

M3NHF Schedule of Rates v8 update

Speaker: David Miller, Rand Associates

Room: Main Hall



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2023





1993

Developed

1994

Launched

2008

Version 6 (2,430 items)

2016

Version 7 (3,090 items)

2019

Version 7.1 (3,159 items)

2021

Version 7.2 (3,440 items)



M3NHF Schedule of Rates Versions



National Housing
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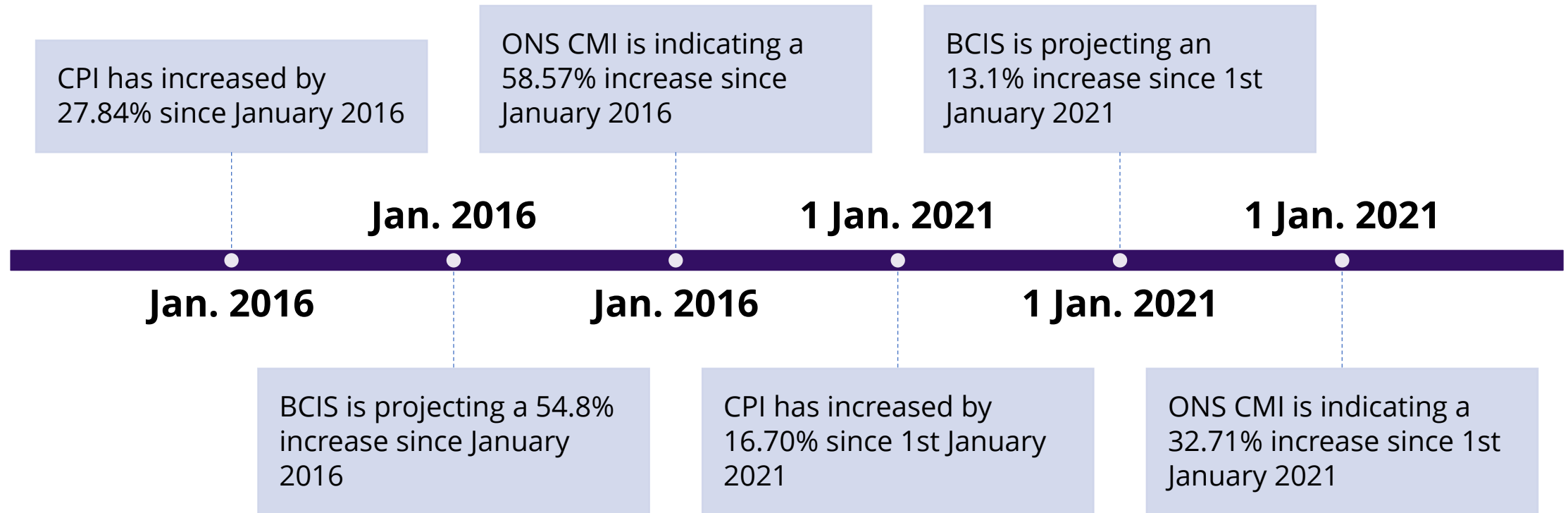
Why do we need Version 8?

Inflation v Market



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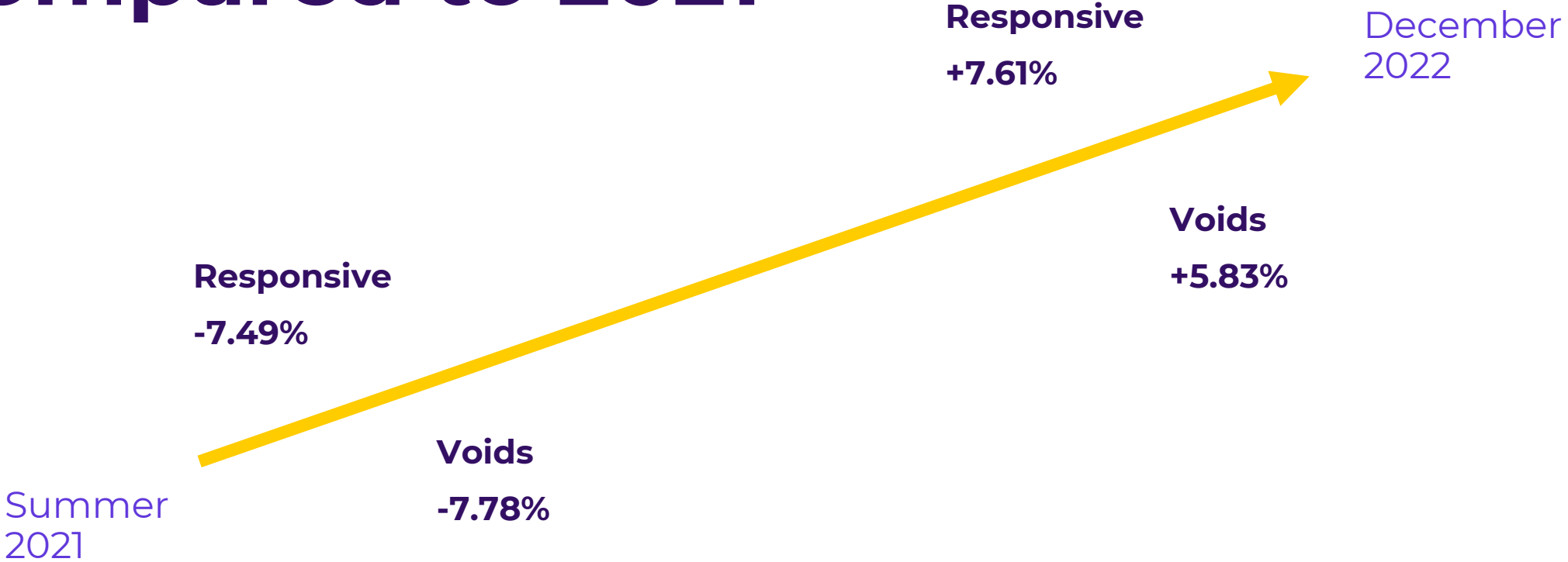
Inflation to December 2022



Financial Impacts on the Market

- Brexit and its consequences
 - 60% of construction materials imported from EU
 - 80% of softwood comes from EU
- Covid-19 and its consequences
 - Only emergency works undertaken
 - Labour and materials availability
- Climate change and energy costs
- War in Ukraine

Ave V7 market Dec 2022 compared to 2021



Major changes in Version 8

Re-evaluation of Rates

- Labour
- Materials
- Standard minute values
- New items
- Removal of obsolete items

Contract documentation

- Form of Contract
- Technical Specification
- Scaffolding and means of access redefined

SOR items in Version 8

Items Added / Consolidated

- + LED lighting
- + Detectors
- + Fire doors and safety
- + Ventilation
- + Heat recovery
- + Tanking

Circa 170 new items

Items removed

- Obsolete external doors
- Solid fuel room heaters
- Single panel radiators
- Pre Lot 20 heaters
- High wattage lighting
- Obsolete cylinders

Circa 80 items removed



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Labour all-in hourly rates

| Trade | Version 7 £ | Version 8 £ | Difference % |
|-----------------------|----------------|----------------|-----------------|
| M - Multiskilled Ops | 17.38 | 20.91 | +20.32 |
| M2 - Builders Gang | 30.40 | 36.89 | +21.36 |
| E - Electricians | 23.16 | 27.90 | +20.46 |
| P - Plumbers | 23.42 | 27.65 | +18.05 |
| H - Heating Engineers | 26.46 | 31.22 | +18.02 |

Jan 2016 - Dec 2022

- CPI = +27.84%
- Average wages overall = +28.62%
- Average wages in construction = +25.35%

Material prices

| Category | v7-v8 Diff % |
|-----------------------|---------------|
| Electrical | -9.35 |
| Heating & Plumbing | +20.81 |
| Kitchens & Bathrooms | +8.98 |
| Structural & External | +27.02 |
| Windows & Doors | +31.18 |
| Finishes | +13.07 |
| Average | +20.33 |

Jan 2016 - Dec 2022

- CPI = +27.84%
- ONS CMI = 58.57%

Uplifts included in Rates

| Factor | Version 7 | Version 8 |
|------------------|-----------|-----------|
| Non Productivity | 10% | 10% |
| Vehicle Cost | £5.15 ph | £5.50ph |
| Overheads | 15% | 12% |
| Profit | 5% | 5% |

Vehicles - high increase in fuel and insurance costs

Overheads - reduced due to change in means of access rules

Overall Rates

| Category | v7-v8 Diff % |
|------------------|---------------|
| 0 - Groundworks | +19.12 |
| 1 - Brickwork | +25.29 |
| 2 - Roofing | -11.50 |
| 3 - Carp/Joinery | +23.41 |
| 4 - Finishes | +17.53 |
| 5 - Glazing | +7.36 |
| 6 - Plumbing | +15.88 |
| 7 - Heating | +14.35 |
| 8 - Electrical | +10.81 |
| 9 - Adaptations | +9.24 |
| Average | +16.27 |

M3NHF Schedule of Rates Q&A Drop In

Chance to ask any questions you may have about Version 8 or the M3NHF Schedule of Rates generally.

Workshop Room C

- Tuesday 12.30pm
- Wednesday 9.00am



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Thank you.

See you at the
next conference!



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