

CPCBC4003

SELECT, PREPARE AND ADMINISTER A CONSTRUCTION CONTRACT

ASSESSMENT SUMMARY

The assessment activities for *CPCBC4003 Select, prepare and administer a construction contract* cover all aspects of the unit of competency. For Apprentices/Trainees, this includes supervisor completion of the Apprentice/Trainee Record (ATR).

Participants must read all the information given before starting any assessment task. The assessment tasks are intended to be fair, flexible, valid and reliable. If a Participant has any questions or requires alternative arrangements to be made such requests should be directed to their Trainer/Assessor, who should note such arrangements in the 'Assessor Comments' on the affected assessment. If a Participant feels they are not yet ready to be assessed, they should discuss their options with their Trainer/Assessor.

To satisfactorily complete the assessment, the Participant is required to answer all questions correctly and demonstrate their skills to industry standards. If a Participant does not answer all questions or perform all tasks, they will be deemed 'Not Satisfactory' for the task and 'Not Yet Competent' for the unit of competency.

The Trainer/Assessor can provide the Participant with additional information on interpreting the assessment outcomes and guide the Participant's options. If a Participant is still deemed 'Not Satisfactory' they will have the opportunity to undertake a supplementary assessment or appeal the result as per the process in the Student Handbook.

By signing below, the Participant acknowledges:

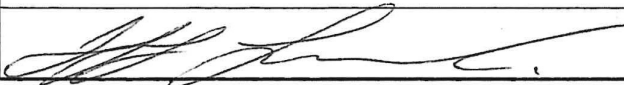
- They understand the assessment instructions and requirements, and consent to being assessed.
- The work submitted is to be their own work – with the work of/with others needing to be clearly acknowledged and documented.
- They consent to any photo/video recording of their work that occurs during assessment.

Participant name	Tyanna Childs
Participant signature	

Pre-requisite unit(s) to be achieved and authenticated prior to undertaking assessment
☒ Not applicable

Task	Date completed	Assessment Results	
Theory Exam	22/04/2024	☒ Satisfactory	☐ Not Satisfactory
Workbook	22/04/2024	☒ Satisfactory	☐ Not Satisfactory
Practical Assessment	22/04/2024	☒ Satisfactory	☐ Not Satisfactory
Outcome for CPCBC4003	22/04/2024	☒ Competent	☐ Not Yet Competent

Evidence requirements checklist (ticked by assessor and evidence supplied to RTO)	
☒ Theory Exam ☒ Workbook ☒ Practical Assessment	☒ Policies and Procedures Checklist (HO1) ☒ Final Certificate Checklist (HO2) ☒ Practical Completion Checklist (HO3) ☒ End of Defects Liability Checklist (HO4)

Assessor name	Jeff Lewandowski
Assessor signature	

CPCCBC4003

SELECT, PREPARE AND ADMINISTER A CONSTRUCTION CONTRACT

THEORY EXAM

Participant name	Tyanna Childs
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FOR THE PARTICIPANT
Instructions - You will complete written questions as outlined on the following pages. You must attempt all questions and provide enough detail in your responses to demonstrate your knowledge. - It is anticipated that you should complete this assessment within two (2) hours, but additional time may be allowed upon negotiation with the Assessor. - You must complete all questions unassisted by the Assessor or other personnel but may refer to reference material as needed. All questions must be answered correctly for a 'Satisfactory' assessment outcome to be awarded. - An oral examination may be allowed under certain circumstances, whereby your answers will be documented by another party. - Any written questions that are incomplete, or not answered satisfactorily will need to be completed again after further training support. - If you answer a question incorrectly but modify your response, put your initials next to the written change (or the Assessor must initial a verbal change).
Resources required
Pen

FOR THE ASSESSOR
Instructions - Where oral examination has occurred, ensure that this is acknowledged in writing (e.g. FT001 and Assessor Comments) - All questions must be satisfactorily demonstrated by the Participant for a Satisfactory determination (indicated by an Assessor tick to the right of the question). - Assessors are to complete marking in pen of a different colour to the Participant. - If the Participant verbally modifies their response, write in the modified response verbatim and put your initials next to the written change.

ASSESSOR COMMENTS

As necessary, outline:

- Details on reattempts, alternative arrangements or reasonable adjustments made.
- Where a Participant is deemed 'Not Satisfactory', provide recommendations for future training.

Once again Tyanna has done very well with this module.

Only Q1 & Q2 needed minor re-work.

I thought her answers for Q11 through to Q20 were excellent!

Cheers

Jeff

Q1. Discuss how the Australian legal system affects construction contracts.**Answer**

The Australian legal system heavily influences construction contracts through laws, rules, and principles, shaping how construction contracts work and ensuring they're fair, safe, and legally sound.

These laws, rules, and principles determine how contracts are made, understood, and enforced, so that construction projects follow regulations on building, planning, and safety. Contracts must also meet basic legal requirements like offer, acceptance, and fairness.

If disputes arise, the legal system provides ways to resolve them, often through arbitration or mediation.

Additionally, laws on negligence can hold parties responsible for any harm caused. There are also laws to ensure fair payment for work done and to protect workers safety.

Acts like BIF (Building Industry Fairness ACT) seeks to promote fairness, efficiency, and honesty in the building and construction industry by establishing clear rights and responsibilities for all parties involved in construction projects.

**Q2. Describe the legal elements required for a contract to be formed.****Answer**

A construction contract typically encompasses several fundamental legal elements that are essential for clarity and legal integrity. These include:

- Scope of works/services/goods provided.
- A detailed breakdown of the costs associated with the project.
- Terms of payment
- Signature from both parties entering the contract - This ensures that The contract is legally binding.

**Q3. How is the 'Fair Work Act' applied during construction contracts?****Answer**

The Fair Work Act (FWA) establishes minimum standards for employment through the National Employment Standards (NES) and modern awards, which apply to construction workers.

The Fair Work Act ensures lawful employment practices within construction contracts by setting standards, facilitating negotiations, and resolving disputes.



Q4. Briefly explain how WHS laws affect construction contracts.

Answer WHS laws mandate obligations and duties to ensure safety on construction sites, including risk management, consultation, and compliance. Enforcement by regulatory bodies and the inclusion of WHS provisions in contracts are key aspects of ensuring compliance and promoting work safety in construction projects.



Q5. Discuss how building and construction legislation is relevant when organising construction contracts.

Answer Building and construction legislation is relevant when organising construction contracts as it mandates regulatory compliance, establishes quality standards, defines contractual obligations, provides frameworks for dispute resolution, and ensures consumer protection. Construction contracts must align with these legal requirements to mitigate risks and promote successful project outcomes.



Q6. Why must you comply with consumer laws when drafting construction contracts?

Answer Ensuring compliance with consumer laws when drafting construction contracts is paramount as these laws safeguard consumers rights, fostering transparency and fairness while facilitating dispute resolution and maintaining high quality standards and legal compliance in construction projects.



Q7. Discuss residential building work contracts, their legal requirements and application.**Answer**

Residential building work contracts are governed by strict legal requirements designed to protect consumers and promote fairness. These contracts must typically be in writing and detail various aspects like work descriptions, prices, and warranty provisions. Consumer protection laws mandate clarity and fairness in contracts, while home warranty insurance and statutory warranties offer additional safeguards for homeowners. Furthermore, dispute resolution processes and adherence to building regulations also play vital roles in ensuring the integrity and quality of residential construction projects.

**Q8. Discuss commercial building work contracts, their legal requirements and application.****Answer**

Commercial building work contracts are not applicable to residential buildings and can only be used for buildings that are used for non-residential purposes. Like above, commercial building work contracts are governed by legal requirements ensuring fairness, compliance, and clarity. These contracts must meet basic contract formation criteria and comply with building regulations covering various construction aspects. They often require information that pertains to insurance coverage, payment terms, and outline dispute resolution mechanisms. Additionally, it is common practice to implement retention clauses within a commercial projects contract, wherein the builder is likely to have retention as the builder warrants their work for a period of 6.5 years. This serves as a form of security and assurance for the client, ensuring that any potential defects or issues arising from the construction will be rectified by the builder within the specified timeframe. Overall, these legal provisions allow for smooth project execution and protect the interests of all parties involved.



Q9. Discuss what a lump sum contract is and when it is used.**Answer**

A lump sum contract, also known as a fixed price contract, is a contract type that involves the contractor agreeing to complete the specified work for a predetermined fixed price. Lump sum contracts provide budget certainty for clients and shift the risk of cost overruns to the contractor. They are often used in competitive bidding processes and are suitable for smaller to medium-sized projects where the scope of works is straightforward and well-defined.

**Q10. What does the term 'practical completion' mean when used in construction contracts?****Answer**

Practical completion signifies that the construction works described in the contract are substantially finished and the building is ready for use, with minor defects remaining, allowing the client to take possession and use the building.

95% of the time the issuing of the Certificate of Classification by the certifier triggers practical completion. Subsequently, practical completion triggers the defects liability period, during which the contractor addresses any remaining issues and marks a significant milestone in the project progression, often leading to final payment.

**Q11. Provide a brief description for each of the following terminology used in construction contracts and explain the impact the terminology has on the project.****Answer**

Terminology	Description	Impact on project
Extension of time (EOT)	A provision within the construction contract that allows for additional days to be added to the originally agreed-upon completion date, for delays that occur due to circumstances beyond the contractor's control.	An extension of time pushes back the practical completion date and releases contractors from any obligations regarding liquidated damages.



Liquidated damages	Liquidated damages are predetermined financial penalties outlined in a contract for compensation when practical completion is not achieved within the specified timeframe.	Liquidated damages enable affected parties to receive compensation in cases of contract breaches.
Force majeure	Force majeure refers to unforeseeable circumstances beyond the control of parties involved in a contract, such as natural disasters or emergencies, which may excuse or delay their contractual obligations.	Force majeure can disrupt projects by causing delays, increased costs, scope changes and disputes among stakeholders. However, they are necessary for relevant events.
Terminations	Termination clauses in contracts specify when the contract can legally end, outlining conditions like breaches, failures, or mutual agreement.	If mutually agreed, terminations free the parties involved from their obligations. However, in most cases termination can lead to delays and financial losses.

Q12. Australian Standard AS 4000 General Conditions of Contract, is one of the most widely used forms of head contract for construction projects in Australia. Provide two (2) distinguishing features of AS 4000.

- Answer**
1. Approval of EOT's – If there is no response to a request for an EOT within 28 days of its submission, the request is deemed approved, and the full requested extension will be granted automatically.
 2. Relief for latent conditions – Under this standard, the impact of a latent condition is treated as a variation. As per this standard, the contractor is entitled to claim expenses related to a latent condition, except for those accrued more than 28 days before they gave notification of the issue.



Q13. What must be considered when choosing AS 2124 for construction contracts? Provide one (1) example.

Answer

Appointment of concurrent delays.

When considering choosing an AS 2124 Contract, it's important to note that under such a contract, a contractor cannot claim an extension of time for delays caused by a combination of both qualifying and non-qualifying factors.



Q14. Clarify what is meant by contractual rights.

Answer

Contractual rights define the boundaries of each parties legal obligations and entitlements based on what's written in a contract. These rights are guided by contract laws and local legislation.

Failure to uphold any of these rights, whether stated explicitly or implicitly, constitutes a breach of contract.



Q15. Provide an explanation of the key contractual obligations relevant to construction contracts.

Answer

The key contractual obligations relevant to a construction contract is that the contractor is to deliver the service outlined in the contract and the client is to provide payment to the contractor as agreed upon in the contract.

Furthermore, the contractor's contractual obligations also consist of performance, compliance, safety, quality and communication.

Whereas the client's contractual obligations consist of Access, Approvals, Changes and Cooperation.



Q16. Discuss what is meant by contract liability.**Answer**

Contract liability refers to the legal responsibility that arises when parties enter into a contract agreement. These responsibilities entail fulfilling the terms and obligations outlined in the contract, such as providing goods or services, making payments, or meeting other agreed-upon conditions. Failing to fulfil these contractual obligations can lead to a breach of contract and the responsible party may be held liable.

**Q17. Discuss two (2) circumstances that constitute a breach of contract.****Answer**

1. Failure to Perform – This occurs when one party fails to meet its contractual obligations as specified in the contract. For example, if a contractor commits to completing a construction project by an agreed-upon deadline but fails to do so without a valid excuse, it would constitute a breach of contract.
2. Non-Payment – This occurs when the client fails to make payments to the construction company as specified in the contract. An example is if a property owner fails to make scheduled progress payments to the contractor as outlined in the terms of the agreement, it would constitute a breach of contract.

**Q18. Provide an example of a minor breach and how this can be remedied.****Answer**

An example of a minor breach could involve the contractor deviating from the specified brand of paint than what was noted in the contract, despite the colour being the same. This minor breach could be remedied by the contractor promptly notifying the client of the deviation, followed by an explanation for the deviation, such as unavailability, pricing consideration etc. The contractor and client should discuss potential solutions, before obtaining the client's agreement, documenting the resolution and implementing the agreed upon measures.



Q19. Discuss the importance of demonstrating credibility during the first meeting with the client.

Answer

Demonstrating credibility in the initial client meeting is vital for building trust, setting realistic expectations, reducing risks, fostering effective communication, and standing out from competitors. It establishes a foundation for a positive and productive relationship.



Q20. Why would you provide the client with only one (1) point of contact when discussing and preparing a construction contract?

Answer

Providing the client with only one point of contact for discussing and preparing a construction contract streamlines communication channels, reducing the likelihood of misunderstanding or miscommunication. Additionally, It helps to avoid confusion about who to reach out to with questions, concerns or updates related to the project, ensuring a smoother client experience.



Q21. Describe what a CRM system is and provide two (2) ways this system can benefit a business.

Answer

What is a CRM:

A Customer Relationship Management system is a tool that helps you manage interactions and relationships with current and potential customers.

Benefits:

1. Manage leads and opportunities.
2. Track interactions with customers / clients.



Q22. Discuss why you would need to determine the following items when drafting a contract.

Answer

Item	Importance for contracts
Equipment information	Determining Equipment Information when drafting a contract is important as you will need to know what tools, supplies, machinery, structures, materials, scaffolding etc is required to complete the works. This will allow you to effectively manage your resources, provide an accurate cost estimation, effectively plan your project and fulfil your contractual obligations.
Site accommodation information	Site accommodation information is important when drafting a contract as it ensures worker comfort and safety. Site accommodation typically includes a site office where meetings can take place and documentation can be conducted and held. Site accommodation should also include site facilities such as toilets and washrooms, drinking water, changing rooms and resting facilities.
Services	Determining the services information when drafting a contract will provide clarity as to the extent of services involved and/or labour to be performed, and the responsibilities associated.
Human Resource projections	Human Resource projections is essential when drafting a contract as it ensures the contractor possess the necessary technical, professional, and financial capabilities to complete the project. Planning and determining the required workforce for a project involves forecasting the number of personnel needed, considering factors like sick leave, vacation, and holidays. This projection entails understanding job requirements, skills needed and addressing challenges in meeting workforce needs.
Materials list	The Materials list is vital for cost identification as the materials list outlines the items to be utilised, detailing factors such as brand, supplier, delivery dates, quantities, and other pertinent details.
Drawings and specifications	Drawings and Specifications are essential for defining the project scope, outlining the size, layout, materials etc. This in turn will assist in accurately estimating the costs of the project. Additionally, drawings and specifications help to identify potential risks and challenges that may need to be taken into consideration for the contract, along with ensuring compliance.



Schedule	You need to determine the schedule when drafting the contract as this provides a list of tasks mandated by the contract, to be fulfilled within the agreed-upon timeframe for commencement and completion.
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Q23. Explain why you might need to consult with the workplaces legal representative before finalising the draft.

Answer Consulting with your workplace legal representative before finalising the draft contract is essential to ensure legal compliance, mitigate risks, improve clarity, protect rights, ensure enforceability, and tailor the contract to suit the requirements of all involved parties. ☒

Q24. A builder must give the owner a written claim for a progress payment for the substantial completion of each stage. What must be stated in the progress claim?

Answer A builder must include the following details in the progress claim for substantial completion of each stage: ☒

- Identify the construction work that will be paid.
- The amount claimed for the progress payment.
- Explain that the progress payment is made under the BIF Act (Building Industry Fairness ACT)
- Reference to the construction contract, including the specific stage of completion.
- The billing period / dates of work completion.
- Any supporting documentation or evidence for the claim, such as invoices, receipts, or progress reports.
- Any additional requirements specified in the contract.

Q25. What is the purpose behind progress payments in stages?

Answer

The purpose behind progress payments in stages is to enable contractors to receive payments incrementally rather than bearing the entire project costs themselves. This arrangement ensures that contractors do not have to wait until project completion for payment and can halt construction activities if payments are delayed. Consequently, contractors can meet their financial obligations promptly, including paying employees and bills, without going into debt.



Q26. The client has requested a change in the floor covering for certain areas. How do you document this variation?

Answer

This is dependent on the procedure that has been outlined in the contract (if one has been provided). Typically, once discussions have been had between the client and contractor regarding the change of the floor covering, a quote would need to be provided by us to the client for the variation and if approved, a variation order would then need to be created to document the agreed change. This variation order would entail a credit for the initially specified carpet and subsequently, the addition of new carpet, resulting in an "Extra Over" cost for the variation, or potentially a "credit" variation.

Example:

Carpet A - \$32,000

Carpet B + \$42,000

Variation + \$10,000

Additionally, these amendments would need to be noted in the architectural plans and specifications.



Q27. What can you do to minimise liquidated damages and penalties?

Answer

To minimise liquidated damages and penalties in contractual agreements, it is important to adopt strategies such as effective planning, risk management, clear communication, regular monitoring, collaboration, compliance with contractual obligations, thorough document management and set clear expectations with the roles and responsibilities of the parties involved.
Adhering strictly to the contractual Program and promptly asserting any entitlements for EOT's is essential.



Q28. Discuss what you should confirm before issuing the final certificate.

Answer

You should confirm the following before issuing the final certificate:

- Assess the scope of services and confirm that the services provided are comprehensive and complete.
- Review the project schedule and confirm that all scheduled activities were met and adhered to as planned.
- Review cost and payment terms and confirm that the project costs and payment terms have been fulfilled.
- Consult all involved parties for consensus and confirm that all stakeholders are satisfied and in agreement to issue the final certificate.
- Conduct final inspection and confirm the absence of defects.



Q29. Why is a defects liability clause added in a construction contract?

Answer

A defects liability clause is included in construction contracts to ensure quality assurance by holding the contractor accountable for rectifying any defects in the workmanship, materials, or construction methods. This clause safeguards the client's interests and motivates the contractor to uphold high quality standards to mitigate the occurrence of defects and associated expenses.



Q30. Discuss the purpose of issuing a final certificate.

Answer

The purpose of issuing a final certificate is to formally acknowledge the completion of the works according to the contract requirements. It confirms completion, marks the handover of responsibility from contractor to client, initiates the warranty period, releases final payments, and provides legal closure for the project.



Q31. Discuss how you can store and secure completed contract documents safely.

Answer

Here are some examples of how you can store and secure your completed documents safely:

- Store digital documents on a secure server
- Keep physical copies in a locked filing cabinet or safe.
- Control access with passwords, encryption, and permissions.
- Maintain accurate version control of the contract documents to track revisions and updates. Clearly label each version and record changes.
- Train employees on proper document handling procedures and data security measures.



CPCCBC4003

SELECT, PREPARE AND ADMINISTER A CONSTRUCTION CONTRACT

WORKBOOK

Participant name	Tyanna Childs
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FOR THE PARTICIPANT	
Instructions	
- You will complete written activities as outlined on the following pages. You must attempt all questions and provide enough detail in your responses to demonstrate your knowledge. - The timeframe for these tasks will be established by your Assessor or Training Plan, but additional time may be allowed upon negotiation with the Assessor. - You must complete all questions unassisted by the Assessor or other personnel but may refer to reference material as needed. All questions must be answered correctly for a 'Satisfactory' assessment outcome to be awarded. - An oral examination may be allowed under certain circumstances, whereby your answers will be documented by another party. - Any written questions that are incomplete, or not answered satisfactorily will need to be completed again after further training support. - If you answer a question incorrectly but modify your response, put your initials next to the written change (or the Assessor must initial a verbal change).	
Resources required	
Pen	

FOR THE ASSESSOR	
Instructions	
- Where oral examination has occurred, ensure that this is acknowledged in writing (e.g. FT001 and Assessor Comments) - All questions must be satisfactorily demonstrated by the Participant for a Satisfactory determination (indicated by an Assessor tick to the right of the question). - Assessors are to complete marking in pen of a different colour to the Participant. - If the Participant verbally modifies their response, write in the modified response verbatim and put your initials next to the written change.	

ASSESSOR COMMENTS

As necessary, outline:

- Details on reattempts, alternative arrangements or reasonable adjustments made.
- Where a Participant is deemed 'Not Satisfactory', provide recommendations for future training.

Looks good to me.

Jeff

NOTE

At times, you will be provided with a specific business context to which you must respond, otherwise it is anticipated that you will use a workplace of your choosing (your own, or hypothetical) to provide the context to the task.

At all times, the responses in your assessment must reference **Australian** (Queensland or Federal) documentation, including legislation, regulations, codes of practice, standards and guidance publications.

ACTIVITY 1

Read the example building contract (HO5) and respond to the following:

- What methods can the builder use to confirm the owner's consent to the contract?
- When can the builder demand or receive any of the contract price?
- What provides the builder with evidence of the owners entitlement to build on the site?
- How long is the defect liability period for this contract?

a) What methods can the builder use to confirm the owner's consent to the contract?

The Builder can confirm the owner's consent by having the owner sign page 11 of the contract, under 'Owner'. Following this, a witness is to also sign and provide their details to confirm that they have witnessed the owner give consent.

b) When can the builder demand or receive any of the contract price?

The builder can demand or receive any part of the contract price (including deposit) only when warranty insurance is in force and the owner is provided with a certificate of insurance.

c) What provides the builder with evidence of the owners entitlement to build on the site?

The owner would need to provide evidence of entitlement to build on the site through presentation of a title deed.

d) How long is the defect liability period for this contract?

13 weeks commencing on and including the date of practical completion.

**Satisfactory
Outcome**



CPCBC4003

SELECT, PREPARE AND ADMINISTER A CONSTRUCTION CONTRACT

PRACTICAL ASSESSMENT

Participant name	Tyanna Childs
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FOR THE PARTICIPANT

Instructions

- The tasks outlined on the following pages will require performance of normal workplace activities, as a result of a structured activity set by an Observer in the workplace or a simulated activity set by your Assessor/Observer.
- The timeframe for these tasks will be established by your Assessor/Observer, in consideration of location conditions and industry requirements.
- You must complete all tasks unassisted by the Assessor or other personnel, unless the steps note this assistance.
- You must attempt all tasks (and itemised steps) for a 'Satisfactory' assessment outcome to be awarded.
 - For any observation conducted that is incomplete, or without satisfactory performance, the observation will need to be completed again after further training support.

FOR THE ASSESSOR/OBSERVER

Instructions

- The following observation record should be used to judge and record your observations of the Participant as they complete the task(s) set. You must record your observations of the Participant's performance.
 - For each occasion, indicate the task performed and whether it was a simulation or workplace-based task.
 - Any simulated assessment must ensure the Participant still performs under workplace conditions which reflect industry standards.
 - In the comments, provide clear detail regarding the task that the Participant was required to do (e.g. PPE used, materials handled, attachments connected, plant types).
- All steps must be satisfactorily demonstrated by the Participant for a 'Satisfactory' determination (indicated by an Assessor tick to the right of each itemised step, or an Observer tick to the right of each itemised step, and confirmation by an Assessor in the Assessor Comments).
 - Where you have determined that one or more task steps have not been satisfactorily demonstrated, provide the Participant with additional support and outline details of such assistance in the Assessor/Observer Comments. Allow the Participant two (2) further opportunities to demonstrate the task again to allow an opportunity for a 'Satisfactory' assessment outcome to be achieved.
 - If after three (3) attempts the Assessor determines that the Participant cannot demonstrate the required steps, a 'Not Satisfactory' outcome is to be determined.

TASK OUTCOME					
Task	Date	Task Type (Tick)	Location	Task outcome (Tick)	
				Satisfactory	Not Satisfactory
Task 1	22/04/2024	☐ Workplace ☒ Simulation		☒	☐

ASSESSOR COMMENTS: GENERAL

As necessary, outline:

- Details on reattempts, alternative arrangements or reasonable adjustments made.
- Where a Participant is deemed 'Not Satisfactory', provide recommendations for future training.

ASSESSOR COMMENTS: PRACTICAL TASK 1

☒ Individual student (as named on cover page) ☐ Multiple students [☐ All from Attendance Report, ☐ Specific students involved – identify students]	
Task	Provide detail
1.1A. 1.1B. 1.2C.	Specify types of contract reviewed and how it was determined the most suitable to the project: Tyanna reviewed a Subcontract as she determined this to be most suitable as we are the head contractor engaging a subcontractor.
1.1A. 1.1B.	Specify the class of construction project requiring a contract: Tyanna determined this to be a Class 2 as it is a Multi Residential Development.
1.1D.	Specify circumstances the participant outlined that constitute a breach of contract: Tyanna outlined breaches such as Suspension of work, failing to lodge security, failing to provide evidence of insurance, failing to use the materials or standards of workmanship required by the subcontractor.
1.1D. 1.2E.	Specify circumstances the participant outlined that constitute a termination of the contract: Tyanna has outlined circumstances in which constitutes a termination of the contract such as failure of workers to adhere to the HSEQ requirements, at the convenience of the Main Contractor, The Main contractor is terminated for any reason.
1.1E.	Specify how the participant confirmed legislative requirements have been met when using this contract: The contract that Tyanna used is an AS 2545 – 1993 Subcontract conditions.
1.2B.	Specify how the participant verified the owner capacity to form a binding agreement: Tyanna verified the representative of MC Concrete authority to enter the contract. She also conducted a documentation review of relevant documents such as business licenses, insurance certificates, past work history, references from previous clients and projects. She verified that they have the capacity to complete the works and their financial stability. The subcontract provided is unsigned, however Tyanna confirmed that she would make sure they had read and understood the contract and obtained a signature from all parties involved.

ASSESSOR COMMENTS: PRACTICAL TASK 1	
1.2D.	Specify documents prepared and compiled to determine contract details: Tyanna prepared and compiled documents such as Scope of Works, Subcontractor qualification documents (Certs, licenses, insurance coverage etc), Drawings & specifications, Subcontract Agreement (Formal instrument of Agreement), payment schedule, Alder company templates such as SWMS, Hazardous Chemical Risk Assessment etc).
1.3A. 1.3B.	Specify how the participant clarified and confirmed details of the contract with the owner to resolve discrepancies or disagreements: In a simulated task, where I was the owner (subcontractor), Tyanna went through the contract with me to confirm that I understood the details within the contract.
1.3B. 1.3D.	Specify who the participant consulted when preparing the contract draft: Tyanna consulted with our legal/commercial team, The project's PM and myself.
1.4B.	Specify how the participant monitored price and time variations: Tyanna referred to Annexure Part G – Programme Register of the contract to monitor the timeline for works scheduled. Jobpac was used to monitor any payment claims.
1.4B. 1.4E. 1.4F.	Specify which parties were negotiated with to resolve contract anomalies: N/A
1.5E.	Specify how documents were developed, stored securely, during and post contract: Documents were developed using company templates applicable to the contract type selected. These documents were securely stored within our datafile and on Procore.

CPCBC4003

SELECT, PREPARE AND ADMINISTER A CONSTRUCTION CONTRACT

Practical Task 1

Description of task:

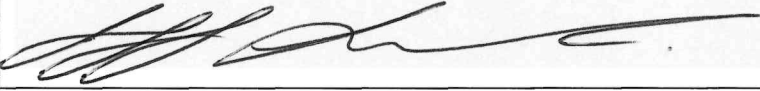
The participant must select an appropriate contract for a construction project and prepare and administer this contract, providing the assessor with copies of documents used and observer comments as evidence, including:

- Identify and analyse business contracts.
 - Review different building and construction contracts and select the correct contract by analysing identified legislative requirements and construction type and determine legal requirements.
 - Locate a standard contract document and read the elements, terms, sections and clauses to determine relevance to the agreement.
 - Review the rights, obligations and liabilities of all parties.
 - Consider the job and determine and analyse circumstances that constitute a breach of contract and factors involved in contract termination.
 - Confirm legislative requirements and procedures are met.
- Select appropriate contract.
 - Make an offer and receive acceptance to create a legal relationship in the form of a contract.
 - Confirm the owner capacity to form a binding agreement. (direct and clear communication, witness signature, legally able to enter into a contract).
 - Select the contract appropriate to the type of construction.
 - Prepare and compile the range of documents that collectively make up the contract.
 - Determine and document requirements for contract termination and special conditions agreed by all parties.
- Prepare the contract.
 - Clarify and confirm details with owner to resolve discrepancies or disagreements.
 - Prepare selected contract draft with details, in consultation with relevant personnel and in accordance with the accepted processes of workplace and legal requirements. (*Policies and procedures checklist - HO1*)
 - Determine and schedule progress payments, including processes for applying for extension of time.
 - Consult with legal representative to ensure legality and validity of the draft contract.
 - Prepare the final contract following workplace legal process. (*Policies and procedures checklist - HO1*)
- Administer the contract.
 - Administer the contract following legal and regulatory requirements and to workplace standards. (*Policies and procedures checklist - HO1*)
 - Monitor price and time variations and negotiate with various parties to resolve contract anomalies.
 - Process applications for EOT in accordance with workplace policies and contract conditions.
 - Process progress payments accurately as due under the contract.
 - Act to minimise liquidated damages or penalties nominated in the contract.
 - Administer contract, resolving disputes in accordance with contract, legislation and regulations.
 - Assess conditions for issuing a final certificate. (*Final Certificate checklist - HO2*)
- Finalise a contract.
 - Apply processes to document practical completion of the contract. (*Practical completion checklist – HO3*)
 - Finalise defects liability under a building or construction contract. (*End of Defects Liability Checklist- HO4*)
 - Finalise contract in accordance with relevant legislation and contract provisions. (*Final Certificate checklist – HO2*)
 - Collect contract and final inspection documentation and issue completion certificate.
 - Complete and secure documentation arising from finalisation of a contract for records purposes.

These tasks may be simulated or real. The Participant is to gather evidence of how they have completed each component of the Practical Task, which is to be submitted with this Practical Assessment sheet. The Observer is to provide detailed comments on the tasks completed by the Participant (on the Observer Comments, overleaf). The Assessor is to verify the Observer's comments, noting their findings in the Assessor Comments (on the back of the Practical Assessment cover page) and provide the assessment outcome.

Resources required:

Access to construction industry contracts, construction drawings & specifications, client, workplace policies, procedures and quality documentation, access to legal representation, PC, digital devices, applications and software to transmit and receive information electronically, access to legislated requirements, building and construction codes and standards.

Observer details	
Name of observer:	Jeff Lewandowski
Role of observer (Confirm suitability to sign)	Senior Contract Administrator
Email address of observer	Jeff.lewandowski@aldercon.com.au
Signature of observer:	
Date:	22/04/2024

When completing the task, did the Participant:	Tick if satisfactorily completed. Provide comments if left unticked.
1 Identify and analyse business contracts.	
1.1A. Review different building and construction contracts and select the correct contract by analysing identified legislative requirements and construction type and determine legal requirements.	☒
1.1B. Locate a standard contract document and read the elements, terms, sections and clauses to determine relevance to the agreement.	☒
1.1C. Review the rights, obligations and liabilities of all parties.	☒
1.1D. Consider the job and determine and analyse circumstances that constitute a breach of contract and factors involved in contract termination.	☒
1.1E. Confirm legislative requirements and procedures are met.	☒
2 Select appropriate contract.	
1.2A. Make an offer and receive acceptance to create a legal relationship in the form of a contract.	☒
1.2B. Confirm the owner capacity to form a binding agreement. (direct and clear communication, witness signature, legally able to enter into a contract).	☒
1.2C. Select the contract appropriate to the type of construction.	☒
1.2D. Prepare and compile the range of documents that collectively make up the contract.	☒
1.2E. Determine and document requirements for contract termination and special conditions agreed by all parties.	☒
3 Prepare the contract.	
1.3A. Clarify and confirm details with owner to resolve discrepancies or disagreements.	☒
1.3B. Prepare selected contract draft with details, in consultation with relevant personnel and in accordance with the accepted processes of workplace and legal requirements. (<i>Policies and procedures checklist – HO1</i>)	☒
1.3C. Determine and schedule progress payments, including processes for applying for extension of time.	☒
1.3D. Consult with legal representative to ensure legality and validity of the draft contract.	☒
1.3E. Prepare the final contract following workplace legal process.	☒
4 Administer the contract.	
1.4A. Administer the contract following legal and regulatory requirements and to workplace standards. (<i>Policies and procedures checklist – HO1</i>)	☒

When completing the task, did the Participant:	Tick if satisfactorily completed. Provide comments if left unticked.
1.4B. Monitor price and time variations and negotiate with various parties to resolve contract anomalies.	☒
1.4C. Process applications for EOT in accordance with workplace policies and contract conditions. (<i>Policies and procedures checklist – HO1</i>)	☒
1.4D. Process progress payments accurately as due under the contract.	☒
1.4E. Act to minimise liquidated damages or penalties nominated in the contract.	☒
1.4F. Administer contract, resolving disputes in accordance with contract, legislation and regulations.	☒
1.4G. Assess conditions for issuing a final certificate. (<i>Final Certificate checklist – HO2</i>)	☒
5. Finalise a contract	
1.5A. Apply processes to document practical completion of the contract. (<i>Practical completion checklist – HO3</i>)	☒
1.5B. Finalise defects liability under a building or construction contract. (<i>End of Defects Liability Checklist – HO4</i>)	☒
1.5C. Finalise contract in accordance with relevant legislation and contract provisions. (<i>Final Certificate checklist – HO2</i>)	☒
1.5D. Collect contract and final inspection documentation and issue completion certificate.	☒
1.5E. Complete and secure documentation arising from finalisation of a contract for records purposes.	☒

Observer comments:

Tyanna has shown sound knowledge and understanding of the process involved in selecting, preparing and administering a contract.
Jeff.