

Table 1: Breakdown of TCI component cost elements

Acquisition	Acquisition:
	Purchase price of land/property. See also ACQUISITION ISSUES & VALUATIONS
	Developer contributions i.e. levy on development land required by Statutory Bodies to finance essential infrastructure works, e.g. major road improvements
Works	Works:
	Main works contract costs including where applicable adjustments for additional claims and fluctuations, but excluding any costs defined as on-costs below. see also QUALIFYING & NON-QUALIFYING COSTS
	Major site development works where applicable. These include, soil stabilisation and decontamination, piling, road and sewer construction, major demolition works etc
	Major pre-works (Rehabilitation only) where applicable
	Statutory agreements and associated charges e.g., Road Bond, Connection Charges, testing etc
	Additional costs associated with archaeological investigations and studies, where applicable (including all fees, charges and claims arising)
	VAT on the above where applicable (Note: <i>VAT qualifies for grant only where the Association cannot reclaim it from Customs and Excise.</i>)
On-Costs	On-Costs
	Legal fees, disbursements and expenses
	Stamp duty
	Net gains/ losses via interest charges on development period loans
	Bank, Building Society or other valuation and associated administration fees
	Fees for building control and planning permission
	In-house or external consultants' fees, disbursements and expenses.* <i>(Note: Where the development contract is design and build (CT), the on-costs include the builders design fee element of the contract sum. See also SCHEME TYPES. The on-costs must also be used for other non-works costs such as fees for building and planning permission, building warranty and defects/ liability insurance, contract performance bond and energy rating of dwellings)</i>
	Insurance premiums, including Building Warranty and Defects/ Liability insurance (<i>except contract insurance included in works costs</i>);
	Contract performance bond premiums; borrowing administration charges -including associated legal and valuation fees
	An appropriate proportion of the Association's development and administration costs (formerly A & D allowances), excluding Special Projects Promotion Allowances [SPPA] and including an appropriate proportion of any abortive scheme costs.* <i>* (Note: This includes a supplementary element for decanting costs, applicable where an existing tenant has to be temporarily relocated/accommodated during construction works)</i>
On-Costs	Furniture provision including loose fittings and furnishings See also FURNITURE PROVISION.
	Preliminary minor site development works including soil investigation reports (new build), pre-works (rehabilitation) and minor works in connection with off-the-shelf or existing satisfactory purchases

Fees and charges associated with tendering procedures including compliance with EU Directives and the Clients' Charter See also PROCUREMENT
Compliance with the Construction (Design and Management) Regulations
Energy rating of dwelling units e.g. SAP, EPC, etc
All fees, charges and expenses in connection with the environmental rating for homes - Code for Sustainable Homes/ EcoHomes - award including the provision of energy saving light bulbs, external storage, sheds etc
VAT on the above where applicable (Note: <i>VAT qualifies for grant only where the Association cannot reclaim it from Customs and Excise.</i>)
Home loss and disturbance, temporary decanting and redecoration payments; void rates and rent loss [work to existing dwelling(s) only]
Note. The applicable elements of this guidance must be used as a guideline as to use of on-cost allowances when considering adaptations and other works where on-costs are being claimed.