## Cost of works estimation guide

This guide applies to estimate cost of works for the following applications:

- Development Applications (DAs)
- Construction Certificates (CCs)
- Complying Development Certificates (CDCs)

Note: this guide is not relevant to subdivision works.

#### **Estimated Cost of Works and Application Fees**

The <u>Environmental Planning and Assessment Regulation 2021</u> specifies that application fees for Development Applications are to be calculated on the 'estimated cost' of works for a development and other characteristics of the development. WSC also bases its fees for CC's and CDC's on the cost of works for a development.

Planning Circular <u>PS21-022</u>, issued by the NSW Department of Planning & Environment, provides additional information regarding the estimated cost of works.

The cost of a development is not only the costs involved in the construction of building/s, but the costs associated with the entire development proposal, including all ancillary work. A genuine estimate of the cost of works of a development includes:

- The demolition cost of a building/works.
- The construction costs of buildings.
- The costs associated with the preparation of buildings for the purpose for which they are
  to be used (such as the costs of installing plant, fittings, fixtures and equipment).
- The cost of landscaping works.
- The cost of other ancillary work.
- All related Goods and Services Taxes.

A list of the common development types and minimum rates of construction are included in this guide to help you calculate an accurate 'estimated cost' of works for a development.

#### What do I need to do?

Include the following information in your calculation:

- All components of your development, including any earthworks and/or demolition.
- The cost of each work component based on the table in Appendix 2.
- The total cost of your development to show the total estimated cost of all the works that form part of this DA.

Alternatively, you may choose to provide Council with a detailed cost estimate of each component from a practicing registered quantity surveyor or if the development includes elements not listed in the table.

An example of how the guide is used to calculate the costs of works for an addition to a dwelling house and installation of an in-ground swimming pool is shown in the table below.

| Cost estimate example      |                               |                      |            |      |
|----------------------------|-------------------------------|----------------------|------------|------|
| Project Information        |                               |                      |            |      |
| Development Name           |                               | EXA                  | AMPLE ONLY |      |
| Development Address        |                               | EXA                  | MPLE ONLY  |      |
| Description of Development |                               | EXA                  | MPLE ONLY  |      |
| Floor Areas                | Gross F                       | oor Area (additions) |            | 70m² |
|                            | Pool size                     | Pool size            |            | 40m² |
| Demolition Works           | EXAMPLE ONLY                  |                      |            | 20m² |
| Other Works                | EXAMPLE ONLY                  |                      |            |      |
| Type of Developme          | ent Area Costs guide (per m²) |                      | Total (\$) |      |
| Ground floor additions     | 70m <sup>2</sup> \$1,700      |                      | \$119,000  |      |
| In ground concrete pool    | <40m <sup>2</sup> \$40,000    |                      | \$40,000   |      |
| Demolition                 | 20m <sup>2</sup> \$50 \$1,000 |                      | \$1,000    |      |
| Total cost of works        | \$140,000                     |                      |            |      |

## How does Council confirm the estimate provided?

Council will assess the cost of work by applying the unit rates for each component of the proposed work (as identified in the list of rates provided in Appendix 1). The building cost indicators are reviewed periodically to reflect market rates. A number of sources are used to derive the figures in this guide including, but not limited to:

- Rawlinson's Australian Construction Handbook.
- · Archicentre Cost Guides.
- · Cordell's Building Cost Guides.
- Cost estimates derived from applications lodged with Council.
- Insurance certificates issued for projects under the Home Building Compensation Fund (previously Home Owners Warranty Insurance).

Council will treat development proposals that fall outside the parameters of this guide on their merits. Council will accept the estimated cost you state on your application form within 10% of the cost calculated using this guide. If Council determines that the estimated cost of your proposal is greater than your stated figure by more than 10%, you will be advised, the figure adjusted and an invoice sent to you for any additional fees. Council may reject or defer an application if an estimate cost of works is considered to not be genuine or accurate.

## What if I disagree with Council's determination of the estimated costs of works?

If you disagree with Council's determination of the estimated cost of works, you may choose to provide Council with a detailed elemental cost estimate of each component from a practicing registered quantity surveyor for Council to review.

Council will reject applications where it is not satisfied that the estimated cost of works is accurate and genuine. Appendix 1 provides guidance on what Council considers to be accurate and genuine estimated costs of works per square metre.

# **Cost Estimate Report Templates**

The genuine cost of the development proposed in a development application should include costs based on industry recognised prices, including cost for materials and labour for construction and/or demolition and GST.

Various commercial entities publish building and construction cost guides/calculators which can be referenced. The Australian Institute of Quantity Surveyors provides technical guidance on estimating costs and methods of measurement in the Australian Cost Management Manuals.

For DAs with development costs up to \$100,000 the estimated cost can be supplied by the applicant or a suitably qualified person using the methodology set out in this guide.

For DAs with development costs between \$100,000 and \$3 million, Council will require a cost estimate report from an independent, qualified builder, architect, building designer or quantity surveyor using the methodology set out in this guide. Template 1 or Template 2 can be used to estimate the cost of works, depending on the preferred calculation methodology. Template 1 is based on using the proposed floor space while Template 2 is based on the various components of the proposed works.

For development costs exceeding \$3 million, a quantity surveyor's cost report will be required. The cost report shall include the methodology to clearly set out how the estimation was calculated.

For large scale developments that are regionally significant, the capital investment value will be required. The capital investment value of a project includes all costs necessary to establish and operate the project, including the design and construction of buildings, structures, associated infrastructure and fixed or mobile plant and equipment (but excluding land costs and GST). Refer to NSW Department of Planning, Environment and Industry Planning Circular (PS21-020).

|   | te report (Floor Spac          |    | · · · · · · · · · · · · · · · · · · · |    |
|---|--------------------------------|----|---------------------------------------|----|
|   | Project Information            |    |                                       |    |
| Development Name  |                                |    |                                       |    |
| Development Address   |                                |    |                                       |    |
| Description of Development  |                                |    |                                       |    |
| Floor Areas   | Gross Floor Area (Commercial)  |    |                                       | m² |
|   | Gross Floor Area (Residential) |    |                                       | m² |
|   | Gross Floor Area (Retail)      |    |                                       | m² |
|   | Gross Floor Area (Industrial)  |    |                                       | m² |
|   | Gross Floor Area (Other)       |    | m²                                    |    |
| Parking   | Gross Floor Area (Parking)     |    | m <sup>2</sup>                        |    |
|   | Number of Parking Spaces       |    |                                       |    |
| Demolition Works  |                                |    | l                                     |    |
| Other Works (e.g. pool, fencing, landscaping, tennis court, shed, earthworks, retaining walls etc.) |                                |    |                                       |    |
| Cost (applicant's genuine estin   | nate)                          |    | Costs                                 |    |
|   | % of construction cost         | %  |                                       |    |
| PROFESSIONAL FEES   | % of development cost          | %  |                                       |    |
|   | total cost \$                  |    | \$                                    |    |
| DEMOLITION &  | x/m² of site area              | \$ |                                       |    |
| SITE<br>PREPARATION   | total construction cost \$     |    | \$                                    |    |
|   | x/m² of site area              | \$ |                                       |    |
| EXCAVATION  | volume of material removed     |    |                                       |    |
|   | total construction cost        |    | \$                                    |    |
|   | x/m² of commercial area        | \$ |                                       |    |
| CONSTRUCTION Commercial   | total construction cost \$     |    | \$                                    |    |
|   | x/m² of residential area       | \$ |                                       |    |
| CONSTRUCTION Residential  | 1                              |    | \$                                    |    |
|   | x/m² of retail area            | \$ |                                       |    |
| CONSTRUCTION Retail   |                                |    | \$                                    |    |

| Cost (applicant's genuine estimate)                                  |  |    | Costs |
|--|--|----|-------|
| CONSTRUCTION Industrial  | x/m² of commercial area<br>total construction cost       | \$ | \$    |
| CONSTRUCTION other   | x/m² of commercial area total construction cost          | \$ | \$    |
| FITOUT Commercial  | x/m² of commercial area total construction cost          | \$ | \$    |
| FITOUT Residential   | x/m² of residential area total construction cost         | \$ | \$    |
| FITOUT Retail  | x/m² of retail area total construction cost              | \$ | \$    |
| FITOUT Industrial x/m² of industrial area \$ total construction cost |  | \$ |       |
| FITOUT Other x/m² of retail area \$ total construction cost          |  | \$ |       |
| CARPARK  | x per space x/m² of parking area total construction cost | \$ | \$    |
| TOTAL CONSTRUCTION COST  |  |    | \$    |
| TOTAL GST  |  |    | \$    |
| TOTAL DEVELOPMENT COST   |  |    | \$    |

## I certify that:

- I have provided the estimated costs of the proposed development and that those costs are based on industry recognised prices; and
- the estimated costs have been prepared having regard to the matters set out in <u>clause 255</u> of the <u>Environmental Planning and Assessment Regulation 2021</u>

| Applicant Name: (Print) | Applicant signature: | Date: |  |
|-------------------------|----------------------|-------|--|
|                         |                      |       |  |
|                         |                      |       |  |
|                         |                      |       |  |

## Cost estimate report (Works Components) **Project Information Development Name Development Address Description of Development** Floor Areas $m^2$ Gross Floor Area (Commercial) Gross Floor Area (Residential) $m^2$ Gross Floor Area (Retail) $m^2$ $m^2$ Gross Floor Area (Industrial) $m^2$ Gross Floor Area (Other) **Parking** Gross Floor Area (Parking) $m^2$ Number of Parking Spaces **Demolition Works** Other Works (e.g. pool, fencing, landscaping, tennis court, shed, earthworks, retaining walls etc.) Cost (applicant's genuine estimate) Demolition works (including cost of removal from site and disposal) \$ \$ Site preparation (e.g. clearing vegetation, decontamination or remediation) \$ Excavation or dredging including shoring, tanking, filling and waterproofing Preliminaries (e.g. scaffolding, hoarding, fencing, site sheds, delivery of materials, waste management) Building construction and engineering costs concrete, brickwork, plastering steelwork/metal works \$ carpentry/joinery windows and doors roofing Internal services (e.g. plumbing, electrics, air conditioning, mechanical, fire \$ protection, plant, lifts) \$ Internal fit out (e.g. flooring, wall finishing, fittings, fixtures, bathrooms, and equipment) Other structures (e.g. landscaping, retaining walls, driveways, parking, boating facilities, loading area, pools)

| External services (e.g. gas, telecommunications, water, sewerage, drains, electricity to mains)                      | \$ |
|--|----|
| Cost (applicant's genuine estimate)  |    |
| Professional fees (e.g. architects and consultant fees, excluding fees associated with non- construction components) | \$ |
| Other (specify)  | \$ |
| Parking / garaging area  | \$ |
| GST  | \$ |
| TOTAL  | \$ |

## I certify that:

- I have provided the estimated costs of the proposed development and that those costs are based on industry recognised prices; and
- the estimated costs have been prepared having regard to the matters set out in <u>clause 255</u> of the *Environmental Planning and Assessment Regulation 2021*

| Applicant Name: (Print) | Applicant signature: | Date: |  |
|-------------------------|----------------------|-------|--|
|                         |                      |       |  |
|                         |                      |       |  |
|                         |                      |       |  |

# Appendix 1

## **BUILDING COST GUIDE (EXCLUDING PROFESSIONAL FEES)**

## **RESIDENTIAL**

| Dwelling  | Туре   | Per/ m2 (Incl. GST)              |
|---|--|----------------------------------|
| Project Home  | Brick Veneer   | \$1,860.00                       |
|   | Framed   | \$2,670.00                       |
| Architectural - Medium Finish   | Brick Veneer   | \$2,890.00                       |
|   | Full Brick   | \$3,020.00                       |
|   | Framed   | \$3,680.00                       |
| Architectural- High Finish  | Brick Veneer   | \$4,040.00                       |
|   | Full Brick   | \$4,140.00                       |
| Architectural – Prestige Finish   | Full Brick   | \$5,330.00                       |
| Prefabricated House   |  | \$2,310.00                       |
|   | Framed   | \$2,490.00                       |
| Additions/extensions (Ground Floor)   | Brick Veneer   | \$2,680.00                       |
| Additions/extensions (First Floor)  |  | \$4,020.00                       |
| Dual Occupancy and Unit Developments<br>(base figure used- basic project house less than<br>110m <sup>2</sup> ) | Brick Veneer   | \$1,860.00                       |
| Demolition  |  | \$90.00                          |
| Swimming Pool (NB Includes a figure for basic pool fencing)   | Size   | Complete Price (Incl. GST)       |
| Sprayed Concrete  | 9.0 x 4.5m with depth ranging from 1.0 to 2.0m         | \$60,000.00                      |
| Fiberglass  | 9.0 x 4.5m with depth ranging from 1.0 to 2.0m         | \$45,000.00                      |
| Garage/Carport  | Туре   | Square Metre Rate (Incl. GST)    |
| Carport   | Concrete floor, steel frame, metal roof                | \$480.00                         |
| Garage  | Concrete floor, metal clad walls, roof on timber frame | \$1,100.00                       |
| Garage  | Concrete floor, cavity brick walls, metal deck roof    | \$1,260.00                       |
| Deck/Pergola  | Туре   | Square Metre Rate<br>(Incl. GST) |
| Timber Deck   | Unroofed   | \$450.00                         |
|   | Roofed   | \$790.00                         |
| Pergola   |  | \$340.00                         |
| Retaining Wall  | Туре   | Square Metre Rate (Incl. GST)    |
| Brick Retaining Wall  | Up to 1.5m high  | \$680.00                         |
| Block Retaining Wall  | Up to 1.5m high  | \$680.00                         |
| Treated Pine Retaining Wall   | Up to 1.5m high  | \$480.00                         |

## **AGRICULTURAL**

| Farm Building                                 | Туре  | Square Metre Rate (Incl. GST) |
|---|---|-------------------------------|
| Machinery/ Hay/storage Shed – no slab         | Steel frame with metal deck roof and metal clad walls (no slab- free standing one long wall open) | \$270.00                      |
| Machinery/ Hay/storage Shed – with floor slab | Steel frame with metal deck roof and metal clad walls (no slab- free standing one long wall open) | \$350.00                      |

## **COMMERCIAL**

| Office/Retail shop                         | Туре  | Square Metre Rate (Incl. GST) |
|--|---|-------------------------------|
|  | Single Story Fully Serviced   | \$2,490.00                    |
| Office                                     | Two Storey Fully Serviced   | \$2,860.00                    |
|  | Fit-out   | \$720.00                      |
|  | Single Storey   | \$1,090.00                    |
| Neighbourhood shops (excludes shops within | Two Storey  | \$1,290.00                    |
| centres/complexes – no air con)            | Fit-out (in addition to above)  | \$410.00                      |
| Tavern & Club                              | Туре  | Square Metre Rate (Incl. GST) |
| Tavern                                     | Single Storey, standard construction and finishes                     | \$3,950.00                    |
| Club (Social or sporting club)             | Single or Two Storey construction, standard construction and finishes | \$3,790.00                    |

## **OTHER**

| Religious               | Туре   | Square Metre Rate (Incl. GST) |
|-------------------------|--|-------------------------------|
|                         | Basic Finish   | \$2,160.00                    |
| Chapel/Church/Synagogue | Medium Finish  | \$3,330.00                    |
| Church hall             |  | \$1,600.00                    |
| Educational             | Туре   | Square Metre Rate (Incl. GST) |
| Primary School          | Single Storey Standard Finish (no air con)                   | \$5,500.00                    |
| Child & Health care     | Туре   | Square Metre Rate (Incl. GST) |
| Child Care Centre       | Single Storey Standard Finish                                | \$2,550.00                    |
| Group Practice Surgery  | Single Storey Standard Finish with consulting rooms, surgery | \$2,800.00                    |

## **INDUSTRIAL**

| Industry  | Туре  | Square Metre Rate (Incl. GST) |
|---|---|-------------------------------|
|   | Brick external walls  | \$910.00                      |
| Warehouses for Letting (Single<br>Storey, Shell Construction, Bay<br>Height of 3.5m up to 4.5m)                             | Precast or tilt up concrete panels                                  | \$860.00                      |
|   | Brick external walls  | \$1,090.00                    |
| Warehouses for Letting (Single<br>Storey, Shell Construction, Bay<br>Height of greater than 6.5m to 9m)                     | Precast or tilt up concrete panels                                  | \$1,080.00                    |
|   | Brick external walls  | \$1,100.00                    |
| Warehouses for Owner Occupation (Single Storey, includes small offices, amenities, services, Bay Height of 3.5m up to 4.5m) | Precast or tilt up concrete panels                                  | \$1,080.00                    |
|   | Brick external walls  | \$1,320.00                    |
| Warehouses for Owner Occupation (Single Storey, includes small offices, amenities, services, Bay Height of 6.5m up to 9.0m) | Precast or tilt up concrete panels                                  | \$1,250.00                    |
|   | Framed and Metal Clad external                                      | \$880.00                      |
| Factory for Letting (Single Storey,   | Brick external walls  | \$930.00                      |
| Span less than 10m, Standard  | Precast or tilt up concrete panels                                  | \$880.00                      |
| Factory for Owner Occupation (Single Storey, Span   | Brick external walls  | \$1,180.00                    |
| less than 10m, small office, toilets and amenities & all services)  | Precast or tilt up concrete panels                                  | \$1,110.00                    |
|   | Single Storey, brick walls, metal roof, workshop, toilets, services | \$2,300.00                    |
| Service Station   | Add metal clad awning   | \$1,040.00                    |
|   | Add for driveways   | \$220.00                      |