

National Engineering 2018

at IMPACT Muang Thong Thani, Nonthanburi,
Thailand

International Forum

EIT Standard Cost Code & ICMS Cost Code for International Mega Project Management

14:15 – 16:15, 1 November 2018

Presentation by
Surveyor TANG Ki-cheung, FHKIS, FHKIVM, FCECA



EIT = The Engineering Institute of Thailand under H.M. The King's Patronage
ICMS = International Construction Measurement Standards

Surveyor TANG Ki-cheung, FHKIS, FHKIVM, FCECA

Mr. TANG Ki-cheung is a professional quantity surveyor with over 42 years' experience and has handled over 860 projects.

He is a fellow member of The Hong Kong Institute of Surveyors, the Hong Kong Institute of Value Management, and the China Engineering Cost Association.

He is the Managing Director of K C Tang Consultants Ltd. (Quantity Surveyor : Construction Cost and Contract Consultants) in Hong Kong.

He has served the education, accreditation and building information modelling committees of the Hong Kong Institute of Surveyors and the Pacific Association of Quantity Surveyors.

He has drafted Hong Kong's Standard Form of Contract for Maintenance and Renovation Works, chaired the drafting of Hong Kong's Standard Contracts Provisions for Domestic Subcontracts.

He is a member of the Standards Setting Committee responsible for the drafting of the International Construction Measurement Standards with the first edition on capital costs released in July 2017 and with the second edition covering life cycle costing to be released soon for consultation.

Need for Pre-construction Estimates

- Know the costs for investment decisions:
 - Calculate land bid price
 - Calculate acceptable rental
 - Evaluate the feasibility of the investment
- Establish a project (development) budget
- Obtain funding
- Borrow money from the bank
- Formulate a design brief which defines the scope and standard of the project
- Monitor the design development to control the costs within budget

Best Time to Plan and Control the Costs

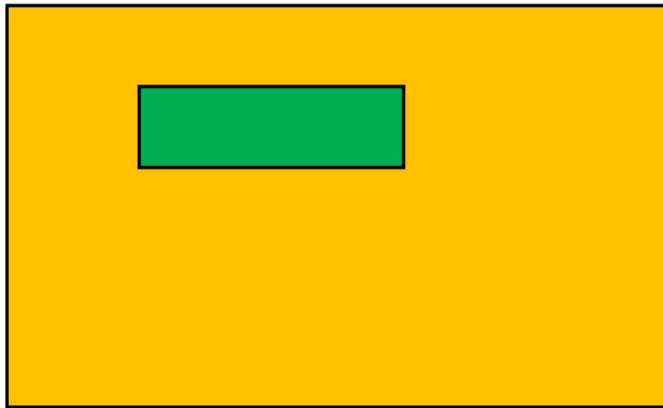
- As early as possible during the development process
- Better chances to make design changes to find a better solution
- To reduce abortive design costs

Ways to Calculate the Cost Estimates

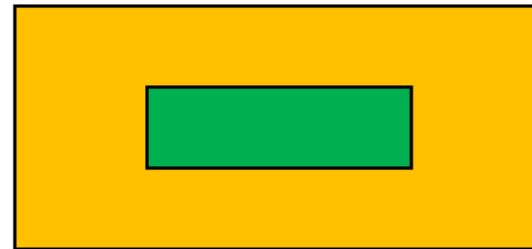
- Estimates should be done using expedient methods, approximations and shortcuts to reduce estimating time and costs in order to afford more estimates
- By cost per floor area estimates
- By measuring the most significant cost parameters
- By measuring elemental quantities
- By measuring approximate quantities
- By pricing the bills of quantities ready for issuance or already issued for tendering

Cost Geometry

SAME BUILDING



Big site



Small site

Costs of site works and external works very different between the two schemes.
They must be separated for cost estimating.

Cost Geometry



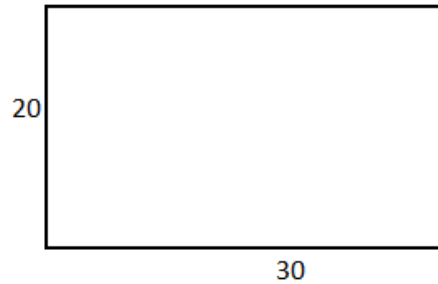
One-storey building



Two-storey building

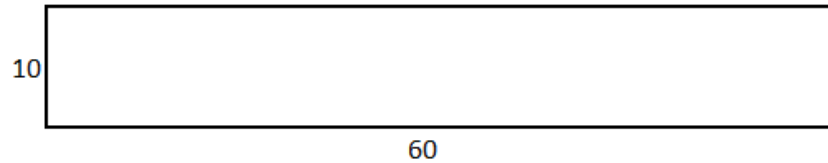
Floor area doubled.
Roof costs the same.
Substructure costs would not be doubled.
Costs of roof and substructure must be separated.

Cost Geometry



$$\text{Area} = 20 \times 30 = 600$$

$$\text{Perimeter} = (20 + 30) \times 2 = 100$$



$$\text{Area} = 10 \times 60 = 600$$

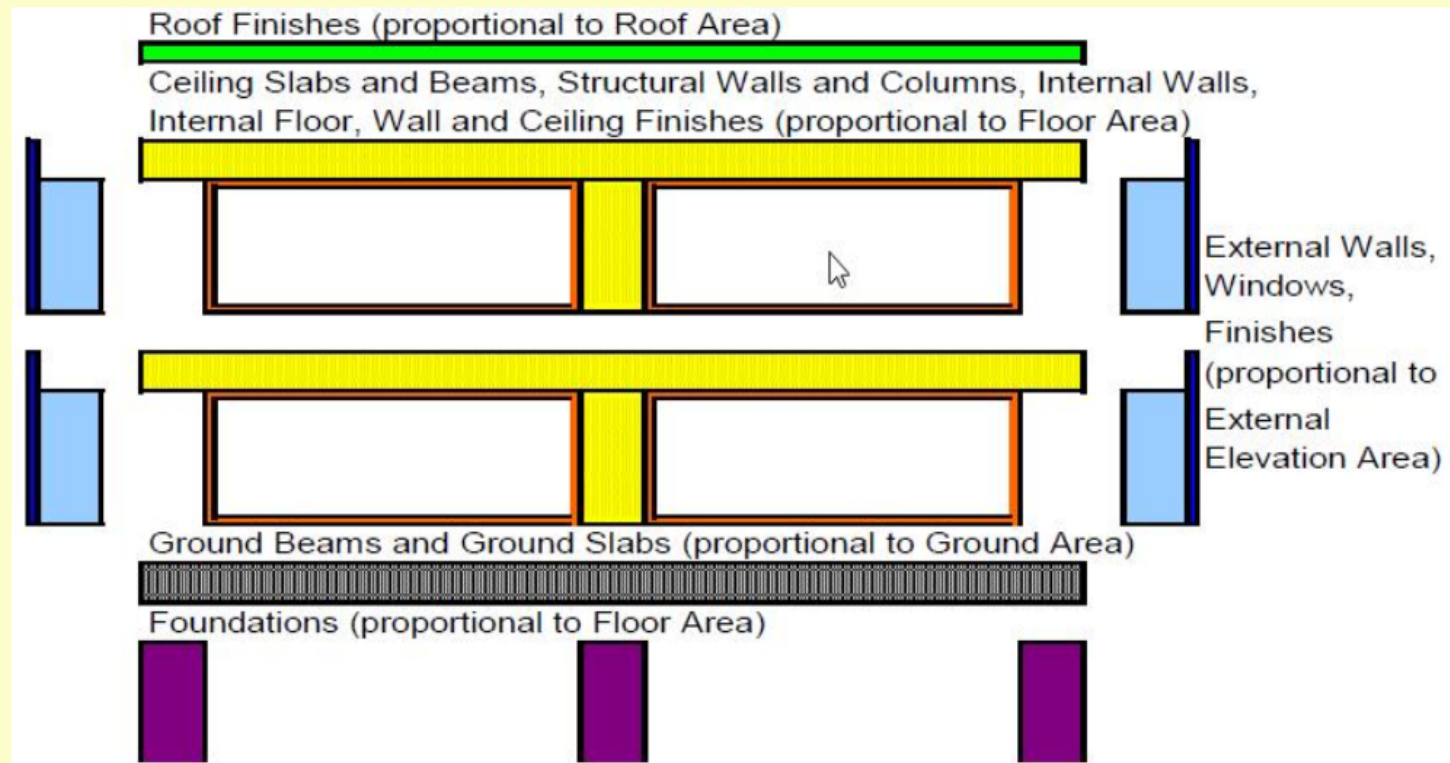
$$\text{Perimeter} = (10 + 60) \times 2 = 140$$

Perimeter / elevation areas different for the same floor area.

Costs of elevations must be separated.

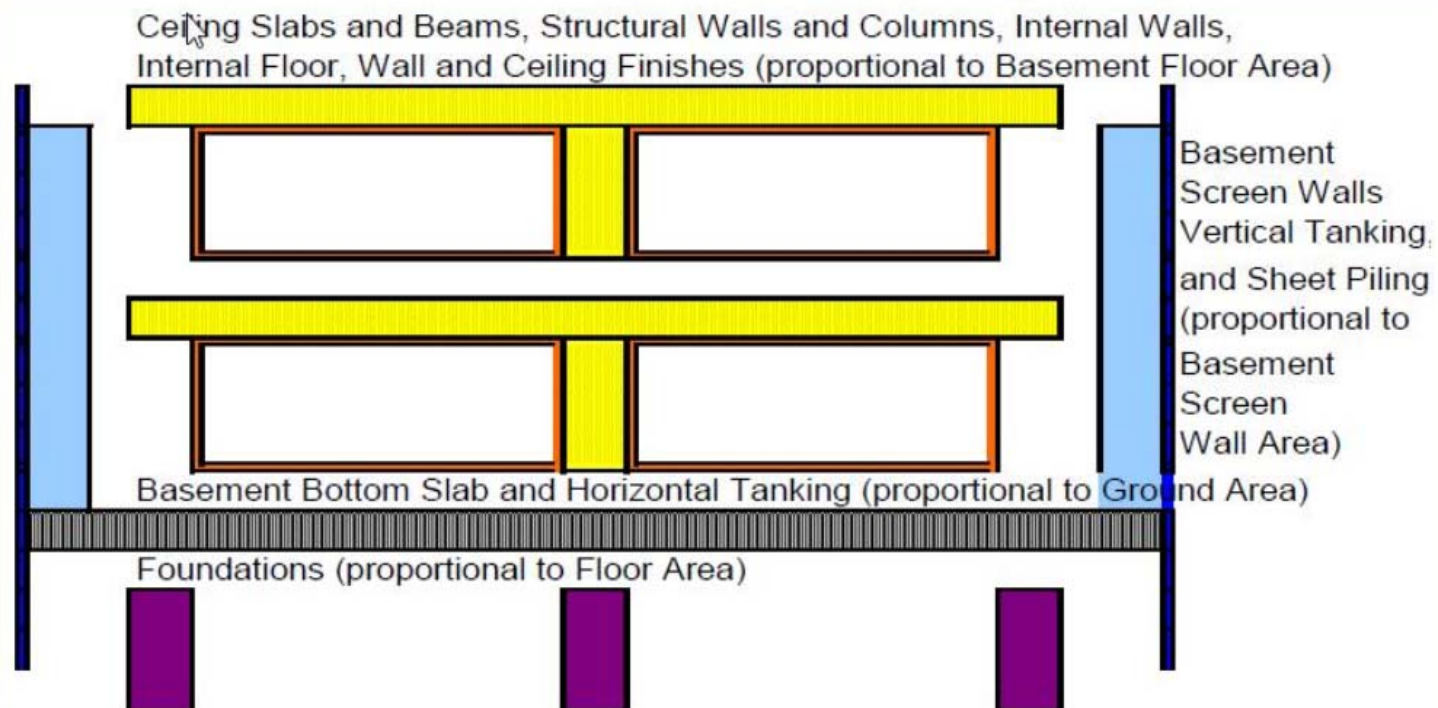
Cost Geometry

Without basement



Cost Geometry

Basement



Cost Parameters

To enable quick estimating and to benchmark project costs:

- Floor Area
- Ground Area and Roof Area
- External Elevation Area
- External Area
- Number of equipment
- Refrigeration Tonnage
- Other elemental quantities

Elemental Cost Classifications

- Many countries have elemental cost classification standards
- Hong Kong government projects use the elemental unit costs to benchmark new projects for funding approval
- Different countries' standards are quite similar in broad terms
- But the demarcation between different elements / groups of costs can be quite different
- This makes comparing and benchmarking costs estimated using different standards difficult



International Construction Measurement Standards: Global Consistency in Presenting Construction Costs

International Construction Measurement Standards Coalition

July 2017

1st edition

ICMS

- ICMS are a **high level cost classification** system
- to provide **global consistency** in:
 - classifying
 - defining
 - measuring
 - analysing and
 - presenting
- entire construction costs at
- a project, regional, state, national or international level

ICMS - Timeline

- June 2015 – Kick-off meeting at International Monetary Fund
- ICMS Coalition (<https://icms-coalition.org/>) – non-governmental, not-for-profit professional coalition – 47 member organizations
- Standards Setting Committee – experts from 16 countries
- July 2016 – Consultation draft
- October 2016 – completion of private consultation
- November 2016 and April 2017 – public consultations
- July 2017 - First Edition – Capital Costs
- Mid 2019 - Second Edition – Life Cycle Costs

Coalition members

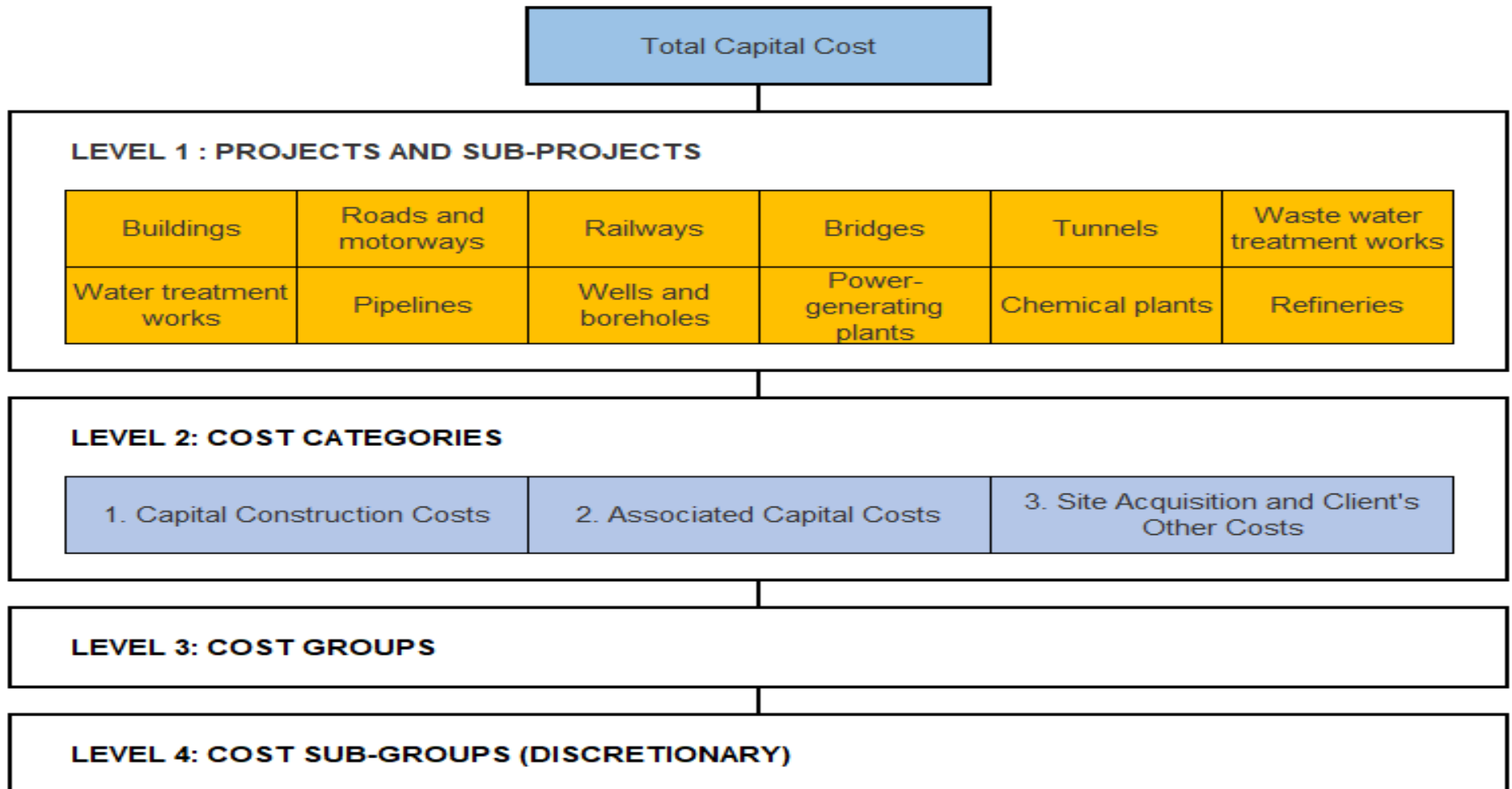
- | | | |
|--|---|--|
| 1. <i>Africa Association of Quantity Surveyors (AAQS)</i> | 17. <i>Dutch Association of Quantity Surveyors (NVBK)</i> | 34. <i>Korean Institution of Quantity Surveyors (KIQS)</i> |
| 2. <i>Association for the Advancement of Cost Engineering International (AACE)</i> | 18. <i>European Federation of Engineering Consultancy Associations (EFCA)</i> | 35. <i>New Zealand Institute of Quantity Surveyors (NZIQS)</i> |
| 3. <i>Association of Cost Engineers (ACostE)</i> | 19. <i>Federacion Internationale des Geometres (FIG)</i> | 36. <i>Nigerian Institute of Quantity Surveyors (NIQS)</i> |
| 4. <i>Association of South African Quantity Surveyors (ASAQS)</i> | 20. <i>Fiji Institute of Quantity Surveyors (FIQS)</i> | 37. <i>Pacific Association of Quantity Surveyors (PAQS)</i> |
| 5. <i>Australian Institute of Quantity Surveyors (AIQS)</i> | 21. <i>Ghana Institution of Surveyors (GhIS)</i> | 38. <i>Philippine Institute of Certified Quantity Surveyors (PICQS)</i> |
| 6. <i>Brazilian Institute of Cost Engineers (IBEC)</i> | 22. <i>Hong Kong Institute of Surveyors (HKIS)</i> | 39. <i>Property Institute of New Zealand (PINZ)</i> |
| 7. <i>Building Surveyors Institute of Japan (BSIJ)</i> | 23. <i>Ikatan Quantity Surveyor Indonesia (IQSI)</i> | 40. <i>Real Estate Institute of Botswana (REIB)</i> |
| 8. <i>Canadian Institute of Quantity Surveyors (CIQS)</i> | 24. <i>Indian Institute of Quantity Surveyors (IIQS)</i> | 41. <i>Royal Institute of British Architects (RIBA)</i> |
| 9. <i>Chartered Institute of Building (CIOB)</i> | 25. <i>Institute of Engineering and Technology (IET)</i> | 42. <i>Royal Institution of Chartered Surveyors (RICS)</i> |
| 10. <i>Chartered Institution of Civil Engineering Surveyors (ICES)</i> | 26. <i>Institute of Quantity Surveyors of Kenya (IQSK)</i> | 43. <i>Royal Institution of Surveyors Malaysia (RISM)</i> |
| 11. <i>China Electricity Council (CEC)</i> | 27. <i>Institute of Quantity Surveyors Sri Lanka (IQSSL)</i> | 44. <i>Singapore Institute of Building Limited (SIBL)</i> |
| 12. <i>China Engineering Cost Association (CECA)</i> | 28. <i>Institution of Civil Engineers (ICE)</i> | 45. <i>Singapore Institute of Surveyors and Valuers (SISV)</i> |
| 13. <i>Commonwealth Association of Surveying and Land Economy (CASLE)</i> | 29. <i>Institution of Surveyors Kenya (ISK)</i> | 46. <i>Sociedad Mexicana de Ingeniería Económica, Financiera y de Costos</i> |
| 14. <i>Conseil Europeen des Economistes de la Construction (CEEC)</i> | 30. <i>Institution of Surveyors of Uganda (ISU)</i> | 47. <i>Society of Chartered Surveyors Ireland (SCSI)</i> |
| 15. <i>Consejo General de la Arquitectura Técnica de</i> | 31. <i>International Cost Engineering Council (ICEC)</i> | 48. <i>Union Nationale des Economistes de la Construction (UNTEC)</i> |
| | 32. <i>Italian Association for Total Cost Management (AICE)</i> | |
| | | |

Standards Setting Committee

1. Ong See-Lian (Malaysia) Chairman
2. Alan Muse (UK) Vice-Chairman
3. Gerard O'Sullivan (Republic of Ireland) Executive Secretary
4. Alexander Aronsohn (UK)
5. Dainna Baharuddin (Malaysia)
6. Tolis Chatzisyneon (Greece)
7. William Damot (Philippines)
8. Ruya Fadason (Nigeria)
9. Roger Flanagan (UK)
10. Mark Gardin (Canada)
11. Malcolm Horner (UK)
12. Roy Howes (Canada)
13. Guo Jing Juan (China)
14. Philip Larson (USA)
15. Patrick Manu (Ghana)
16. Charles Mitchell (Republic of Ireland)
17. Sinimol Noushad (UAE)
18. Antonio Paparella (Belgium)
19. David Picken (Australia)
20. Anil Sawhney (India)
21. Peter Schwanethal (UK)
22. Koji Tanaka (Japan)
23. Tang Ki-Cheung (Hong Kong)

ICMS Framework

ICMS FRAMEWORK



Level 2	Cost Categories
Level 3	Cost Groups

0	Total Capital Cost ("1"+"2"+"3")
---	----------------------------------

1	Capital Construction Costs
1.01	Demolition, site preparation and formation
1.02	Substructure
1.03	Structure
1.04	Architectural works Non-structural works
1.05	Services and equipment
1.06	Surface and underground drainage
1.07	External and ancillary works
1.08	Preliminaries Constructor's site overheads general requirements
1.09	Risk Allowances
1.10	Taxes and Levies

2	Associated Capital Costs
2.01	Work and utilities off-site
2.02	Post-completion loose furniture, fittings and equipment
2.03	Construction-related consultants and supervision
2.04	Risk Allowances

3	Site Acquisition and Client's Other Costs
3.01	Site acquisition
3.02	Administrative, finance, legal and marketing expenses

Reporting Templates

Building project

Cost code	Description	Buildings			
		\$M	\$/m ²	\$/m ²	% of '0'
	Project Quantity				
			IPMS 1 Floor Area (m ²)	IPMS 2 Floor Area (m ²)	
0	Total Capital Cost ('1' + '2' + '3')				
1	Capital Construction Costs				
1.01	Demolition, site preparation and formation				
1.02	Substructure				
1.03	Structure				
1.04	Architectural works non-structural works				
1.05	Services and equipment				
1.06	Surface and underground drainage				
1.07	External and ancillary works				
1.08	Preliminaries Constructor's site overheads general requirements				
1.09	Risk Allowances				
1.10	Taxes and Levies				

Comparison between two design schemes

[illegible]

Project with Sub-Projects

[illegible]

Similar to the Sub-Project Template,
different sets of columns can be given for:

- Basement
- Commercial Podium
- Tower Hotel Floors
- Tower Apartment Floors
- Interior Fitting Out
- Common

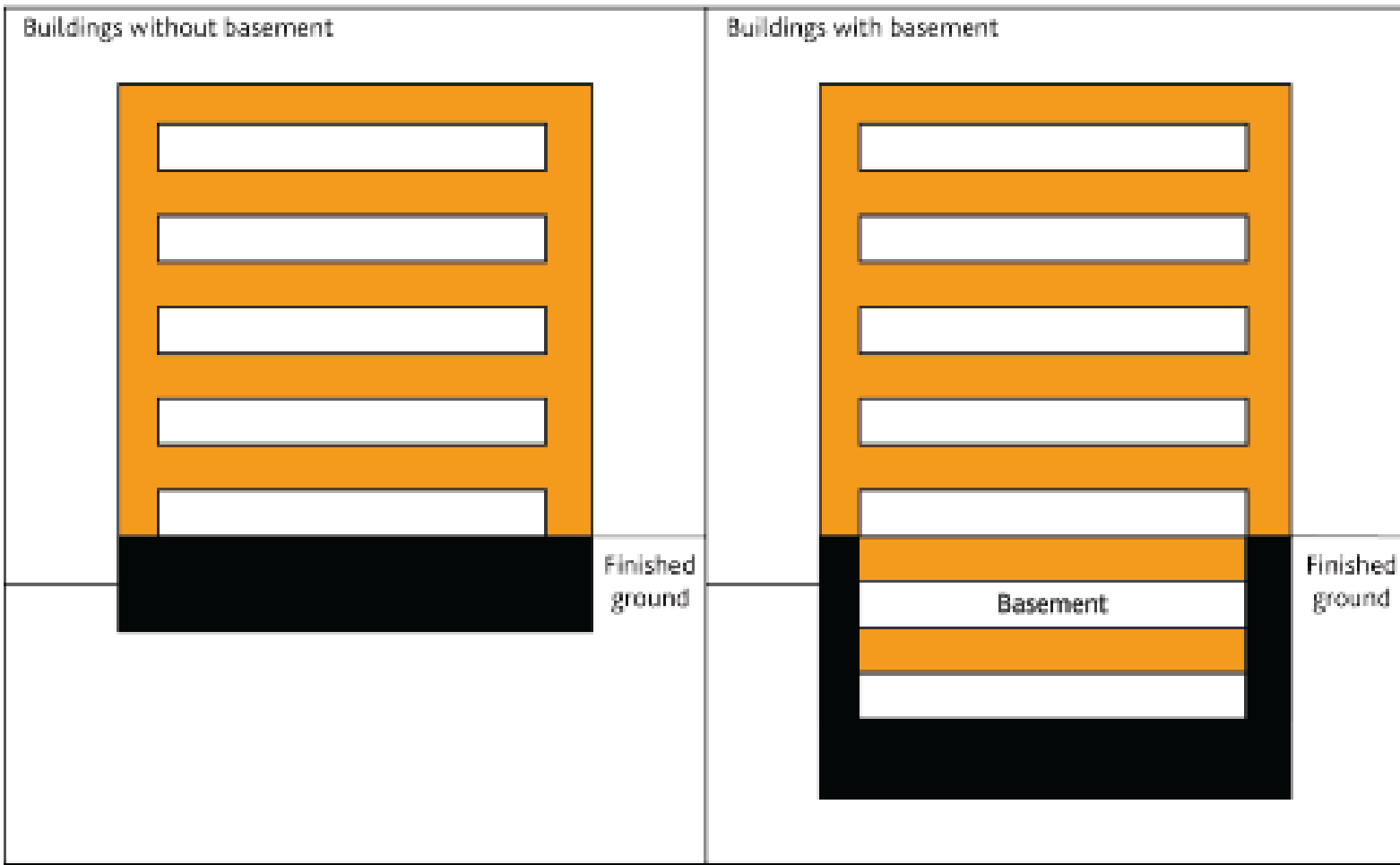
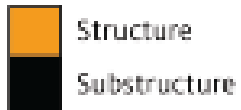
all classified by the same Cost Groups



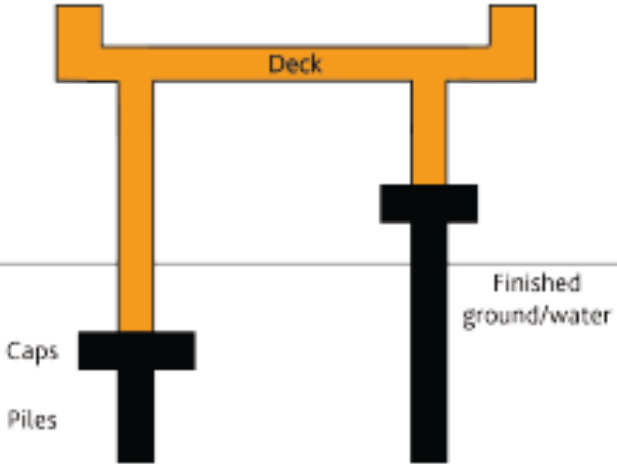
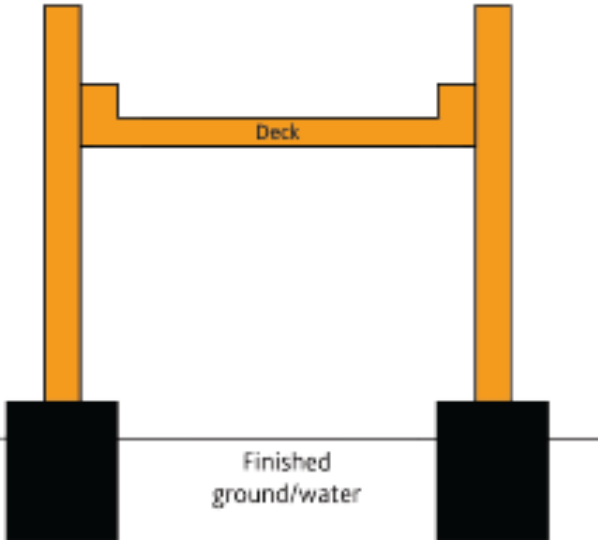
Project Quantities

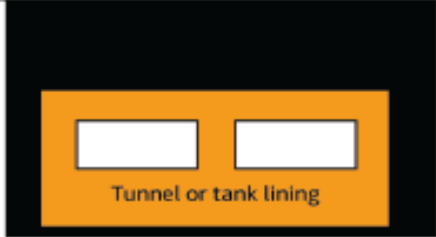



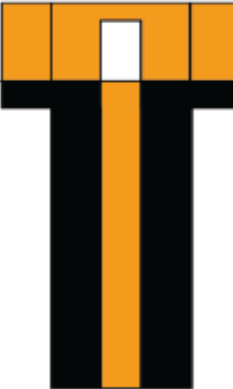
Projects	Project Quantities (Physical)	Project Quantities (Functional)
Buildings	<ul style="list-style-type: none"> Gross external floor area as IPMS 1 (m² ft²) Gross internal floor area as IPMS 2 (m² ft²) 	number of occupants number of bedrooms number of hospital beds number of hotel rooms number of car parking spaces number of classrooms number of students number of passengers number of boarding gates other stated
Roads and motorways	Paved area (m ² ft ²)	capacity (vehicles per hour)
Railways	Route length (between two places, irrespective of number of tracks) (km miles)	<ul style="list-style-type: none"> weight of traffic expressed as estimated gross (million tonnes or tons per annum) passenger journeys (million journeys per year)
Bridges	Surface area of deck (m ² ft ²)	capacity (vehicles litres gallons tonnes tons per hour)
Tunnels	Volume of excavation (m ³ yd ³)	capacity (vehicles litres gallons tonnes tons per hour)
Waste water treatment works	Site area (area of land covered by permanent work, excluding temporary working areas outside the site) (hectares acres)	capacity (litres gallons per day)
Water treatment works	Site area (area of land covered by permanent work, excluding temporary working areas outside the site) (hectares acres)	capacity (litres gallons per day)
Pipelines	<ul style="list-style-type: none"> Total length of pipes (km miles) Length from servicing inlets to outlets (km miles) 	capacity (litres gallons m ³ ft ³ per hour)
Wells and boreholes	Total length drilled/bored (m ft)	capacity (m ³ ft ³ litres gallons per hour)
Power generating plants	Site area (area of land covered by permanent work, excluding temporary working areas outside the site) (hectares acres)	capacity (MW)
Chemical plants	Site area (area of land covered by permanent work, excluding temporary working areas outside the site) (hectares acres)	output of product (m ³ ft ³ tonnes tons litres gallons per day)
Refineries	Site area (area of land covered by permanent work, excluding temporary working areas outside the site) (hectares acres)	<ul style="list-style-type: none"> input of crude oil (tonnes tons litres gallons barrels per day) output of product (tonnes tons litres gallons barrels per day)

Substructure and Structure

("SUPERSTRUCTRE" not used)



<p>Roads, motorways and rail track structures close to surrounding ground level</p> 	<p>Roads, motorways and rail track structures higher than surrounding ground level</p> 
<p>Bridges</p> 	<p>Bridges</p> 

<p>Tunnels and tanks underground</p> 	<p>Tanks above ground</p> 
<p>Pipelines underground</p> 	<p>Pipelines above ground</p> 
<p>Wells and boreholes</p> 	<p>Waste water treatment works, water treatment works, power-generation plants, chemical plants and refineries</p> <p>Use the same principles as illustrated above</p>

ICMS and EIT Cost Codes

ICMS - Level 4 - Cost Sub-Groups for Buildings

Cost Code	Description
	Cost Category (Level 2)
	Cost Group (Level 3)
	Cost Sub-Group (Level 4)
0	TOTAL CAPITAL COST (1+2+3)
1	Capital Construction Costs
1.01	Demolition and site preparation
1.01.010	Site survey and investigation
1.01.020	Environmental treatment
1.01.030	Sampling for construction, geophysical, geological or similar purposes
1.01.040	Temporary fencing
1.01.050	Demolition of existing buildings and support to adjacent structures
1.01.060	Site surface clearance (clearing, grubbing, topsoil stripping, tree felling, minor earthwork, removal)
1.01.070	Tree transplant
1.01.080	Site formation and slope treatment
1.01.090	Temporary surface drainage and dewatering
1.01.100	Temporary protection, diversion and relocation of public utilities
1.02	Substructure
1.02.010	Foundation piling and underpinning
1.02.020	Foundations up to top of lowest floor slabs
1.02.030	Basement sides and bottom
1.03	Structure
1.03.010	Structural removal and alterations
1.03.020	Basement suspended floors (up to top of ground floor slabs)
1.03.030	Frames and slabs (above top of ground floor slabs)
1.03.040	Tanks, pools, sundries

EIT Cost Code for Building Rev. 02

Cost Code	Description
5	ELEMENTAL DEMOLITION AND SPECIAL CONSTRUCTION WORK
6	SITE WORK AND LANDSCAPE
5.1	Building Element Demolition Work
6.1	Site Preparation
1	STRUCTURAL WORK
1.1	Sub-structure
1	STRUCTURAL WORK
1.2	Super-structure

1.02	Substructure
1.02.010	Foundation piling and underpinning: 010 – mobilisation and demobilisation 020 – trial piles and caisson 030 – permanent piles and caisson 040 – pile and caisson testing 050 – underpinning
1.02.020	Foundations up to top of lowest floor slabs: 010 – excavation and disposal 020 – lateral supports 030 – raft footings, pile caps, column bases, wall footings, strap beams, tie beams 040 – substructure walls and columns 050 – lowest floor slabs and beams (excluding basement bottom slabs) 060 – lift pits
1.02.030	Basement sides and bottom: 010 – excavation and disposal 020 – lateral supports 030 – bottom slabs and blinding 040 – sides 050 – vertical waterproof tanking, drainage blanket, drains and skin wall 060 – horizontal waterproof tanking, drainage blanket, drains and topping slab 070 – insulation 080 – lift pits, sump pits, sleeves

1.03	Structure
1.03.010	Structural removal and alterations
1.03.020	Basement suspended floors (up to top of ground floor slabs): 010 – structural walls and columns 020 – beams and slabs 030 – staircases
1.03.030	Frames and slabs (above top of ground floor slabs): 010 – structural walls and columns 020 – upper floor beams and slabs 030 – roof beams and slabs 040 – staircases 050 – fireproofing to steel structure
1.03.040	Tanks, pools, sundries

ICMS - Level 4 - Cost Sub-Groups for Buildings

Cost Code	Description
	Cost Category (Level 2)
	Cost Group (Level 3)
	Cost Sub-Group (Level 4)
1.04	Architectural works Non-structural works
1.04.010	Non-structural removal and alterations
1.04.020	External elevations
1.04.030	Roof finishes, skylights and landscaping (including waterproofing and insulation)
1.04.040	Internal divisions
1.04.050	Fittings and sundries
1.04.060	Finishes under cover
1.04.070	Builder's work in connection with services

EIT Cost Code for Building Rev. 02

Cost Code	Description
2	ARCHITECTURAL WORK
2.2	External Architectural Work
2.1	Internal Architectural Work
3	INTERIOR DECORATIVE WORK
3.2	Built-in Work
3.3	Interior Movable Work
3.4	Signage
3.5	Equipment
3.1	Fit-out Work

1.04.020	<p>External elevations:</p> <p>010 – non-structural external walls and features</p> <p>020 – external wall finishes except cladding</p> <p>030 – facade cladding and curtain walls</p> <p>040 – external windows</p> <p>050 – external doors</p> <p>060 – external shop fronts</p> <p>070 – roller shutters and fire shutters</p>
1.04.030	<p>Roof finishes, skylights and landscaping (including waterproofing and insulation):</p> <p>010 – roof finishes</p> <p>020 – skylights</p> <p>030 – other roof features</p> <p>040 – roof landscaping (hard and soft)</p>

1.04.040	<p>Internal divisions:</p> <ul style="list-style-type: none"> 010 – non-structural internal walls and partitions 020 – shop fronts 030 – toilet cubicles 040 – moveable partitions 050 – cold rooms 060 – internal doors 070 – internal windows 080 – roller shutters and fire shutters 090 – sundry concrete work
----------	---

1.04.050	<p>Fittings and sundries:</p> <p>010 – balustrades, railings and handrails</p> <p>020 – staircases and catwalk not forming part of the structure, cat ladders</p> <p>030 – cabinets, cupboards, shelves, counters, benches, notice boards, blackboards</p> <p>040 – exit signs, directory signs</p> <p>050 – window and door dressings</p> <p>060 – decorative features</p> <p>070 – interior landscaping</p> <p>080 – access panels, fire service cabinets</p> <p>090 – sundries</p>
----------	---

1.04.060	<p>Finishes under cover:</p> <p>010 – floor finishes (internal and external)</p> <p>020 – internal wall finishes and cladding</p> <p>030 – ceiling finishes and false ceilings (internal or external)</p>
1.04.070	<p>Builder's work in connection with services:</p> <p>010 – plinth, bases</p> <p>020 – fire-proofing enclosure</p> <p>030 – hoisting beams, lift pit separation screens</p> <p>040 – suspended manholes</p> <p>050 – cable trenches, trench covers</p> <p>060 – sleeves, openings and the like not allowed for in 'Fittings and sundries'</p>

EIT Cost Code for Building Rev. 02

[illegible]

ICMS - Level 4 - Cost Sub-Groups for Buildings

Cost Code	Description
	Cost Category (Level 2)
	Cost Group (Level 3)
	Cost Sub-Group (Level 4)
1.06	Surface and underground drainage
1.06.010	Surface water drainage
1.06.020	Storm water drainage
1.06.030	Foul water drainage
1.06.040	Drainage disconnections and connections
1.06.050	CCTV inspection of existing or new drains
1.07	External and ancillary works
1.07.010	Permanent retaining structures
1.07.020	Site enclosures and divisions
1.07.030	Ancillary structures
1.07.040	Roads and paving
1.07.050	Landscaping (hard and soft)
1.07.060	Fittings and equipment
1.07.070	External services

EIT Cost Code for Building Rev. 02

Cost Code	Description
6	SITE WORK AND LANDSCAPE
6.2	Hardscape and Related System Works
6.3	External Softscape and Related System Works
6.5	Movable Artworks and Objects
6.4	Exterior System Works

EIT Cost Code for Building Rev. 02

[illegible]

Project Attributes and Values

Project Attributes	Project Values
Common (Project level only)	
Report	
Project title	
Status of cost report	pre-construction forecast at tender during construction actual costs of construction post-completion
Date of cost report	(month and year)
Revision number of cost report	
Brief description of the Project	
• client's name	
• main Project type (principal Sub-Project)	
• brief scope	
Location and country	International Organisation for Standardisation (ISO) country code (e.g. CN) address of building site(s) start and end locations for linear civil engineering works
Sub-Projects Included	buildings roads and motorways railways bridges tunnels waste water treatment works water treatment works pipelines wells and boreholes power-generating plants chemical plants refineries common other stated
Price Level	
ISO currency code	(e.g. USD)
Base date of costs	(month and year)
Price basis	fixed fluctuating
Currency Conversion	
Conversion date	
Exchange rates or other conversion factors (used to convert a cost report of multi-currencies into a single currency)	(numeric conversion and currency codes)

Buildings (A construction with a cover and enclosure to house people, equipment or goods)	
Code	
Local functional classification standard	
• name of standard	
• code number of construction	
Works	
Functional type	residential office commercial shopping centre industrial hotel car park warehouse educational hospital airport terminal railway station ferry terminal plant facility other stated
Nature	new build major refurbishment temporary
Grade (qualitative description to be read in conjunction with the location)	ordinary quality medium quality high quality
Environmental grade	
• grade and name of environmental certification	
• status	targeted achieved none
Principal design features	
• structural (predominant)	timber concrete steel load-bearing masonry other stated
• external walls (predominant)	stone brick/block render/block curtain walling other stated
• environmental control	non-air conditioned air conditioning
• degree of prefabrication	less than 25% up to 50% up to 75% up to 100%, of Capital Construction Costs
Project Complexity	
• shape (on plan)	circular, elliptical or similar square, rectangular, or similar complex
• design	simple bespoke complex
• method of working	sectional completion out-of-hours working confined working other stated

Roads and motorways

(A pavement providing a thoroughfare, route, or way for vehicular traffic on land between two or more places including but not limited to alley, street, collector and rural roads, motorways, county and interstate highways. Elevated roads and motorways that are an integral part of bridges shall be included in bridges)

Code	
Local functional classification standard	
• name of standard	
• code number of construction	
Works	
Functional type	motorway highway freeway expressway road lane
Nature	new build major refurbishment temporary
Environmental grade	
• grade and name of environmental certification	
• status	targeted achieved none
Principal design features	
• position	at grade in cutting in tunnel on embankment elevated
• design speed	(km miles per hour)
• number of carriageways	
• number of lanes per carriageway	
• lane width	(m ft)
• hard shoulders	yes no
• footways	yes no
• footway width	(m ft)
• surfacing	flexible construction concrete pavement
• vertical profile	switchbacks undulating flat
• plan profile	straight winding
Project Complexity	
• number of grade-separated intersections	
• number of at-grade intersections	
• number of crossings over other roads, railways, waterways, valleys and the like	
• number of access ramps	

End. Thank you!