

How To Prepare a Quote For Construction Work

EstimateOne



As a subbie, you'll most likely be well versed in quoting a construction job.

However, sometimes a much larger job will come along that you have to really put in the hard yards to win over the heart of the head contractor who is tendering for a job.

You probably have what a tender is down pat, so we've got some tips for putting together your best quote yet.

What is a quote?

First of all, what is a quote? Quotes and estimates are sometimes used interchangeably.

A construction quote is a formal document of pricing that a business needs to be paid in order to fulfil the job requirements.

When it comes to a quote versus an estimate, an estimate differs only slightly from this in that it is more of an idea of how much the materials, labour and other parts may cost.

Sometimes there might be some variables that may make it difficult for a business to give an accurate quote, therefore an estimate is your best best until you get clarification.

When would I be required to quote?

At all different stages of construction tenders, you may be required to provide a quote.

Head contractors are always looking for large tender jobs. Depending on your past experience and relationships you may get approached to quote a construction job for a subcontractor tender.

Otherwise, you may have to reach out to the head contractor, sell yourself and provide a great quote for your trade part of the tender.

After a contract is awarded, head contractors will also typically circle back to you to try negotiate the price down further (or as they like to call it, "sharpen your pencils"). This is where you'll need to remain competitive with your pricing as well and will likely keep you in their good books for future. Be smart with your quoting throughout the process!

What should I include in my construction quote?

Construction quotes can be pretty straight forward if you know how to write a quote.

There's a few key things you want to make sure you include so that it's the most accurate representation of what you have to offer.

Administrative details

Considering the quote might be quite long, it's always worth making it extra clear what your overall figure is. We're talking big, bold text. Make sure it's clear what the tax excluded and tax included pricing is.

Don't make the head contractor suffer by reading all the small font line items.

You'll also need to include the obvious details of both parties, what project it's for any other classic administrative details.

Scope of works

Here's where the hard work goes. You'll need to show the head contractor what is and isn't included. This is applicable to both the labour and materials.

Inclusions can sometimes include:

- Labour and apprentice costs (as well as how they're calculated)
- Transport to and from the job
- Call out fees or public holiday rates

When it comes to exclusions, you want to be super clear as well. This can vary but may include things like:

- Fixing damage to finished work (that was not done by you)
- Hazardous material removal of materials you encounter
- Working height restrictions

Depending on your trade, there is a wide range of things that could fill these lists out. Just make sure you're trying to include as much as you sensibly can.

Materials

There's a few tricks of the trade when quoting out materials. Sometimes a head contractor will name a specific brand in the documentation that you'll need to quote installation and labour against. Other times, you may have to provide options.

The best way you can do this is by clearly listing each material requirement and installation as separate line items (the contractor will love you for this).

When you are listing out materials, it's important to be as clear as possible, particularly when it comes to allowances.

Sometimes the head contractor or other people working on the project might change a design so you'll need to accommodate any changes and be flexible with your quoting.

Head contractors like to see that you've clearly allowed for variation in product or other elements. You should do this by including measurements and clear descriptions.

A good example when it comes to flooring would be:

- Timber Flooring [Good]: Allowance for equivalent 190x19mm timber board, floating install in lieu of direct stuck.
- Timber Flooring [Bad]: Allowance for alternative timber.

Or for carpentry:

- Carpentry [Good]: Allowance for 62mm MDF skirting in lieu of 100mm specified
- Carpentry [Bad]: Allowance for skirting

It's all about clarifying the small parts of the job so that the head contractor has everything up front, clear and ready to go should you be selected.