



SPORT **HQ**

# Cost estimation guide

## Table of Contents

<b>Introduction</b>	<b>3</b>
Get prepared	3
<b>What to look for in a quote</b>	<b>4</b>
<b>Obtaining and reviewing a quantity surveyor estimate</b>	<b>5</b>
What are quantity surveying services	5
Benefit of a QS estimate	5
What to prepare to get a QS estimate	5
What is in a QS estimate	5
How to find a quantity surveyor	6
What is the cost of a quantity surveyor	6
Significant projects and QS updates	6
<b>Appendix: Further quote considerations</b>	<b>7</b>

### **The information presented in this guide:**

- is general in nature and does not consider your organisation's specific situation;
- is correct at time of publishing; and
- should not be considered as legal advice.

# Introduction



Accurate cost estimation lays the foundation for a successful facility development project and aims to provide your organisation with sound financial information.

To verify costs and compare value, your organisation should obtain either a detailed quantity surveyor (QS) cost estimate or comparable written quotes before proceeding with procurement.

Typically, you should seek at least three quotes so you can compare proposals on price, experience and service quality. For larger or more complex builds, a quantity surveyor's estimate adds depth and confidence as their detailed breakdown covers contingencies, escalation allowances and all project costs, helping you prepare to make well-informed budgeting decisions.

Use this resource to guide you through requesting and evaluating quotes and commissioning QS estimates.

**Before you start gaining a cost estimation, make sure a comprehensive scope of works has been documented so the cost estimate includes all components of your project.**

## Get prepared

Whether you wish to obtain cost estimations via gaining quotes or from a QS, make sure you have prepared the following:

### Scope of works and planning documentation

Your organisation will need a well-defined scope of works and at least a sketch design and site plan. It is also important to set a clear timeline outlining when you wish to start and when the project needs to be completed, as delays can lead to higher costs and reduced availability of contractors and resources.

Project timeframes for contractors or suppliers will enable them to gauge their capacity and the feasibility of bidding to take on the project. Additionally, if your organisation hasn't yet secured funds, make this known to contractors. While it might lead to some contractors hesitating to provide a quote, others might be more willing if they're informed upfront.

Be prepared that not all contractors will respond or provide a quote, so you may need to contact more contractors than you think. Contact Council, other organisations and your lead sporting agencies for advice on contractors that have done similar work.

**A good scope of works will also outline the specifications, materials and scale that will help set a standard for the quotes or QS estimate. Refer to the *Sport HQ Facility planning guide* and *Sport HQ Scope of works fact sheet* for more information.**

### Delivery mode

Confirm your delivery mode—for example, whether you'll use separable portions, staging or sub-staging. If you plan to complete and occupy part of the build before the rest (e.g. open change rooms ahead of clubrooms), ensure your estimates/quotes consider each stage separately. This approach will have different time and cost implications as opposed to a project undertaken as one complete project.

### Contract type

Think about what form of contract will be adopted, for example:

- Lump-sum traditional – design and documentation are complete before tender. Offers the lowest risk and the most predictable pricing
- Alternative delivery (design-and-construct, managing contractor, turnkey, cost-plus) – your contractor carries more risk (and that's reflected in higher prices)

### Project program

A project program detailing the whole project plan from end to end. Typical phases include:

- Project brief and scoping
- Engagement of consultants
- Design – concept stage
- Design development
- Documentation and tender documents
- Tender
- Evaluation and award
- Construction
- Post construction

This gives your QS or contractors everything they need to deliver an accurate cost forecast.

**Make sure you keep a record of the contractor contacts, dates, responses, inclusions, exclusions and key project delivery conditions.**

# What to look for in a quote

The sample below provides an overview of what a quote should contain.

Refer to the Appendix: Further quote considerations for more information.

**Quote number and date**

**Supplier details**  
Company name, logo, contact information, ABN and licence number (if relevant).

**Itemised works**  
Clear breakdown of tasks with GST shown separately.

**Conditions**  
Out of scope items/ exclusions, options, variations or specific contract conditions.

**Expiry**  
The timeframe within which a price quoted remains valid. Essentially this indicates how much time you have to accept the quoted price before it expires and may change due to market fluctuations or other factors.  
Always check the quote's expiry date or terms so you know how long you have to lock in that price. If it's missing - ask!

**Management fees**  
Contractor's management fees can often be 5% or more of the estimated project cost. These fees vary depending on the scope of services and are generally quoted as a lump sum.

**Construction contingency**  
Construction contingency is an amount of money set aside to cover any unexpected costs that may arise during the project delivery phase.  
A minimum construction contingency would normally be approximately 10% of the construction budget for new work.

**Escalation allowance**  
To account for anticipated increases in construction costs over the project lifecycle, typically due to factors like inflation, rising labour costs and material price fluctuations.  
An escalation allowance would normally be approximately 5% of the construction budget.

**QUOTE**

Attn: [Contact Person]  
[Business Name]  
[Address Line 1]  
[CITY STATE POSTCODE]

From: [Business Name]  
[Address Line 1]  
CITY STATE POSTCODE  
Ph: [phone number]  
Email: [email address]  
ABN: [ABN]

Date: [Date of Quote]  
Expiry: [Date Quote Expires]  
Quote no: [Your Quote Number]  
Reference: [Name/Reference]  
RE: Project Scope Details: The following is included in your quotation

Description	
Soil Testing & Footing Designs	\$
Certification	\$
Underground Conduits, Pits & Trenching	\$
Sub-Mains to All Poles & Lighting Control	\$
Poles & Footings	\$
Switchboard Works	\$
Light Fittings & Associated Equipment	\$
Testing & Commissioning	\$
Council Approvals	\$
Tree Removal	\$
Contingency Allowance	\$
Escalation Allowance	\$
Management Fee	\$
Subtotal	\$
Total GST 10%	\$
<b>Total AUD</b>	<b>\$</b>

**Out of Scope/Options/Variations**  
We advise the following is out of scope:  
The following options are not included in this quote but can provide value to your project:

**Terms**  
This quote is valid for 30 days  
Payment terms:

**Please note** that, depending on your project, you may have multiple quotes for services, and not all items may be included. The percentages for contingency, escalation and management fees are provided as examples only and other percentages may be required

When comparing potential contractors or suppliers, ensure you're comparing 'like-for-like' quotes. Check each quote is based on the same specifications, materials and scale making it easier to compare the prices and other conditions.

# Obtaining and reviewing a quantity surveyor estimate

A quantity surveyor (QS) is a construction-cost expert who helps you understand and manage the financial aspects of your build. They prepare detailed cost estimates, often broken into individual trades, so you know exactly what your project will cost at every stage.

## What are quantity surveying services

A QS can tailor their support to your needs. Common services include:

- Cost estimating (known as a QS estimate) – providing an overall project budget in clear categories
- Project cashflow – mapping when payments will be due
- Stage-based estimates for:
  - Concept/early feasibility
  - Detailed design
  - Documentation
  - Pre-tender
- Post-tender evaluation – comparing bids and recommending the best value
- Contract administration – ensuring payments and variations align with your agreement
- Variation and progress-claim assessment – verifying contractor invoices
- Ongoing cost monitoring – regular reports to keep you on track
- Final cost summary – post-project review of actual vs. budgeted costs
- Component schedules – itemised lists for depreciation or asset-management purposes

## Benefit of a QS estimate

A QS estimate provides a reliable estimate of the cost of your project and can be engaged for any type of project. If you are planning a large project, or a have a project with a number of different components, contractors or stages, a QS can be particularly useful.

A QS gives you confidence that your organisation's scope and budget align. Because they work independently of builders and designers, you get accurate budgets based on industry rates and real-world data, and unbiased advice clear of any contractor interests.

A QS estimate may be required to accompany a funding application to confirm the project's budget. An estimate will also be required to support the scope of works when tendering.

With a reliable QS estimate in hand, your organisation can proceed to tender with confidence, knowing you've balanced vision, quality and budget from the outset.

Further detailed QS estimates may be required to be undertaken at each design milestone to capture the design evolution and manage the design within your budget.

**Working with the QS on the estimate is a great opportunity to consider the project cost against the available budget, and adjusting the scope and/or budget as required, before seeking funding or going to tender.**

## What to prepare to get a QS estimate

Before you request a QS estimate, make sure you have prepared your scope of works, delivery mode, contract type and project program. Refer to the [Get prepared section](#) of the guide.

## What is in a QS estimate

A QS estimate generally includes a summary sheet – a concise table that pulls together all relevant cost totals, including:

### Construction costs

- Site works (earthworks, landscaping, drainage)
- Building works
- External services (sewer, power, communications)
- Roadworks and carparks
- Artwork, signage and wayfinding
- Escalation to tender date
- Contingency allowance

**Escalation is an allowance for anticipated cost increases between when your QS prepares the estimate and when you go to tender. It covers things like material price rises, labour rate shifts and supply-chain pressures so your budget stays realistic even if market rates climb.**

### Professional fees

Often listed separately to highlight non-construction items, which may include:

- Project management
- Architect/designer (including civil and structural engineering, and electrical and mechanical engineering)
- Surveying report
- Contour and detail survey
- Environmental engineering
- Flora and fauna study
- Traffic or transport impact study
- Town planning fees
- Access consultant (Disability Discrimination Act) fees
- Geotechnical/soil tests
- Independent commissioned lighting audit and report fees
- Hydraulic engineering study
- Fire engineer report

**QS estimates factor in a level of construction contingency in the event of unforeseen costs. These are likely to be higher for refurbishment works than new works, as there are more unknown factors. A minimum construction contingency would normally be approximately 10% of the construction budget.**

## Other fees and charges

Includes local authority and government levies such as:

- Development application and building approval
- Infrastructure contributions
- Compliance inspections and certification fees

## Provision of services

- Water and sewerage/plumbing
- Electricity

Any other associated costs, which might include:

- Temporary accommodation or site offices
- Relocation costs (if occupied premises must move)
- Workplace health and safety
- Portable long service levy
- Occupational health and safety
- Loose furniture
- Fitout/equipment
- Information technology
- Temporary safety/site fencing
- Financial capacity check

## Exclusions

Any items excluded from the cost estimate.

## Measurements

A QS can also provide useful measurements, such as:

- Gross Floor Area (GFA) plus m<sup>2</sup> rate consisting of:
  - Fully enclosed covered area (FECA) plus an FECA m<sup>2</sup> rate
  - Unenclosed covered area (UCA) plus a UCA m<sup>2</sup> rate
  - Unenclosed area (UA) plus a UA m<sup>2</sup> rate
- Other useful m<sup>2</sup> rates are:
  - Wet area m<sup>2</sup> rates
  - Kitchen m<sup>2</sup> rates
  - Non-wet area m<sup>2</sup> rates
  - Any other cost m<sup>2</sup> rate relative to the project
- Ratio of wet area to non-wet area

## Total

The total project cost - both GST exclusive and GST inclusive.

A QS estimate can also include a trade breakdown that itemises the costs, and itemises the elements by trade or activities.

## How to find a quantity surveyor

Quantity surveyors may be found by contacting the Australian Institute of Quantity Surveyors (AIQS). An AIQS quantity surveyor also means that they are members of the peak body and carry professional indemnity and public liability insurance.

## What is the cost of a quantity surveyor

The cost to engage a quantity surveyor varies depending on project complexity, geographical location, scope of services, and their experience and expertise. However, rates typically range from 0.5% to 2% of the total project cost.

## Significant projects and QS updates

For significant projects, QS estimates may be needed for the different phases of the project. Starting with an initial estimate based on your concept or master plan so you can test your budget and determine other funding partners.

Once your detailed design is complete, an updated QS estimate can provide a precise cost picture ahead of tender. Then as the project develops, it is beneficial to keep the QS up to date with any changes to the project. Examples of some things that could lead to change include:

- Plan revisions (layouts, elevations or specifications)
- Structural updates (foundations, footings or framing)
- Material, finish or equipment swaps
- Any consultant-led design changes

Regular updates ensure your QS estimate stays aligned with reality and keeps your budget on track.



## Appendix: Further quote considerations

This table highlights key considerations and sample questions for seeking and assessing quotes. Because every project differs in complexity, location and resourcing needs, you may need to weigh up other factors too. Treat the list as a prompt to steer your discussions with potential contractors, not a complete checklist.

Consideration	Description	Questions to ask
<b>Scope of works</b>	A detailed list of what work will be done, including materials, labour and any extra costs.	<ul style="list-style-type: none"> <li>• Can you provide a detailed breakdown of the work?</li> <li>• Are there any costs that might come up later?</li> </ul>
<b>Licensing and credentials</b>	Builders and contractors must have the right licences to operate legally in your state.	<ul style="list-style-type: none"> <li>• Are you licensed for this type of work in Queensland/Australia?</li> <li>• Can I see your licence and registration details?</li> <li>• Are you a member of an industry association (for example, Master Builders or HIA)?</li> <li>• Are you licensed/registered with the Queensland Building and Construction Commission (QBCC)?</li> </ul>
<b>Insurance and compliance</b>	Ensures the contractor has the necessary coverage to protect against liabilities and accidents.	<ul style="list-style-type: none"> <li>• Do you have insurance for workers, public liability, professional indemnity and property damage?</li> <li>• Do you have workers' compensation insurance?</li> <li>• Can you provide certificates of currency?</li> </ul>
<b>Inclusions and exclusions</b>	Some work or materials may not be included in the quote, leading to extra costs later. Seek clarity to ensure the scope of the project works are accounted for.	<ul style="list-style-type: none"> <li>• What is included in this quote?</li> <li>• What is not included that I should be aware of?</li> <li>• Will I need to arrange for anything separately, like rubbish removal or permits?</li> </ul>
<b>Project timeline</b>	The expected start and finish dates, plus how delays will be handled.	<ul style="list-style-type: none"> <li>• When will you start and how long will it take?</li> <li>• What happens if there are delays?</li> <li>• How will I be updated on progress?</li> </ul>
<b>Freight</b>	Covers transportation costs for materials and equipment to the site.	<ul style="list-style-type: none"> <li>• Does the quote include freight and delivery costs?</li> <li>• What happens if there are freight delays?</li> <li>• Who is responsible for extra delivery charges?</li> </ul>
<b>Changes and cancellation costs</b>	Additional costs that may arise if the project is delayed, changed or cancelled.	<ul style="list-style-type: none"> <li>• What happens if I need to cancel the contract?</li> <li>• Will I be charged for delays outside of my control?</li> <li>• Are there penalties for changing the project scope?</li> <li>• How do you handle changes to the project after we start?</li> <li>• How will extra costs be approved?</li> </ul>
<b>GST and legal compliance</b>	Ensuring the quote includes GST (if applicable) and follows Australian consumer protection laws.	<ul style="list-style-type: none"> <li>• Does this quote include GST?</li> <li>• Does this contract comply with Australian Consumer Law?</li> </ul>
<b>Excepted risks</b>	Risks that the contractor is not responsible for, such as natural disasters or unforeseen circumstances.	<ul style="list-style-type: none"> <li>• What risks are excluded from the contractor's responsibility?</li> <li>• How will unexpected issues be handled?</li> </ul>

Consideration	Description	Questions to ask
<b>Practical completion and defects liability period</b>	Practical completion means the project is finished and ready for use. The defects liability period is a set time where the contractor must fix any issues.	<ul style="list-style-type: none"> <li>• How do you define “practical completion”?</li> <li>• How long is the defects liability period and what does it cover?</li> <li>• How do I report defects after completion?</li> </ul>
<b>Access details</b>	Specifies when and how the contractor can access the site to perform work.	<ul style="list-style-type: none"> <li>• When will you need access to my property?</li> <li>• Do I need to provide anything, like keys or codes?</li> </ul>
<b>Damages</b>	Covers financial responsibility if damage occurs to property or materials.	<ul style="list-style-type: none"> <li>• Who is responsible if damage occurs to my property?</li> <li>• What happens if the work causes damage to a neighbour's property?</li> </ul>
<b>Storage</b>	Specifies where materials will be stored on-site or off-site during the project.	<ul style="list-style-type: none"> <li>• Where will materials and tools be stored?</li> <li>• Who is responsible if stored items are damaged or stolen?</li> </ul>
<b>Warranty conditions</b>	Covers repairs or replacements if something goes wrong after the work is completed.	<ul style="list-style-type: none"> <li>• What is covered under warranty and for how long?</li> <li>• What voids the warranty?</li> <li>• How do I make a claim if there's an issue?</li> </ul>
<b>Dispute resolution</b>	Outlines how disputes will be handled if disagreements arise.	<ul style="list-style-type: none"> <li>• What is the process if we have a disagreement?</li> <li>• Will mediation or arbitration be required before legal action?</li> </ul>
<b>Product specifications</b>	Details the specific materials, brands and products to be used in the project.	<ul style="list-style-type: none"> <li>• Can you provide a list of product specifications?</li> <li>• Can I request changes if I prefer a different product or brand?</li> </ul>
<b>Notices</b>	How official communications between you and the contractor will be handled.	<ul style="list-style-type: none"> <li>• How will I be notified about changes or important updates?</li> <li>• What happens if I need to send a formal notice?</li> </ul>
<b>Progress payments</b>	Payments made at different stages of the project rather than all upfront.	<ul style="list-style-type: none"> <li>• What are the payment stages and payment timeframes?</li> <li>• What happens if I delay or miss a payment?</li> <li>• Will I receive an invoice before each payment is due?</li> </ul>
<b>Terms and conditions</b>	The legal terms governing the contract, including responsibilities, liabilities and obligations.	<ul style="list-style-type: none"> <li>• Can I have a copy of the full terms and conditions?</li> <li>• Are there any specific conditions I should be aware of?</li> </ul>
<b>Import control and customs duty</b>	Relates to costs and restrictions for imported materials.	<ul style="list-style-type: none"> <li>• Are any imported materials being used in this project?</li> <li>• Do I need to pay extra for import taxes or customs duties?</li> <li>• Are there additional time constraints on the delivery of imported goods?</li> </ul>
<b>Patent and copyright</b>	Covers ownership of designs, drawings and intellectual property.	<ul style="list-style-type: none"> <li>• Who owns the rights to the designs and plans?</li> <li>• Can I use these plans for future projects?</li> </ul>
<b>Ownership</b>	Clarifies who owns materials and completed work at different stages of the project.	<ul style="list-style-type: none"> <li>• When do I officially own the materials and completed work?</li> <li>• Do I need to pay in full before ownership transfers to me?</li> <li>• Will I be provided with Operational Manuals?</li> </ul>
<b>Working hours</b>	Defines the allowed work hours to minimise disruption.	<ul style="list-style-type: none"> <li>• What are your standard working hours?</li> <li>• Can you work outside these hours if needed?</li> <li>• How will noise and disruption be managed?</li> </ul>