



**BUILD COST**  
CHARTERED QUANTITY SURVEYORS



# FIRST HALF 2018 CONSTRUCTION COST GUIDE

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*Dear Colleague,*

## Managing your Construction Budgets.

Construction tender prices continue to rise as per the latest tender indices produced by the Society of Chartered Surveyors Ireland (SCSI). This is reflective of the recovery in the construction industry that has taken place over the past couple of years. It is particularly evident in the City Centre, where circa 80Nr tower cranes dot the landscape. Commercial projects continue to proceed at pace with tenants taking space.

Whilst this recovery is much welcomed, it does present its own challenges. Indeed, the SCSI forecast that inflation for the first half of 2018 will rise by a further **3.1%**. Delivering value for money schemes against the backdrop of inflation, Brexit, recent Sectoral Employment Order (SEO) and pressure of increasing wages will require critical input and knowledge from the entire construction team. The Quantity Surveyor can play a key role in delivering value by taking the lead in value engineering. This is something that we at Buildcost are passionate about and have extensive knowledge in.

The ongoing housing crisis shows very little signs of abating. Whilst the commitment by the Government to invest in providing 1,500 new social housing units via the Public Private Partnership model (PPP) is welcomed, the pace of delivering these units is too slow. If the current lack of housing supply continues, it may impact negatively in attracting companies hoping to relocate here from Britain as there will be nowhere for their staff to live.

Within the pages of this booklet, you will find an overview on current construction costs. These figures are presented as a range of costs. Where your construction project falls within this range will depend on a number of factors.

The information contained with this booklet is a **guide only**. If you would like to know more specific information, please don't hesitate to contact us for a consultation. We believe that our strict cost and value management processes will allow you to maximise your investment.

We successfully provide our services to a broad range of clients including developers, REITs, public bodies, financial institutions, tech companies, agents and top tier contractors etc.

We provide a friendly, professional service and adopt a partnership approach that ties our own success to that of our clients. So why not talk to us today and ensure your construction budgets are strictly managed.

## Buildcost Quantity Surveyors

Contact Buildcost today on +353 (0) 1 6857 219  
or log on to [www.buildcost.ie](http://www.buildcost.ie)



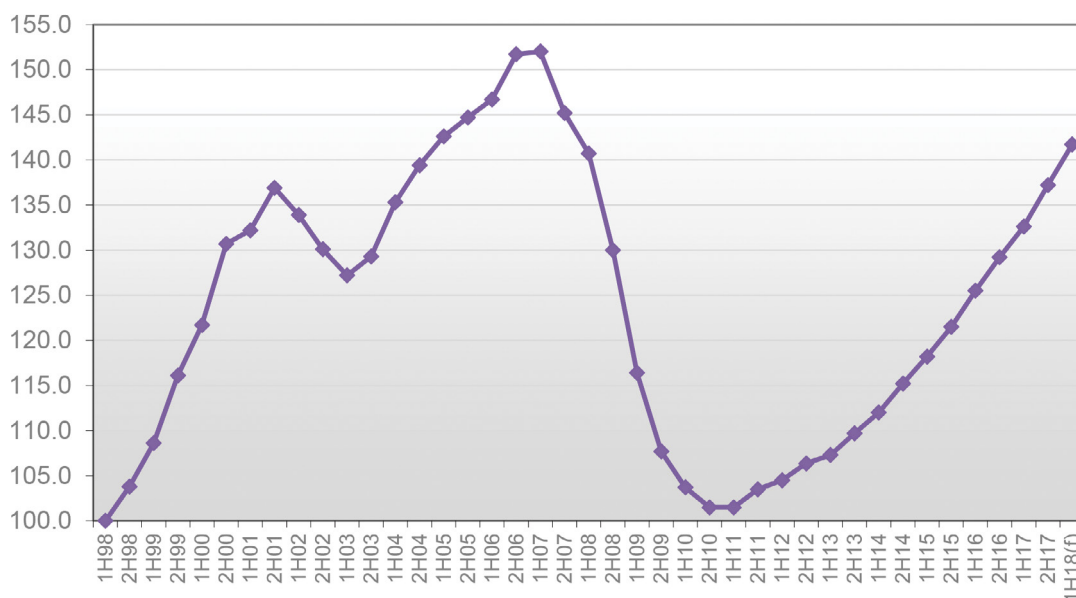
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## SCSI TENDER INDICES

The recent Tender Indices as produced by the SCSI for the Second Half of 2017 shows an increase of **3.6%** over the second half of 2017. The pace of the increase is slightly higher than the previous 6 months in 2017. The overall increase for 2017 is **6.3%**.



First Half 1998	100.0	First Half 2005	142.6	First Half 2012	104.5
Second Half 1998	103.8	Second Half 2005	144.7	Second Half 2012	106.4
First Half 1999	108.6	First Half 2006	146.7	First Half 2013	107.3
Second Half 1999	116.1	Second Half 2006	151.7	Second Half 2013	109.7
First Half 2000	121.7	First Half 2007	152.0	First Half 2014	112.0
Second Half 2000	130.7	Second Half 2007	145.2	Second Half 2014	115.2
First Half 2001	132.2	First Half 2008	140.7	First Half 2015	118.2
Second Half 2001	136.9	Second Half 2008	130.0	Second Half 2015	121.5
First Half 2002	133.9	First Half 2009	116.4	First Half 2016	125.5
Second Half 2002	130.1	Second Half 2009	107.7	Second Half 2016	129.2
First Half 2003	127.2	First Half 2010	103.7	First Half 2017	132.6
Second Half 2003	129.3	Second Half 2010	101.5	Second Half 2017	137.4
First Half 2004	135.3	First Half 2011	101.5	First Half 2018 (F)	141.7
Second Half 2004	139.4	Second Half 2011	103.5		

**Source:** Society of Chartered Surveyors Ireland

## BUILD COST COMMENTARY ON THE RECENT SCSi TENDER INDICES



The recent Tender Indices as produced by the SCSi for the Second Half of 2017 shows an increase of **3.6%**. The pace of the increase is slightly higher than the previous 6 months in 2017. The overall increase for 2017 is **6.3%**. It is forecasted by the SCSi that tender rates will increase by **3.1%** for the first half 2018.

The main reason for the continued increases are due to a shortage of resources available to contractors and sub-contractors coupled with the steady increases in construction activity. There is mounting pressure to increase labour wages. The new sectoral employment order (SEO) provides new mandatory terms for pay, pensions, sick leave etc., and its increased labour costs. There is also a possible mechanical workers SEO coming down the tracks. The uncertainty surrounding Brexit has led to exchange rate fluctuations which in turn have led to some material prices increasing. The combination of these factors will continue to put pressure on tender prices and is likely to see this trend continue in the short term.

There is a significant housing crisis in the country. Even though there is a significant requirement for residential units, there continues to be a severe supply shortage. This is mainly due to the prohibitive cost of delivering new residential units and in particular, new apartments. There are significant costs in complying with current regulations such as part M (disabled access), part L (sustainability), dual aspect views, apartment sizes etc. These factors are driving a high construction cost which is affecting the commercial viability of such projects. The construction cost of a dwelling equates to just over 50% of the total cost. Developer's costs such as site values, contributions, fees, VAT etc. are compounding the delivery cost. Consumer affordability is also an issue particularly in relation for the central bank regulations surrounding the amounts that people can borrow.

In addition to cost, the lengthy planning process combined with the time required to tender and construct these projects ensure that this chronic housing shortage will not be resolved quickly. Modular forms of construction may assist with delivering units quicker.

There continues to be a strong demand for Grade A office space in the City Centre. A large number of new commercial projects are currently under construction in Dublin, with more offices planned. There is a significant amount of refurbishment of existing office space also taking place to bring up to Grade A status. This demand for offices is extending to the more suburban locations, particularly areas that are well served with good quality infrastructure. The Industrial sector is also performing strongly.

Major Government expenditure on construction and infrastructure projects such as the National Children's Hospital, Grangegorman and Social Housing will continue to increase work opportunities for contractors. Ireland 2040 plan announcement by the government will assist the industry as a whole through social housing, urban regeneration, schools, transport investment etc.

We expect the trend of increasing construction tender rates to continue into the foreseeable future. Despite these increases, tender rates remain very competitive and are still some **10%** below their peak in 2007.



## CONSTRUCTION COST GUIDE

Our construction cost guide sets out typical building costs prepared from our experience and cost database. The cost ranges are representative of standard specifications and should be used as a **guidance only**. These costs **exclude** FF&E, siteworks, VAT, professional fees, future inflation and other developer costs etc.

Commercial Offices	Cost Range €
Sub Urban Offices - Naturally Ventilated	1,550 - 1,900 per m2
City Centre Offices - Air Conditioned	2,200 - 3,000 per m2
Office Fit Outs (Excludes Corporate HQ) (See refurbishment figures below)	450 - 1,450 per m2
Refurbishment / Fit-Out Works	Cost Range €
Minor upgrade of internal finishes	450 - 700 per m2
New internal finishes, new cellularisation and upgrade of mechanical & electrical works	700 - 1,100 per m2
New internal finishes, new cellularisation, new mechanical & electrical works and facade enhancement works	1,100 - 1,450 per m2
Refurbishment / Fit-Out Works to existing Georgian Buildings	3,000 - 6,000 per m2
High Tech Industrial Units	Cost Range €
Warehouse with no Office - Low Specification	700 - 800 per m2
Warehouse with 10% Office - Medium Specification	750 - 900 per m2
Warehouse with 10% Office - High Specification	900 - 1,050 per m2
Retail	Cost Range €
Shopping Centre - Anchor Unit	900 - 1,100 per m2
Shopping Centre - Shop Unit	1,100 - 1,400 per m2
Shopping Centre - Covered Mall	2,200 - 3,000 per m2

Buildcost have been appointed by United Fish Industries to provide Quantity Surveying and Project Management services for a major and complex redevelopment project on our site.

We have found Buildcost to be highly professional, robust in defending budgets and getting maximum value for their client. They have constantly met deadlines, driven programmes and kept to their commitments. We look forward to working with them in the future.

**Frank Trearty**, Manager, United Fish Industries

Site Development Works	Cost Range €
Roads, Footpaths, Enclosed and Services	120 - 200 per m2
Civic / Public Realm Areas	500 - 800 per m2
Education	Cost Range €
Primary Level (DOE allowance)	1,128 per m2*
Secondary Level (DOE allowance)	1,128 per m2*
Sports Hall (DOE allowance of 30% uplift on basic building costs)	1,466 per m2
Third Level (Excludes FF&E)	1,950 - 2,500 per m2

\*Basic Building Costs Only - External Allowance Of 12.5% And Abnormal Costs To Be Added

Leisure	Cost Range €
Hotel - 3 Star	2,000 - 2,500 per m2
Hotel - 4 Star	2,200 - 2,800 per m2
Hotel - 5 Star	2,600 - 3,000 per m2
Swimming Pool / Leisure Centre	2,000 - 2,800 per m2
* All Of The Above Figures Exclude FF&E	

Health	Cost Range €
Primary Care Centre	1,750 - 2,100 per m2
Hospital	3,000 - 3,800 per m2

\* Health Budgets Exclude Medical Equipment

Residential	Cost Range €
Terraced Houses	1,000 - 1,200 per m2
Semi Detached Houses	1,050 - 1,300 per m2
Apartments	1,750 - 2,500 per m2
Crèche "Grey Box"	900 - 1,200 per m2
SCSI House Rebuilding Guide	(See page 4)

Carparks	Cost Range €
Surface Car Parks	3,000 - 4,000 per space
Multi Story Car Parks	14,000 - 18,000 per space
Single Basement Car Park	45,000 - 55,000 per space
Double Basement Car Park	50,000 - 65,000 per space

\* Carpark Costs Will Depend On Efficiencies

## SCSI HOUSE REBUILDING GUIDE

This guide is intended to assist you in insuring your home and briefly explains some of the more important aspects of house insurance. It also seeks to emphasize the importance of adequately insuring what is probably your most valuable possession. Remember that home insurance policies differ, some covering more than others; hence the importance of examining your policy carefully and insuring for the correct amount.

House type	No. of bedrooms	Typical size	DUBLIN AREA Rebuilding cost	CORK AREA Rebuilding cost	GALWAY AREA Rebuilding cost	WATERFORD AREA Rebuilding cost	LIMERICK AREA Rebuilding cost	NORTH WEST AREA Rebuilding cost	NORTH EAST AREA Rebuilding cost
Terraced	2	70 sq m	€1,984 sq.m	€1,593 sq.m	€1,529 sq.m	€1,501 sq.m	€1,543 sq.m	€1,305 sq.m	€1,570 sq.m
		(753 sq ft)	€184 sq.ft	€148 sq.ft	€142 sq.ft	€139 sq.ft	€143 sq.ft	€121 sq.ft	€146 sq.ft
	3	95 sq m	€1,897 sq.m	€1,510sq.m	€1,465 sq.m	€1,419 sq.m	€1,460 sq.m	€1,231 sq.m	€1,483 sq.m
		(1,023 sq ft)	€176 sq.ft	€140 sq.ft	€136 sq.ft	€132 sq.ft	€136 sq.ft	€114 sq.ft	€138 sq.ft
Semi-detached	3	95 sq m	€1,968 sq.m	€1,532 sq.m	€1,505 sq.m	€1,439 sq.m	€1,476 sq.m	€1,242 sq.m	€1,566 sq.m
		(1,023 sq ft)	€183 sq.ft	€142 sq.ft	€140 sq.ft	€134 sq.ft	€137 sq.ft	€115 sq.ft	€145 sq.ft
	4	118 sq m	€1,929 sq.m	€1,510 sq.m	€1,430 sq.m	€1,415 sq.m	€1,422 sq.m	€1,227 sq.m	€1,442 sq.m
		(1,270 sq ft)	€179 sq.ft	€140 sq.ft	€133 sq.ft	€131 sq.ft	€132 sq.ft	€114 sq.ft	€134 sq.ft
Detached	4	118 sq m	€1,929 sq.m	€1,559 sq.m	€1,475 sq.m	€1,458 sq.m	€1,495 sq.m	€1,238 sq.m	€1,512 sq.m
		(1,270 sq ft)	€179 sq.ft	€145 sq.ft	€137 sq.ft	€135 sq.ft	€139 sq.ft	€115 sq.ft	€140 sq.ft
Detached Bungalow	4	146 sq m	€1,857 sq.m	€1,516 sq.m	€1,413 sq.m	€1,364 sq.m	€1,491 sq.m	€1,195 sq.m	€1,468 sq.m
		(1,572 sq ft)	€173 sq.ft	€141 sq.ft	€131 sq.ft	€127 sq.ft	€139 sq.ft	€111 sq.ft	€136 sq.ft

Garage: Total rebuilding costs range from €14,443 for a single attached garage to €25,983 for a double attached garage.

This table is a guideline based on a typical speculatively built, estate-type house in the Dublin, Cork, Galway, Waterford, Limerick, North West and North East regions. These figures are August 2017 figures. See important notes below.

1. The figures shown in the table are a **MINIMUM** base cost guide for your house insurance
2. The figures assume a standard quality specification with normal foundations, timber frames or brick/block walls, concrete tiled roof, concrete ground floor and timber first floor, softwood flush doors and hardwood double glazed windows, painted plaster to walls, plastered ceilings, standard electrics and central heating. The sum insured should be increased to allow for better than average kitchen fittings, built-in wardrobes, finishes and any other items not normally included in an estate-type house.
3. House contents such as carpets, curtains, furniture, etc., are not covered by the figures.
4. No allowance has been made for the cost of outbuildings or patios. The figures do, however, allow for a concrete path around the house, for driveway and regrassing and fencing.



## SCSI HOUSE REBUILDING GUIDE



5. The figures allow for demolition costs, professional fees incurred in reinstatement and VAT at 13.5% on building costs and 23% on professional fees.
6. The amounts included for professional fees have been calculated to cover the following services:
  - Building Surveyor/Architect: prepare working drawings and specification, and administer the building contract.
  - Chartered Quantity Surveyor: invite and examine tenders, process payments and agree final account. Engineer: advice on structural issues.
  - Fees associated with the certification of the house under the Building Control (Amendment) Regulations 2014.
7. The costs are based on building rates in August 2017.

More information can be found at [https://www.scsi.ie/advice/house\\_rebuilding\\_calculator](https://www.scsi.ie/advice/house_rebuilding_calculator)



the mark of  
 property  
 professionalism  
 worldwide

Buildcost act as Twitters client representative on the refurbishment and fit out of our new head offices.

Buildcost continuously challenge the design, programme, scope and budgets. Their professional manner, independent advice and management contracting experience ensures Twitters interests are maintained throughout the project.

Buildcost continuously keep us updated on the project through bespoke reporting procedures which is of huge benefit to us. Buildcost are delivering very successful outcomes in relation to costs, programme and quality issues. Buildcost are ensuring we are obtaining value for money on the project.

We look forward to continuing our relationship with Buildcost in the future

**Sean Boyle**, Manager, REW EMEA @ Twitter

## PLANNING AND FIRE CERTIFICATE CHARGES 2018

Planning Charges	Charges
Provision of dwelling house or apartment	€65 for each dwelling
Domestic extension / other improvements	€34 for each dwelling
Other buildings (i.e. offices, commercial etc.)	€80 or €3.60 per m <sup>2</sup> (whichever is greater) up to a maximum of €38,000
Use of land as golf or pitch & putt course	€50 per hectare
Outline Planning Permission	75% of full planning permission charge up to a maximum of €28,500
Retention Application	Maximum charge of €125,000

The above planning charges are based on Dublin City Council charges and excludes development levies such as contributions towards road, water, sewerage, parks and other facilities provided by the council.

Fire Certificate Charges	Charge
Standard Application	€125 or €2.90 per m <sup>2</sup> (whichever is greater) up to a maximum of €12,500
A Seven Day Notice Application	€250 or €5.80 per m <sup>2</sup> (whichever is greater) up to a maximum of €25,000
A Regularisation Fire Safety Certificate Application	€500 or €11.60 per m <sup>2</sup> (whichever is greater) up to a maximum of €50,000

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or log on to [www.buildcost.ie](http://www.buildcost.ie)

## CHARLEMONT SQUARE DUBLIN 2

Just Beginning...



A landmark city centre regeneration development situated between Charlemont Street, Richmond street and the Grand Canal.

The development is comprised of circa 185nr apartments over 3 blocks, 25,000m<sup>2</sup> of office space over 2 blocks, 2,500m<sup>2</sup> of retail space on ground floor and basement carparking for 400 spaces under the entire scheme (double level in parts). The development also includes all public realm and landscaping works.

LEED Platinum and NZEB are being targeting on these buildings.

The works will include the demolition of all existing structures / flats on site and significant enabling works.

The contractor has commenced the demolition, piling and basement excavation on site.

Client







## 55 SOUTH WILLIAM STREET DUBLIN

## Under Construction...



55 South William Street is a 4 storey mid terrace building over basement. It is ideally located close to Dublin's thriving Grafton Street. Situated in the heart of Dublin's retail and leisure core within the Creative Quarter. A wide array of cafés, bars and restaurants are located nearby. All forms of public transport including Luas & Dublin Bikes are within walking distance.

An enabling works / strip out works package has recently been completed.

The next phase of the works will include a complete refurbishment and extension to the existing building. The proposed accommodation includes café / restaurant at basement, ground and 1st floors and CAT A office to 2nd and 3rd floors. The building is a protected structure and the key challenge is upgrading the existing structure for its future use while being sympathetic to the original fabric of the building.

Client





## FFRENCH MULLEN HOUSE DUBLIN 2

Just Completed...



The lack of social and affordable housing is a huge issue currently. This regeneration is the only major public-private partnership housing deal to survive the property crash. The aim is to assist with the housing crisis and create a “high quality mixed use and mixed tenure neighbourhood” which the city council wants to integrate “into the social, economic and physical fabric of the city”.

The works included the construction of 79Nr residential units over ground floor retail and commercial space, a single level basement 4,000m<sup>2</sup> and a community centre. The project also included all associated site development works. This project was practical completed in December 2017.

Client





## ABOUT BUILD COST

Buildcost are a Chartered Quantity Surveying practice based in Dublin, Ireland. Buildcost was established by founding directors Liam Langan and Jason Tully.

We are experts in providing cost consulting on construction and refurbishment projects. We have a strong team of highly motivated and professional quantity surveyors and support staff in our Dublin head office.

We offer our clients unique advantages over our competitors through our specialist value engineering service. This service is focused on reducing costs without impacting on the quality of the design.

Buildcost takes the time to understand the clients' particular requirements at the outset of the project and we tailor our services to suit the specific needs. We understand that no two projects are identical.

## WHAT SETS US APART

We have a proven track record for delivering considerable cost savings on large scale projects through our in depth analysis of the key cost drivers and in particular our expertise in value engineering and building efficiencies. The cost savings achieved on previous projects far outweigh our fees.



Jason Tully & Liam Langan

## BUILD COST CULTURE

There are three pillars that make Buildcost stand out...



**GREAT  
PEOPLE**



**GREAT  
CLIENTS**



**GREAT  
WORK**



## Notes:

## Buildcost Quantity Surveyors

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