

Practical Task 1 (2X)

Description of task:

On two (2) occasions, a suitable observer is to verify the participant's ability to apply contract law to residential and/or commercial construction sales processes.

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. Evidence to be submitted may include:

- Copy of a contract issued to sub-contractor for your project with relevant AS code on the front
- Proof of consultation with sub-contractor regarding contract and contract terms, inclusions and omissions (emails)
- Copy of HSE minimum requirements sent as contract condition
- Construction contracts that have been developed, signed off, or contributed to by the candidate
- Proof of correspondence with client regarding construction contract. Redact sensitive information as required.

The assessor is to verify the observer's comments and provide the outcome for the practical task on the front cover of the Practical Assessment.

Resources required:

Two (2) pre-contract agreements; two (2) sales contracts (e.g. QBCC contracts), telephone, facsimile machine, computer.

Assessment of task

Name of participant:	Danielle Henderson		
Name of observer:	Tom Luke		
Role of observer (Confirm suitability to sign)	Senior Project Manager		
Email address of observer	tom.luke@perigon.com.au		
Signature of observer:			
Date:	14/02/2020		
When completing the task, did the participant:	Tick if satisfactorily completed. Provide comments if left unticked.		
	1 st Occasion	2 nd Occasion	
1.A. Explain to the client: • Essential terms and elements of a valid contract • Types and purposes of agreements employed with the industry (including sales contracts and pre-contract agreements) • The range of documents that collectively make up a contract (including construction schedules, reports, specifications) • The importance of the contract to sales process • Implications of legislation, regulations and codes of practice (including Australian Consumer Law)	☒	☒	
1.B. Discuss and agree upon clauses of a pre-contract agreement, including payment or deposit.	☒	☒	
1.C. Ensure the pre-contract agreement is signed and processed according to organisational requirements.	☒	☒	

1.D. Select appropriate contract and seek expert advice in the preparation of the contract, considering: - Contract rise and fall amounts - Schedule of progress payments - Processes for applying of extensions of time	☒	☒
1.E. Break down contract clauses/terms/conditions with the client, including: - Rights, liabilities and potential penalties of parties under the contract - Definitions of building work, common contract terms and procedures, considering – - Practical completion and issuing a final certificate - Defects liability and completion at the cost of the contractor - Effect of ousting the contractor from the building or site - Cooling off periods - Provisional sum and prime cost allowances - Measures to be taken in the event of an anomaly in the rendering of the contract, considering – - Variations - Circumstances that bring about a breach and termination of contract, considering – - Unreasonable/vexatious notice - Abandonment of a contract - Methods for resolving contractual disputes	☒	☒
1.F. Effectively communicated with clients, subcontractors, colleagues and external parties using the following methods: - Verbally using language/concepts appropriate to cultural differences - Non-verbal communication - Using technology (including telephone, facsimile, email) - In writing (including drafting responses to queries about contracts)	☒	☒
The participant's performance was: ☒ Satisfactory ☐ Not Satisfactory		

OBSERVER COMMENTS

Danielle has worked closely with my project team and others within Perigon. Her knowledge of preparing subcontract agreements has been a huge benefit to me and the business. Thoroughly reviewing and gaining understanding of work packages and scope of works within various packages has meant that contractor engagement always follows a set method where communication is paramount. Danielle has demonstrated that she has necessary knowledge and skill to lead contractor engagement.

The below is a brief summary of my observations of Danielle's contract engagement process.

Prior to execution of contract.

Prospective contractors are interviewed with intent to engage. Meeting / discussions to ensure works scope is fully inclusive, contract values are confirmed any optional pricing also included. Importantly contractors are requested to advise of any omissions / exclusions or clarifications which may be applicable to the respective scope.

Draft contract issued & meeting.

Following initial (informal) discussion Danielle follows through by preparing and issuing 1st Draft subcontract documentation. This is followed by a further request to meet and review.

Deviations / clarifications / special conditions.

During initial contract discussion project specific conditions and particulars are reviewed and included within documentation. This is inclusive of agreed deviations / clarifications by the contractor. All the above is noted and contract document updated to reflect same. If change is agreed.

- Minor change is noted within contract.
- Significant changes require introduction of schedule 6 (Agreed deviations)

Invoicing / Claims / Commercial.

Further to the above discussions any commercial aspects are discussed / reviewed and agreed,

- Claim break down format.
- Any variations to claims.
- Date and format of claims / invoices.

Sign off.

Upon completion of the above, Danielle then liaises directly with project management team to brief them on any issues etc.

Project manager will then perform a due diligence review prior to sign off.