.7	129.8	2.22%
2005	128.7	129.8	130.1	130.7	131.2	131.6	131.6	132.1	133.2	133.3	133.1	133.0	3.03%
2006	132.6	134.0	134.6	135.7	136.3	136.6	137.1	138.1	138.5	138.5	139.0	139.5	

Permanent TSB National House Price Index (Source: Permanent TSB)

Base Year 2003 = 100

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Yearly % Jan to Jan
1997	36.5	36.9	38.0	38.4	39.0	39.5	39.8	40.2	40.5	41.2	41.7	42.0	16.16%
1998	42.4	43.0	44.0	44.7	46.2	47.8	49.8	51.1	51.8	52.7	53.2	54.6	29.01%
1999	54.7	55.6	56.3	57.1	57.8	58.6	59.8	60.7	61.5	62.3	63.4	64.3	19.56%
2000	65.4	66.1	67.4	68.5	69.8	71.1	72.4	73.9	74.2	75.0	76.4	78.0	20.64%
2001	78.9	79.2	80.2	81.2	81.6	81.8	82.6	83.4	83.2	82.5	82.1	81.5	2.41%
2002	80.8	81.3	82.8	85.2	85.6	86.0	86.4	87.5	88.7	90.0	91.2	92.3	15.10%
2003	93.0	93.8	94.8	96.0	97.7	98.7	99.8	100.6	101.1	102.4	103.6	105.0	13.33%
2004	105.4	106.3	107.1	108.4	108.9	109.9	110.9	112.1	113.2	113.5	113.8	114.0	8.54%
2005	114.4	114.7	115.1	115.5	116.1	116.8	117.8	119.0	120.2	121.7	123.1	124.6	10.23%
2006	126.1	127.4	129.0	130.8	132.9	134.5	136.0	137.3	138.2	139.0	139.2	139.3	

National Rental Index (Source: Daft Report)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2002	115.6	113.5	109.6	111.6	111.7	110.1	108.5	108.1	107.1	105.1	103.3	101.0
2003	101.2	102.0	102.3	102.7	101.3	100.5	100.4	100.3	99.9	97.9	96.6	95.9
2004	95.7	94.9	94.6	95.0	95.4	95.8	96.9	97.9	98.5	98.4	97.6	97.2
2005	97.7	97.5	98.6	98.4	99.0	99.0	99.9	100.4	100.2	102.0	102.9	104.4
2006	103.3	102.6	102.8	102.9	105.0	105.8	107.1	109.4	110.4	111.4		

SCS Tender Index (Source: Society of Chartered Surveyors)

	Jan - July	July - Dec
2002	133.9	130.1
2003	127.2	129.3
2004	135.3	139.4
2005	142.6	144.7
2006	146.7	

HPO Tender Index (Source: Department of Health)

Construction	Q 1	Q 2	Q 3	Q 4
2000	470	485	500	540
2001	570	580	595	605
2002	621	631	640	626
2003	628	628	628	628
2004	628	629	631	632
2005	634	640	646	653

Note:

The UK House Price Index featured in Q3 2003 is updated monthly and is available on our website in the "Indices" Section.

Due to space constraints only the most recent years of some of the above indices have been shown here, the full indices are available on our website at www.akc.ie