

A guide for estimating development cost

This guide applies to Development Applications (DA), Construction Certificates (CC), and Complying Development Certificates (CDC).

Estimating development cost and application fees

The [Environmental Planning and Assessment Regulation 2021](#) specifies that application fees for DAs are to be calculated on the 'Estimated Development Cost' (EDC) of proposed development and other characteristics of the development.

Maitland City Council also bases its fees for CCs and CDCs on the EDC for a development. The EDC will also determine the development approval pathway. Further details are available in the NSW Government's Planning Circular PS24-002, which is available on the [Planning NSW](#) website.

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.

The estimate needs to reflect the true market value of all costs, including associated labour. A genuine estimate of the cost of works of a development includes:

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

The definition for EDC excludes goods and services tax (GST). However, cost estimates for all applications should identify the EDC, the GST incurred as part of those costs, and the sum of EDC **plus** GST.

A list of the common development types and minimum rates of construction are included in this guide to help you calculate an accurate EDC. These can be found in Attachment A (method two).

Note: The base construction cost of a project home may not be the only work involved with the entire development proposal. The cost of decks, garages, driveways and retaining walls must be included as part of the completed cost of your development.

Calculating cost of works for subdivision

Fees for the purpose of subdivision work are based on the number of allotments and EDC. The EDC should include total construction costs involved in the development.

What do I need to do?

Fill out Attachment A in this guide, using either method one or method two. The estimated cost may be calculated based on:

Method one: A detailed estimate of cost based on individual components.

Method two: Estimates of construction and fit out (**note:** only for development up to \$100,000).

Who should estimate development cost prior to lodgement?

Development up to \$100,000

We will accept an estimate based on the gross floor area of the development multiplied by the cost per m², as detailed in method two below.

Development between \$100,000 and \$3 million

We will require an EDC (as per Attachment A), along with the methodology, prepared by a suitably qualified person*.

Development over \$3 million

We will require a detailed cost report prepared by a registered quantity surveyor.

*A suitably qualified person is a builder who is licensed to undertake the proposed works, registered architect, a qualified and accredited building designer, a registered quantity surveyor or a person who is licensed and has the relevant qualifications and proven experience in costing of development works at least to a similar scale and type as is proposed.

Note: The above differs from the requirements for cost reports required to be submitted for DAs which attract s7.12 contributions, in which case we require a cost report prepared by a quantity surveyor for any development with an EDC over \$500,000.

How does Council calculate the cost?

We calculate the cost of works on the estimated 'market price' for the completed project.

This may not necessarily reflect the actual cost of the development to the applicant, for example, an applicant may source materials free or second hand and use their own labour (owner-builder).

Maitland City Council derives the figures in this guide from various building cost indicators and sources, including, but not limited to, the *Rawlinsons Australian Construction Handbook*. We have simplified and rounded down the rates for ease of use. A list of the common development types and rates are included in method two of Attachment A below. This list may be used for development under \$100,000 only, to assist in completing the 'estimated development cost' question on the application form.

On the application form you must:

- Outline the estimated cost of works.
- Provide the areas (in m²) for each of the generic parts of the project e.g. total floor area.
- Outline the number of additional lots for subdivision applications.

How will Council confirm the estimate provided?

When a cost estimate is received for a development application under \$3 million, we may check the estimate against the cost guide below, which sets out the typical cost range for the development type.

To check this, we will check the total floor area of your proposed development and multiply it by the unit cost for that component (as identified in the rates listed in Table 1 below).

We will accept the estimated cost you state on your application within 10 per cent of the rates listed in this guide.

If it's determined that the estimated cost of your proposal is greater than your stated figure by more than 10 per cent, we will advise you and adjust the figure accordingly. This may affect the application fee payable.

Note: Any development that falls outside the parameters of this guide are assessed on their own merits.

Note: Maitland City Council may reject an application if an estimated development cost is considered not to be genuine or accurate.

Table 1: General square metre rates for guidance and Council checking

Residential		
Project home	Tiled roof, brick veneer, medium standard finish built on a flat site	\$1966/m ²
Low density townhouse	Two storey, full brick, tiled roof medium standard	\$2852/m ²
Apartments	Maximum three storeys, one- or two-bedroom units, excluding balconies, no lift, medium standard finish	\$3007/m ²
Commercial		
Office – Medium-quality fit-out	Average quality general offices with a higher proportion of executive offices and boardroom areas, reception area and some staff amenities	\$1930/m ²
Industrial		

Warehouse, low bay, single-storey precast concrete external walls for letting	Standard shell construction, metal roof, roller shutters, electrical service to board, plumbing service only; no ventilation, fire sprinklers or fit-out	\$1137/m ²
Warehouse, low bay, single-storey precast concrete external walls for owner occupation	Metal roof, roller shutters, small offices and amenities, all services; no ventilation or fire sprinklers	\$965/m ²
Offices and showroom, two-storey	Metal roof, roller shutters, all services; no ventilation or fire sprinklers . Offices and showroom to front elevation, faced brick and glazed external walls, standard finishes, air-conditioning, no lift and excluding owners fit-out.	\$3055/m ²
Parking		
Open parking	Bitumen paving, stormwater drainage, minimal lighting and some landscaping	\$152/m ²
Undercroft parking to a one- to three-storey building	Open at ground or slightly reduced ground level including additional excavation and structural costs	\$980/m ²
Partially underground	One level including additional excavation and structural costs, ramps, fire sprinklers, minimal mechanical ventilation	\$1912/m ²
Fully underground	Two levels including additional excavation and structural costs, ramps, fire sprinklers, mechanical ventilation, lift service	\$2362/m ²

Note: The figures above are accurate as of February 2024 and will be adjusted with CPI.

What now?

Attachment A below provides a model table for calculating EDC (plus GST) based on individual components for proposed developments under \$3 million. This form must be submitted with all development applications under \$3 million, using method one or method two.

Attachment A

Estimated development cost

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.

If the estimate is understated, the figure will need to be adjusted. Additional application fees may then be incurred.

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.

1. General project information

Applicant's name		
Date		
Development description		
Development address		
Total site area	GFA (commercial)	m ²
	GFA (residential)	m ²
	GFA (retail)	m ²
	GFA (industrial)	m ²
	GFA (other)	
Parking	GFA (parking)	m ²
	No. of parking spaces:	
Demolition works		
Other works (e.g. subdivision)		

2. Estimated development cost

Please complete and attach either method one or method two below. (Note, method two must only be used for development less than \$100,000). If the development is over \$3,000,000, a detailed cost report must be prepared by the registered quantity surveyor.

3. Certification of estimated development cost

I certify that:

- I have provided the estimated development cost for the proposed development and those costs are based on industry recognised prices.
- The estimated development cost has been prepared having regard to the matters set out in Clause 6 of the *Environmental Planning and Assessment Regulation 2021*.

Signed:

Contact number:

Name:

Contact address:

Position:

Date:

Method one: Estimated development cost – based on works components (for development under \$3 million)

ELEMENT	COST (EX GST)
Demolition works, excavation and site preparation Includes clearing vegetation, demolition, excavation and remediation, as well as disposal of any material.	\$
Substructure, columns, external walls and upper floors Substructure is the structurally sound and watertight base upon which to build. Substructure includes all work up to but excluding the lowest floor finish. Columns include internal and external columns from tops to bases, column casings and all protective non-decorative coatings. External walls include structural walls, basement walls, glazed screen walls, any balcony walls and balustrades. Upper floors are structures above the lowest level.	\$
Staircases Structural connections between two or more floor levels or to roof, plant rooms and motor rooms together with associated finishes.	\$
Roof The structurally sound and watertight covering over the building.	\$
Windows, internal walls, doors and screens	\$

Surface finishes Finishes and decoration applied to internal and external surfaces such as walls, floors and ceilings (e.g. painting, cladding, rendering, carpeting).	\$
Fitments Includes built-up fitments and fixed items (e.g. joinery, benches, plaques, mirrors). Loose furniture and finishes are not included.	\$
Special equipment Special equipment is fixed equipment that is necessary to the use for which consent is sought.	\$
Building services Internal and external services necessary for the functioning of the building and property (e.g. stormwater, gas supply, electrical systems, mechanical ventilation, lifts).	\$
External works Works external to the building other than external building services (e.g. soft landscaping, footpaths, decks, retaining walls).	\$
Professional fees Professional service fees associated with the design and construction of a development (e.g. architect, project manager, town planning consultant).	\$
Estimated development cost (The sum of the above cost elements, exclusive GST*)	\$
GST	\$
TOTAL	\$

*Estimated development cost excludes GST, pursuant to Section 6 of the *Environmental Planning and Assessment Regulation 2021*

OR

Method two: Estimated development cost – based on floor space estimates (for development under \$100,000).

DEVELOPMENT TYPE	RATE		COSTS
Professional fees	% of construction cost	%	\$
	% of development cost	%	
	Total cost		
Demolition and site preparation	\$110/m² of site area		\$
	Total cost		
Residential	Cost	Total	Cost
Demolition (dwellings/outbuildings) one- and two-storey	\$88/m²	m²	\$
Residential additions			
Ground level (clad frame)	\$2,400/m²	m²	\$
Ground level (brick veneer)	\$3,700/m²	m²	\$
Upper storey (part roof area)	\$3,600/m²	m²	\$
Upper storey (full first floor)	\$3,700/m²	m²	\$
Sanitary fixtures			
Bathroom fit-out and services	\$31,000 each		\$
Kitchen fit-out and services	\$27,000 each		\$

Pool			
Inground > 40,000L (concrete)	\$55,200 each		\$
Inground > 40,000L (fibreglass)	\$42,500 each		\$
Aboveground (vinyl lined)	\$26,000 each		\$
Safety fencing	\$320 per lineal metre		\$
Ancillary			
Deck (unroofed)	\$440/m ²	m ²	\$
Deck (roofed)	\$750/m ²	m ²	\$
Pergola unroofed	\$286/m ²	m ²	\$
Retaining walls (masonry blockwork 1m high excluding footing)	\$370		\$
Fence (timber 1.8m tall)	\$122 per lineal metre		\$
Fence (Colorbond 1.8m tall)	\$136 per lineal metre		
Parking structures			
Carport (no concrete floor, metal deck on steel frame)	325/m ²	m ²	\$
Carport (concrete floor, metal deck on steel frame)	490/m ²	m ²	\$
Garage/shed (metal kit)	550/m ²	m ²	\$
Garage/shed (metal clad, timber frame)	950/m ²	m ²	\$
Garage/shed (brick veneer)	1200/m ²	m ²	\$

Parking (open, bitumen paving, stormwater drainage)	152/m ²	m ²	\$
Commercial			
Demolition one- and two-storey	130/m ²	m ²	\$
Demolition three or more storeys	150/m ²	m ²	\$
Office medium quality fit-out	\$1930/m ²	m ²	\$
Retail			
Shop fit-out	370/m ²	m ²	
Industrial			
Demolition one- and two-storey	70/m ²		\$
Demolition three or more storeys	88/m ²		\$
Warehouse, low bay, single-storey precast concrete external walls for letting	\$907/m ²		\$
Warehouse, low bay, single-storey precast concrete external walls for owner occupation	\$1137/m ²		\$
Offices and showroom, two-storey	\$3055/m ²		\$
Parking			
Open parking	\$152/m ²	m ²	\$
Undercroft parking to a one- to three-storey building	\$980/m ²	m ²	\$
Agricultural (all steel frame with metal deck roof)			
Bulk storage shed (no ground slab)	\$395/m ²	m ²	\$
Hay shed (open or half enclosed)	\$265-330/m ²	m ²	\$
Machinery shed (lean-to open, no ground slab)	\$310/m ²	m ²	\$

Machinery shed (lean-to enclosed or freestanding open, no ground slab)	\$460/m ²	m ²	\$
Machinery shed (freestanding enclosed, no ground slab)	\$405/m ²	m ²	\$
Concrete ground slab	\$140		\$
TOTAL CONSTRUCTION COST			
TOTAL GST			
TOTAL DEVELOPMENT COST (excluding GST)			

Note 1: Figures are minimum figures derived from various building cost indicators and sources, including, but not limited to, the Rawlinsons Australian Construction Handbook and excludes GST.

Note 2: Costs can provide no more than a rough guide to the probable cost of a building, and whilst in many instances a single rate is sufficient to indicate this ruling average cost, there are many other instances where costs can vary considerably from the range given.

Note 3: These rates are indicative only and are not reflective of site conditions and other project specific constraints.

Note 4: Rates are reflective of average quality materials and finishes