Building Standards

Midlothian Cost Index (v11)

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www.midlothian.gov.uk/buildingstandards

How to estimate the cost of building works (required to work out the fee for a building warrant application)

INTRODUCTION

This document will help you calculate the cost of building works. Three methods for obtaining costs are described. The most commonly used is the Midlothian Cost Index.

1. MIDLOTHIAN COST INDEX

a) The minimum estimated cost of proposed works can be calculated using the Midlothian Cost Index as follows:

Estimated cost of works = total floor area x estimated cost per square metre

The total floor area is calculated from the total inner floor area (enclosed by walls) of the proposed construction or extension. The estimated cost per square metre $(£/m^2)$ for your type of proposal can be obtained from Table 1 Domestic or Table 2 Non Domestic below.

Example calculation:

Construction of a one off, single storey house, with a total floor area of 120 square metres.

Minimum estimated cost $(f/m^2) = 1815$ (from Table 1 below)

Estimated cost of works = total floor area x estimated cost per square metre

Estimated cost of works = 120 x 1815 = £217,800

The fee for the application for Building Warrant approval should be based on a value of work of £217,800. The Building Warrant fee would be £1652 (see the Building Standards Fee Table, which can be downloaded from the 'Building Standards Fees' link of our website).

b) When we receive a building warrant application, we check that the estimated costs meet the minimum detailed in the Midlothian Cost Index calculation. If the estimated cost is less than this calculation, you will be requested to provide evidence of the costings used.

2. USING PUBLISHED COSTS

It is possible to use figures published by recognised bodies, such as the Royal Institute of Chartered Surveyors (RICS), to undertake the process as detailed above.

3. FULL BREAKDOWN OF COSTS

Provide a full and accurate breakdown of the estimated cost of the work.

In calculating the value of the works, you must use normal market costs rather than any discounted costs that you might be able to achieve. For example, even if the labour was unpaid because it is a self-build project, the value of the building work should still include a fair assessment of the value of labour had commercial contractors undertaken the work. Material costings must also be at fair market value.

If you require further assistance, please email <u>building.standards@midlothian.gov.uk</u>.

Table 1. Minimum estimated costs for domestic works (houses and flats)

		Minimum estimated cost (£/m²)
1	Single storey one off housing (up to 3 units)	1815
2	Multi storey one off housing (up to 3 units)	2146
3	Single storey estate housing	1401
4	Two storey estate housing	1206
5	Three storey estate housing	1286
6	Housing conversions involving major internal work (assume structure intact)	1612
7	Single storey extension and conservatories	1815
8	Multi storey extension	2146
9	Garages/outbuildings (generally and un-heated)	413

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Table 2. Minimum estimated costs for non-domestic works (commercial, industrial and agricultural)

		Minimum estimated cost (£/m²)
1	Agricultural buildings (generally)	756
2	Factories (generally)	1034
3	Purpose built factories/offices	874
4	Warehouses/stores (generally)	906
5	Offices (generally)	1911
6	Retail warehouses (generally)	879
7	Supermarkets (generally)	1534
8	Shops (generally)	1515
9	Health centres/clinics (generally)	2279
10	Nursing homes	1840
11	Restaurants	2520
12	General purpose halls	1988
13	Schools (generally)	2250
14	Office conversions involving major work	1159
15	Shop conversions involving major work	1098
16	Warehouse/stores conversions involving major work	609
17	Public houses conversions involving major work	1753

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