

This guide applies to estimating 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 [Environmental Planning and Assessment Regulation 2021](#) 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. City of Newcastle (CN) also bases its fees for CCs and CDCs on the cost of works for a development.

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 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 application:

- List all work components of your proposed development e.g. dwelling, retaining walls and a shed.
- Calculate the cost of each work component based on the table below.
- Add the costs of all components together to show the total estimated cost of the works that form part of the DA.
- Include the total cost of works on the application form.

Alternatively, you may choose to provide CN with a detailed elemental 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.

Type of development	Area	Costs as per guide (\$)	Total (\$)
Ground floor additions	70m ²	\$1,980	\$138,600
In ground concrete Pool	<40m ²	\$44,000	\$44,000
Pool Fencing	20 m	\$274	\$5500
Paving	15 m ²	\$60	\$900
Total Cost of Works			\$189,000

Who should estimate the costs of development prior to lodgement?

- For development up to \$150,000, a cost estimate report is to be prepared by the applicant or a suitably qualified person
- For development between \$150,000 and \$3 million a suitably qualified person should prepare the cost estimate report
- For development more than \$3 million, a detailed cost report is to be prepared by a registered quantity surveyor

Note: A suitably qualified person is: a builder who is licensed to undertake the proposed works, a 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.

More information can be found on [CN's website](#).

How does City of Newcastle confirm the estimate provided?

CN 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 this guide).

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:

- Rawlinsons Australian Construction Handbook

- Archicentre Cost Guides
- Cordell's Building Cost Guides
- Cost estimates derived from applications lodged with CN
- Insurance certificates issued for projects under the Home Building Compensation Fund (previously Home Owners Warranty Insurance)

CN will treat development proposals that fall outside the parameters of this guide on their merits and will determine if adequate in accordance with the above guides.

CN may determine that the estimated cost of your proposal is greater than your stated figure by more than 10%. CN will advise you, adjust the figure and send you an invoice for any additional fees.

CN may reject or defer an application if an estimate cost of works is considered not to be genuine or accurate.

What if I disagree with City of Newcastle's determination of the estimated costs of works?

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

CN will reject applications where it is not satisfied that the '*estimated cost*' of works are accurate and genuine. The following figures provide guidance on what CN considers to be accurate and genuine '*estimated cost*' of works.

Cost Estimators for Estimating Genuine Cost of Works		
Dwelling	Type	Rate m ²
Project Home	1 & 2 storey	\$1540/m ²
Dual Occupancy	1 & 2 storey	\$2200/m ²
Architectural Design	Any	\$2750/m ²
Secondary Dwellings	1 storey	\$1980/m ²
Additions	Ground floor	\$1980/m ²

Additions	First floor	\$2640/m ²
Multi Dwelling Housing	Type	Rate m²
Townhouse	1 - 3 storey	\$2750/m ²
Residential Flat Building	1 - 3 storey	\$2750/m ²
Residential Flat Building	4 - 8 storey	\$2970/m ²
Residential Flat Building	8+ stories	\$3300/m ²
Boarding Houses	1 - 3 storey	\$2750/m ²
Decks / Pergolas / Awnings	Type	Rate m²
Deck	Unroofed	\$440/m ²
Deck	Roofed (Pergola)	\$605/m ²
Awnings	Metal/Timber	\$286/m ²
Garages	Type	Rate m²
Garages	Metal (kit)	\$440/m ²
Garages	Timber/Brick	\$715/m ² / \$935/m ²
Carports	Type	Rate m²
Carports	No new slab	\$220/m ²
Carports	New slab	\$352/m ²
Retaining Walls	Type	Rate per lineal metre
Retaining Walls	Masonry (1m high)	\$495/m
Retaining Walls	Timber (1m high)	\$330/m
Fences	Type	Rate per lineal metre
Fence	Masonry (1m high)	\$495/m
Fence	Metal/Timber (1.8m)	\$110/m
Fence	Pool type 1.5m high	\$275/m

Pools	Type	
In Ground Pool <40 m ²	Concrete	\$44,000 plus fencing
In Ground Pool <40 m ²	Fibreglass	\$38,500 plus fencing
Above Ground Pool <40 m ²	Vinyl lined	\$22,000 plus fencing
Commercial / Retail	Type	Rate m²
Offices	1 - 4 storeys	\$2460/m ²
Offices	4+ storeys	\$2970/m ²
Shops	Including fit-out	\$2420/m ²
Industrial	Type	Rate m²
Factory/Warehouse	Precast concrete <1000 m ²	\$1650/m ²
Hotels, Motels, Clubs	Type	Rate m²
Hotel/Motel/Club	1 & 2 storey	\$3850/m ²
Hotel/Motel/Club	3 + storeys	\$4400/m ²
Demolition	Type	Rate m²
Commercial/Industrial	1 & 2 storey	\$110/m ²
Commercial/Industrial	3+ storeys	\$165/m ²
Residential (dwellings/outbuildings)	1 & 2 storey	\$88/m ²
Other works	Type	Rate as stated
Hard stand areas	Concrete/paving	\$60/m ²
Bathroom renovations	All	\$27,500/room
Kitchen renovations	All	\$38,500/room
Stairs	All	\$1,760/m rise