

# Annexure G

## Description of Estimate Categories

On-Q Phases	PRE-PROJECT		CONCEPT		DEVELOPMENT			IMPLEMENTATION	FINALISATION
Estimate Stage	Strategic Planning	Project Proposal	Option Analyses	Business Case	Development phase stage 1 design	Development phase stage 2 design	Procurement	Implementation	Actual
Estimate Description	Strategic	Project Proposal	Option Analyses	Business Case	Development phase stage 1 design	Development phase stage 2 design	Estimate for comparison with tender	Construction	
Estimate Category	Category 1	Category 2		Category 3	Category 4	Category 5	Category 6		
Definition of the Estimate	The level of the project knowledge available at this stage is less than 2% of the overall project definition (i.e. not having investigations and design completed). The estimate represents indicative cost of a potential project in current dollars. Generally these estimates are not presented as a likelihood of not being exceeded (i.e. P90, P50)	The level of project knowledge available at this stage is up to 15% of the overall project definition (i.e. not having investigations and design completed). Provides an updated cost from the Road Link Plan for candidate projects	This provides comparative costs of the options considered. Project cost produced at this stage are only used for the option analysis.	This estimate is prepared for projects to enter funded years (that is, years 1 and 2) of QTRIP. The estimate will need to achieve 90% likelihood (P90 confidence) of not being exceeded the actual project cost. The level of project information known at this stage is approximately 10% to 40% of the overall project definition (i.e. having the investigations and design completed to a certain extent).	This estimate occurs prior to finalising the completed design and the preparation of the contract documents. This estimate is often included in a preliminary design report. The level of project knowledge available at this stage is 30% to 65% of the overall project definition (i.e. having the investigations and design completed).	Following the confirmation of scope / budget/ program have been reconciled in the development phase stage 1 design report, the stage 2 design finalises the design activities, develops the final construction drawings, prepares contract documents and completes this estimate.	To assist with the tender analysis process, this estimate will be prepared. It checks that potential tender and other project costs are aligned with the approved project budget. Limited 'pure' estimating activities happen during this estimate stage.	Limited 'pure' estimating activities happen during this estimate stage. The project estimate is reviewed regularly to ensure that any scope variations along with principal's costs are aligned with approved budget. Mostly applicable to construction contractor's costs but may require revisiting the principal's Costs too. Any changes to scope, rise and fall variations also to be considered.	Documents the actual cost of the project for comparison with any performance indicator. Only estimating activity happening at this stage costs of the residual land and properties resumed for the project purposes.
End Use of the Estimate	Assists in the prioritising projects in Road Link Plans.  For nationally funded projects, the Project Proposal Report (PPR), secures the funding for the concept phase.	Assists in prioritising candidate projects when developing a program of works. Assesses if the cost of any planning functions requires producing the option analyses and business case. Costs are entered into the QTRIP as planning projects.	Comparative costs assist to select the preferred option and to prepare the business case estimate. Can be used to undertake the cost benefit analysis (CBA)	Assist in the budget approval and project prioritising process (when developing the QTRIP). Secures funding for development phase for nationally funded projects after preparing Project Proposal Report for the options analysis stage.	Provides a check of the project estimate against approved scope/ budget. The scope / budget / program may need be reconsidered should there be non-alignment with the budget. Approval requirement prior to inclusion in year 2 of the QTRIP.	Used to prepare tender schedules. Project Proposal Report (PPR) at delivery phase assists securing funding for implementation and finalisation phases.	The scope / budget / program may need be revisited should there be non-alignment with the budget.	Risk/contingency allowances will need checking against the approved budget	Issues / learnings need be documented for consideration in future projects
Accuracy Range	-50% to +200%	-30% to +100%	-30% to +100%	-15% to +20%	-10% to +15%	-5% to +10%	-5% to +10%	-2.5% to +5%	-
Confidence Level	Very Low	Low	Low to Medium	Medium	Medium to High	High	High	Very High	-