

CPCCBC4003A SELECT AND PREPARE A CONSTRUCTION CONTRACT, CPCCBC4016A ADMINISTER A CONSTRUCTION CONTRACT & CPCCBC4032A APPLY CONTRACT LAW TO SALES PROCESSES

The assessment activities for *CPCCBC4003A Select and prepare a construction contract*, *CPCCBC4016A Administer a construction contract* & *CPCCBC4032A Apply contract law to sales processes* cover all aspects of the unit of competency required. To demonstrate competence in this unit, a participant must undertake all tasks and complete them satisfactorily and consistently. For Apprentices and Trainees, this includes employer completion of the Employer Record Book (ERB).

Participants must read all the information given before starting any assessment task. The assessment tasks are intended to be equitable, fair and flexible. 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 some questions or perform some tasks, they will be deemed 'Not Satisfactory' for the task and 'Not Yet Competent' for the unit of competency. The Trainer/Assessor is able to provide the participant with additional information on interpreting the assessment outcomes and provide guidance on the participant's options. Should a participant still be deemed 'Not Satisfactory' they will have the opportunity to undertake a supplementary assessment or appeal the result.

By signing the cover page for each assessment item, the participant acknowledges they understand the assessment instructions and requirements and consent to being assessed. The participant also verifies and assures the RTO that the work submitted is their own work.

Participant Name	Gordon Pirret	
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Task	Assessment Results	
Theory Exam	☐ Satisfactory	☐ Not Yet Satisfactory
Practical Assessment	☐ Satisfactory	☐ Not Yet Satisfactory
Outcome for CPCCBC4003A	☐ Competent	☐ Not Yet Competent
Outcome for CPCCBC4016A	☐ Competent	☐ Not Yet Competent
Outcome for CPCCBC4032A	☐ Competent	☐ Not Yet Competent

Assessor Name	
Assessor Signature	
Unit Competence Determination Date	

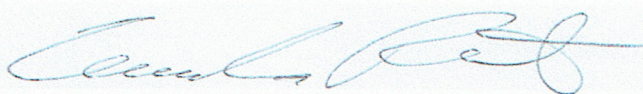
**CPCCBC4003A SELECT AND PREPARE A
CONSTRUCTION CONTRACT,
CPCCBC4016A ADMINISTER A CONSTRUCTION
CONTRACT &
CPCCBC4032A APPLY CONTRACT LAW TO SALES
PROCESSES**

THEORY EXAM INSTRUCTIONS

- This exam will occur under standard assessment conditions.
 - An oral examination may be allowed under certain circumstances, whereby the Participant's answers will be documented by a party other than the Participant. This must be acknowledged in writing (e.g. FT001 and Assessor Comments)
- Participants must provide enough detail in their responses to demonstrate their knowledge and skills.
- Please fill in the details below, providing your name, signature and date of assessment.
 - Your signature acknowledges that this is your own work.
- Assessors are to complete marking in pen of a different colour to the Participant.
- If a Participant initially answers a question incorrectly but modifies their response, they must follow the instructions below:
 - If a Participant changes their response in writing, they must put their initials next to the written change.
 - If a Participant changes their response verbally, this must be noted on the exam paper by the assessor.

Participant name Gordon Pirret

Participant signature



Date 24th February 2020

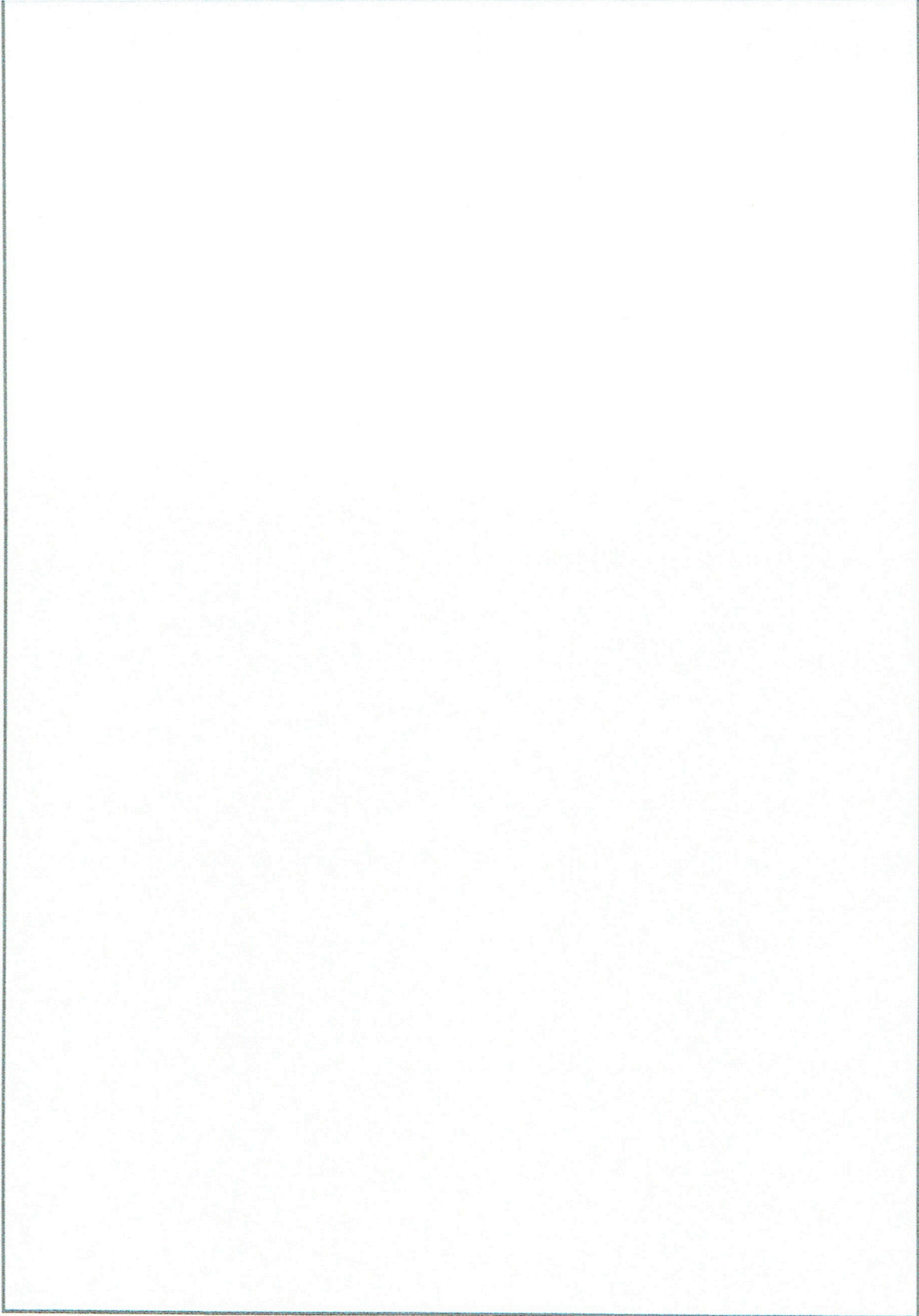
Assessor name _____

Assessor signature _____

Date _____

Number of questions	Number of questions answered correctly	Task outcome (Tick)	
51		Satisfactory	Not Yet Satisfactory
		☐	☐

ASSESSOR COMMENTS

- 
1. Order the following elements of an agreement from 1 to 4.

Answer

Element Number	Element
2	Acceptance
4	Consideration
3	Intention of legal consequences
1	Offer



2. When would an offer be considered to have lapsed?

Answer

- when the time for acceptance expires.
- if the offer is withdrawn before it is accepted.
- after a reasonable time in the circumstances (generally the greater the value of the contract, the longer the life of the offer.)



3. What happens to the offer if new terms are suggested?

Answer

The offer would be regarded as a counter offer which can be accepted or rejected. When final offer is accepted, negotiation ends, therefore the terms and conditions of the contract are established.



4. What does it mean when a contract is supported by 'valuable consideration'?

Answer

- Valuable consideration means;
- one party promises to do something in return for promise from another party.
 - consideration is what each party gives to the other as the agreed price for the other's promise.
 - usually the consideration is the payment of money.



5. Identify two (2) parties who may be deemed to not have the capacity to enter into a contract.

Answer Persons suffering for mental disability, senile persons or intoxicated persons. ☐

6. Outline your understanding of 'consent' as it applies to contractual agreements. Identify when 'apparent consent' might not actually exist.

Answer

- Consent is an act of reason and deliberation. Consent is implied in every agreement.
- Apparent consent might not actually exist due to fraud, duress or innocent misrepresentation.
 ☐

7. Identify the building industry regulator in your state and describe its role, particularly with regards to providing advice about contracts.

Answer Queensland Building and Construction Commission
QBCC regulate the building industry to;

- ensure maintenance of proper standards in the industry
- regulate domestic building contracts to achieve a reasonable balance between the interests of building contractors and home owners etc.
 ☐

8. Under what laws are domestic building contracts regulated?

Answer QBCC ACT 1991/ REGULATIONS 2018 / COMMISSION REGULATIONS 2018
BUILDING ACT 1975 & REGULATIONS 2006
BUILDING INDUSTRY FAIRNESS ACT 2017 & REGULATIONS 2018
PLUMBING AND DRAINAGE ACT 2018 & REGULATIONS 2019 ☐

9. Domestic building contracts must be put in writing once the work exceeds what value?

Answer \$3,300

\$3,300 - \$19,999...level one contract in place
\$20,000 or more...level 2 contract in place

PRIOR TO COMMENCEMENT



10. A commercial building contract must be put in writing before the building work is started if the reasonable cost of the work is more than what amount? Identify the relevant law that imposes this requirement.

Answer QBCC Act 1991 requires contracts for building works must be in writing. For works costing \$10,000 or more, a contract must be signed prior to work commencing. For projects valued at less than \$10,000, a contract must be signed prior to completion.



11. Contractors must give the owner a signed copy of the entire contract (including any plans and specifications) within how many days after entering the contract?

Answer 5 days



12. What are the benefits of having a written contract in place between parties?

Answer It is the single greatest protection to ensure that;

- home owners receive the finished product the envisioned.
- builders get paid, and paid on time.
- all parties should be aware of their entitlements and obligations under the contract.



13. Match the common building contract clauses and definitions below by writing the appropriate letter next to each number in the centre column.

Answer	Clauses	Answers	Definition	☐
1	Acceptances	1 - F	A Provide specific reasons that allow the contract period to be adjusted	
2	Cost adjustments	2 - E	B A provision for which remedies can be sought if breached	
3	Extensions of time	3 - A	C Specifically outlines the tasks to be completed as part of the construction work	
4	Payments	4 - D	D Outlines the requirements for deposits	
5	Scope of work	5 - C	E Address the risk of rise/fall of expenses	
6	Term	6 - B	F Require that the contract be accepted or rejected by a certain date, otherwise the contract will not be binding	

14. Which of the following are preliminary contracts that a builder could ask a client to sign prior to signing the main contract? Tick all that apply.

Answer	Choice	Possible Answers	☐
	✓	Contract estimate	
	✓	Contract request	
	✓	Preliminary agreement	

15. True or False (Tick your response): Clauses within pre-contract agreements may carry over into the contract, so it is important to discuss these with the client and come to an agreement.

Answer	✓	True	☐
	☐	False	

16. Identify and explain the purpose of four (4) standardised building construction contracts – two (2) residential and two (2) commercial.

Answer

Contract name	Description
Level 1 - renovation, extension and repair contracts	for renovations, extensions and routine repairs on existing homes for contracts \$3,300 to \$19,999.
Level 2 - Renovation, extension and Repair Contract	for renovations, extensions and routine repairs on existing homes for contracts \$20,000 or over.
Commercial Building Contracts	Lump sum contract to be used for the construction only of commercial building work with or without a principles agent.
Commercial Minor Works Contract	A lump sum contract for minor commercial work unto the value of \$100,000.



17. Identify an appropriate standardised contract that would be suitable for a commercial works job up to \$100,000.

Answer

Commercial Minor Works Contract



18. Identify one (1) standardised residential building contract and explain the maximum value of the work it may be used for.

Answer

Natural disasters repairs contracts used for domestic building projects not exceeding \$3,300.



19. Describe the requirements for each of the topics listed below, with regards to residential contracts priced at \$20,000.

In Queensland, these are outlined in the QBCC Consumer Building Guide, which the consumer must sign before work is undertaken.

Answer

Topics	Definition
Builder's Licence	You should only deal with a QBCC-licensed contractor. If you engage an unlicensed contractor, your building work may not be covered under the Queensland Home Warranty Scheme.
Contract price	For contracts priced at \$20,000 or more, the contract price, if fixed, must be shown prominently on the first page of the contract schedule. If the contract price is not fixed, the method for calculating it, including any allowances, must be stated in the contract schedule. Allowances (items or services for which the price is not fixed when the contract is signed) should be kept to a minimum as the final cost often exceeds the estimate in the contract. The contract must also contain a warning about any provisions that may alter the contract price.
Building approvals and inspections	Building inspections and approvals are the responsibility of a building certifier. Mandatory building inspections may be required at certain stages of construction. The contractor must give you copies of any certificates of inspection as soon as practicable after they receive them from the certifier. You can check the certifier's licence via QBCC's Online Licence Search.
Practical completion and handover	You are not required to pay the final contract payment until all of the contracted work has been completed in accordance with the contract including any plans and specifications, all legal requirements, and either without any defects or omissions, or with only minor defects or minor omissions that will not unreasonably affect occupation. If you believe there are any minor defects or minor omissions, the contractor must give you a 'defects document' (listing agreed and non-agreed matters). This document should be compiled by you and the contractor during a handover inspection. Check your contract to see if it imposes any extra requirements on the contractor for practical completion.



Implied warranties	Sections 19 - 26 of Schedule IB of the Act set out statutory warranties deemed to be part of all regulated domestic building contracts, even if not stated in the contract. The warranty period is 6 years from completion, termination or cessation of the work for breaches resulting in structural defects; 1 year for all other breaches. Legal proceedings for any breach must be started within the warranty period or a further 6 months if the breach becomes apparent within the last 6 months of the warranty period.
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20. Which of the following documents can be referred to as collectively making up a contract? Tick all that apply.

Answer

Choice	Possible Answers
✓	Engineer specifications
✓	Plans, drawings and specifications
✓	Prime Cost Items Schedule
✓	Processes for applying for extensions of time
✓	Product catalogues
✓	Project timelines and schedules
✓	Provisional Sums Schedule
✓	Rise and fall calculations
✓	Site conditions report
✓	Soil and sedimentation report

21. What is the difference between the Prime Cost Item Schedule and the Provisional Sum Schedule in a contract? Provide an example of each type to help explain your response.

Answer

A prime cost items is;

An amount of money included in a contract sum to purchase and specific item such as tiles, taps, doors or bathroom fittings. An agreed estimated amount is included at contract signing but specific products are not selected until a later stage. A builder must cost (estimate) these items at or above the lowest amount that these items could reasonable cost. If customer pays \$400 towards tiles and tiles are later found to \$500, a variation would be required to cover the additional \$100. If Prime Cost item varies, so will the final contract sum.

Provisional Sum Schedule is;

An amount of money included in contract sum to cover work/materials, not detailed when entering contract. Typically builders will include a Provisional sum for site works costs. The builder is reasonable required to take reasonable steps to ensure accurate site works cost estimate, however unforeseen circumstances can means that the provisional sum is exceeded, which is then added to the contract sum. E.g. Rocks underground can cause cost over run.



22. **Cost adjustment provisions under a contract address risk by providing mechanisms for adjusting contract payment to reflect changes in costs. What can cost adjustment apply to?**

Answer

There is a risk that during the course of a commercial contract, the costs of performing that contract will rise and fall from costs initially estimated. Cost adjustment provisions address the risk by providing mechanisms for adjusting contract payment to reflect changes in costs, but they only apply to long term costs and some specific costs. E.g labour/materials, currency exchange rates for overseas purchased goods, duties, tax and shipping.



23. **True or False (Tick your response): Variations can be requested by both the client and the builder.**

Answer

✓	True
☐	False



24. **How should you deal with a client variation request that consequently requires a time extension? How are time extensions addressed within the contract?**

Answer

Each individual contract addresses extension of time clauses. These clauses provide specific reasons that allow the contractor to be entitled to and extension of time of the contract period.



25. Name the Fair Trade legislation that applies in your state and identify which persons/bodies it applies to.

Answer

Fair Trading Act 1989

Applies to;

- persons carrying on business in QLD
- bodies corporate, incorporated or registered under the law of QLD
- persons ordinarily resident in QLD
- persons otherwise connected to QLD



26. Under the National Consumer Credit Code, before entering into a credit contract, what must the credit provider do?

Answer

- make reasonable enquires about why you want to borrow money.
- make reasonable enquiries about your financials.
- take reasonable steps to verify your financial situation.
- address whether you can meet the financial obligations of the contract (and if it will meet your needs).
- determine that the credit contract is not 'unsuitable' for you.



27. What does the 'cooling off' period refer to when undertaking domestic building work with a total contract price of \$20,000 or more?

Answer

Cooling off period refers to right which may enable consumers to cancel the contract if they are not satisfied with it. Schedule 1B of the QBCC Act provides a cooling off period, giving consumers the option to withdraw from contract within 5 days of receipt of signed contract.



28. What are the maximum deposits recommended for a residential building project?

Answer

maximum deposit of 5% of contract for domestic building work is paid at \$20,000 or more. If contract is more than \$3,300 and less than \$20,000, the deposit must not exceed 10%.



29. Throughout the building schedule, progress payments are made when each new stage is ready to commence.

Identify the recommended stages and percentages for these progress payments on a typical new residential housing building project.

Answer

STAGE	% of CONTRACT
deposit	5%
base stage	15%
frame stage	20%
enclosed stage	25%
fixing stage	20%
practical completion	15%



30. You have been engaged by a client to construct their residential dwelling for \$550,000. Your client is pressuring you to accept a \$70,000 deposit to get priority on their construction. Should you accept the deposit? Explain your response.

Answer $(550,000 / 100) \times 5\% = 27,500$

Maximum deposit permitted to accept is \$27,500 for this particular scenario. This is regulated by QBCC Act and should not accept more than is set out in their schedule.

31. Explain the following types of contractual breach and identify the consequences for the contractual arrangement due to each type of breach.

Answer

Breach	Explanation
Breach of condition under contract	legal cause of action in which binding agreement or bargained for exchange is not honoured by one or more of the parties to the contract, by non performance or interference with the other parties performance. Aggrieved party can elect to discharge contract and sue for damages.
Breach of warranty under contract	legal cause of action in which binding agreement or bargained for exchange is not honoured by one or more of the parties to the contract, by non performance or interference with the other parties performance. If warranty is breached, the aggrieved party can not elect to terminate or discharge contract, they may only seek damages.

32. What does repudiation of a contract mean?

Answer

it is a term used to describe the rejection of a proposal or idea when a party to a contract is unwilling or exhibits behaviour which suggests that they are unwilling to perform their contractual obligations, the innocent party has the right to terminate the contract due to repudiation.

33. True or False (Tick your response): In the event of repudiation, the injured party has two options:

- Continue with the contract
- Accept the repudiation and move to terminate the contract

Answer

☒	True
☐	False

34. Why should you exercise caution, even if you are sure that the other party has repudiated the contract?

Answer

Because it does not automatically lead to termination of the contract, nor does it release the other party from their liabilities. Whether repudiation has occurred is determined objectively whether the parties conduct would convey to a reasonable person, in the position of the other contracting party, renunciation of the contract as a whole or as a fundamental obligation under it.



35. What does 'abandonment of contract' mean?

Answer

2 types;

- Contract Abandonment - where parties conduct themselves in such a way that the original contract is no longer valid. Both parties mutually agree to do this or it can become part of a claim.

- Contractor fails to perform the work on a project by either not starting project in a reasonable time frame or not completing the work, or failing to resume work in a reasonable time frame. Abandonment of a construction project without legal excuse is a cause for disciplinary action.



36. A contract can be terminated for 'cause' or for 'convenience'. Explain these two terms.

Answer

CAUSE; A termination of cause occurs when one party stops work due to a deficiency in performance of the other party. Because the contract is terminated as a result of a parties own poor performance, the law typically provides the terminated party with little recourse in the event of a termination.

CONVENIENCE; A termination of convenience occurs when the owner stops work for reasons other than a deficiency in performance by the contractor. Because the termination for convenience is not the result of poor performance, the law may provide the aggrieved contractor with significant rights against the breaching owner.



37. Yes or No (Tick your response): Referring to Section 25 of Schedule 2 of the *Competition and Consumer Act 2010* (Cth), would a contract be unfair if it contains a term that permits the builder, but not the client, to terminate the contract?

Answer

☒	Yes
☐	No

☐

38. If time is not of the essence for contract completion and one party fails to perform on time, the other party may terminate the contract after serving notice – specifying a time for performance on the first party. What are the requirements of a valid notice to complete?

Answer

- what must occur to perform the contract.
 - a reasonable time in which the contract must be completed.
 - a statement of the consequences of not performing in accordance with the notice.
- If notice fails to include any of these elements it may be deemed unreasonable.

☐

39. True or False (Tick your response): Where the notice given (as per Q39.) is deemed invalid, the innocent party must either serve another notice or prove repudiation by the defaulting party, in order to terminate the contract.

Answer

☒	True
☐	False

☐

40. When is the client owner required to pay the final contract payment? How might this be affected by defects and omissions?

Answer The final contract payment is due following issue of the final certificate. This certification shows that the construction contract has been fully completed.



41. Explain the concept 'conditions for completion at the cost of the contractor'.

Answer If there are defects or omissions, the owner must give the contractor written notice to make good such defects or omissions 6 months from the date of practical completion. Owner must give contractor reasonable access to the site for that purpose, subject to reasonable access, the contractor must within 28 days of notice rectify any defects.



42. Describe what must be stated in a 'warranty against defects' about the person who gives the warranty [as per Section 90 of the *Competition and Consumer Regulations 2010* (Cth)].

Answer Details that must be stated in the warranty against defects are about the person who gives the warranty;



- the person's name
- the person's business address
- the person's telephone number
- the person's email address

Answer ~~Services/Goods come with guarantees that cannot be excluded under the Australian consumer law. For major failures with the service you are entitled to cancel your service contract with us, and to a refund for the unused portion or to compensation for its reduced value. Also entitled to choose refund or replacement. If failure is not major you are entitled to have the failure rectified in a reasonable time frame. If this is not done, you are entitled to refund, to cancel contract and obtain a refund. Also entitled to compensation for any other reasonably foreseeable loss or damage from failure.~~ ☐

43. Name one (1) person you should consult if you are considering ousting a contractor from a building site.

Answer Consult your contract or Lawyers to fully understand your right and obligations. ☐

44. What document should you refer to if you are considering ousting a contractor from a building site?

Answer Your contract. ☐

45. How should you handle a customer complaint?

Answer

- deal with complaint immediately.
- stay calm
- identify problem
- decide what can be done
- arrange a second opinion to confirm your view
- keeps records
- fix problem



46. How do you reduce the risk of dispute?

Answer

In order to reduce the risk of a dispute, a contractor/owner may;

Effective communication is key when there is the possibility of a dispute.

It is important to record all complaints, act promptly, do what you say you are going to do and not make unrealistic promises.

- deal with the complaint immediately
- stay calm
- identify the problem
- decide what can be done
- arrange a second opinion to confirm your views
- keep records
- fix the problem

QBCC or other building associations can assist in reaching amicable solution in regards to building contract breakdown



47. What is the process for dispute resolution?

Answer

- QBCC or building associations can assist in reaching amicable solution without building contract breaking down.
- Queensland Civil and administrative tribunal is cost effective and they will hear and disagreement between client and licences contractor.
- Seek legal advice to investigate options before taking any of these steps



48. During your build the client has emailed you at 7:00pm to say they have been to the premises and noticed the installed bath in the bathroom is the wrong style.

You check the contract and the white goods and chattels list selected by the client. You cross check this with the specifications and your materials order and the receivable order sheets. You establish that the bath, as per these details, is correct and there has been no mistake on your part.

Draft a detailed response email to your client alerting them to the pertinent parts of the contract and specification, cross-referencing the details in regard to this item and its installation.

Answer

Good Evening Mr & Mrs Smith,

I hope this email finds you both well.

Thank you for your email this evening regarding the newly installed bath onsite at your new home, and for outlining the concerns you have surrounding the style of the bath fitted.

I have assessed your selection documents, which outlines all selections chosen by yourselves and, can confirm with you that I have personally checked each item as it has arrived onsite prior to installation. As such, I can confirm that the bath that has been installed at your home is the bath chosen by yourselves a number of weeks ago in your selection appointment.

If you would like to change this to another bath style, I am more than happy to accommodate your request, this would however come at a variation cost and may impact the completion date of your home. I feel it important to make this option available to you, but also make you aware of potential impacts moving forward and with the completion of your home.

Moving forward, I am happy to assist in providing you both site access to check on development of your home or allow you to measure for furniture etc. Please be aware though that you are requested to stay off site without myself present due to it contravening the requirements as set out in your final contract in relation to entry to site throughout the building phase. This is to ensure your safety.

I appreciate hearing from you and hope I have managed to reduce your concerns as much as possible. Please let me know as soon as possible if you would like to make the changes, as mentioned in this email.

Kind Regards,

Gordon Pirret
Construction Supervisor



49. Where would you find any possible penalties associated with a build?

Answer

Within your final contract. More specifically within the liquidated damages clause



50. Explain the process for obtaining the final inspection certificate. Explain how such documentation is to be stored/lodged.

Thro

Process as follows for obtaining the final inspection certificate:



Confirm site is ready

Book the final inspection with the certifier.

Send applicable certificates to the certifier as outlined in the Building Approval. These are not limited to the following:

Form 16 Showers

Form 15 Windows

Form 16 Smoke Alarm and Energy

Form 16 Energy

Form 16 Waterproofing certificate

Form 16 Termite documentation such as Kordon and Camilleri – whatever is relevant to that build.

Certain homes will also require:

Form 16 Acoustics

Form 16 Bushfire

Double storey:

Form 16 Slip stairs and report

Form 15 Stairs and Form 16 Balustrades

Form 16 Glass Balustrade if applicable

Form 16 Firewall if dual living

The certifier would have already received the set out and slab/piers certificate for first stage Form 16 along with the frame engineering Form 15 and Frame Form 16 certificate.

Once the inspection is completed and home is compliant and certificates received the certifier will issue the Form 21. The form 21 is also issued direct to the home by the certifier and the Builder. The certifier will also notify the relevant council.

The Form 21 is stored with all applicable certificates/documentation for that build. This can be a hardcopy with the file and electronically on a secure server.

51. Select and prepare an appropriate standardised contract for the client in the scenario below.

Mr. and Mrs. Cousins intend to engage your company Resilient Homes Pty Ltd (License 141526) in order to build a new low-rise residential dwelling as their future retirement property. Mid-term of this build the clients intend putting their current home on the real estate market for sale.

Additional details:

- The land has been secured and paid for by the Clients.
- Proposed contract amount is \$580,000.00 plus \$85,000 for a kidney shaped 9m x 6m in-ground swimming pool, landscaping, gardens and lawns.
- Mr. and Mrs. Cousins have finance approval from the Commonwealth Bank for \$390,000.00 and the balance in cash. You have received written assurance from the Clients finance company and bank that their finances for the build are fully secured.
- Mr. and Mrs. Cousins want to pay you \$75,000.00 upon signing of the contract to get their build at the top of your priority list.
- The residential dwelling will be a low set single skin masonry structure with hip and valley roof using glazed clay tiles, contrast metal fascia and gutters and colour/rendered finish on a 1000m² level block upon which there are three large standing hardwood trees which will need to be fully removed.
- The Clients want the largest tree wood chipped and the chipped bark retained on site for the future gardens and landscaping.
- Mr. and Mrs. Cousins operate an aluminium window supply company and have advised they will supply all the windows and shower glass for the build.
- The dwelling has four bedrooms with built-ins. The master bedroom has ensuite with toilet, spa bath and double shower and walk-in robe and dressing area. There is an office, gourmet kitchen with stone bench tops and butler's pantry, media room, separate open plan dining adjacent to the kitchen plus slate tiled outdoor entertaining area adjacent to the pool, two living areas (formal and informal), two bedrooms share a bathroom with bath, shower, double vanity and toilet and the guest bedroom is ensuited with shower only, toilet and single vanity, there is a powder room (toilet and vanity only), three car garage (one double and one single) and a store/workshop room at the rear of the double bay garage. A slab is to be put down in the back corner of the allotment for a 5m x 3m garden shed.
- The council approved building plans have been provided by Mr. and Mrs. Cousins these do not include the garden shed slab.
- The construction period excluding inclement weather and possible delays is 23 weeks
- Provisional sums are required for the wet areas, alfresco area and living area tiling. (Only the bedrooms are carpeted).
- Prime costs are required for the solar hot water system and ducted air conditioning
- Provide fictitious details for all other sections of the contract.
- 18 solar panels are to be installed on the roof

Please see attached mock contract. GP

Answer



CPCCBC4003A SELECT AND PREPARE A CONSTRUCTION CONTRACT CPCCBC4016A ADMINISTER A CONSTRUCTION CONTRACT

PRACTICAL ASSESSMENT INSTRUCTIONS

- The following practical assessment will require the Participant to complete work related activities.
- The Assessor will conduct observations of the Participant's work to determine whether they display sufficient practical skills and knowledge.
- Please fill in the details below – providing your name, signature and date of assessment.
 - The Participant's signature acknowledges that the Assessor provided clear instructions and the Participant understood what was required to complete this assessment.
- The Assessor may substitute a Practical Task with an alternate task of equal value.
 - Alternate tasks must be fully documented by the assessor in the Assessor Comments area.

Participant name Gordon Pirret

Participant signature



Date 27/02/2020

Assessor name

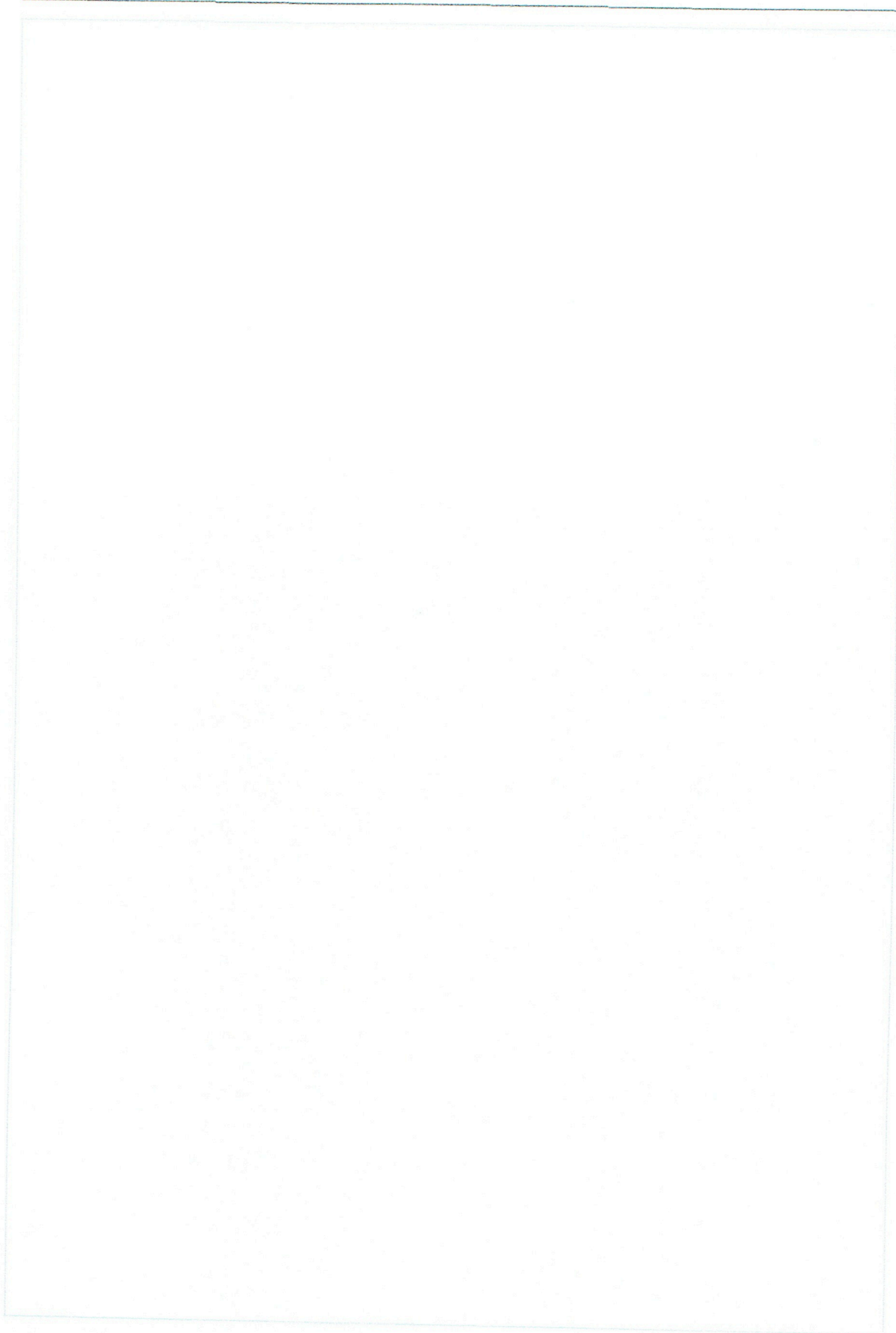
Assessor signature

Date Click here to enter a date.

Task	Task outcome (Tick)
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Task	Satisfactory	Not Yet Satisfactory
Task 1 (Occasion 1)	☐	☐
Task 1 (Occasion 2)	☐	☐

ASSESSOR COMMENTS



CPCCBC4003A SELECT AND PREPARE A CONSTRUCTION CONTRACT, CPCCBC4016A ADMINISTER A CONSTRUCTION CONTRACT & CPCCBC4032A APPLY CONTRACT LAW TO SALES PROCESSES

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:

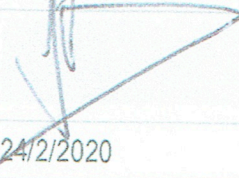
- Copy of a contract issued to sub-contractor for your project with relevant AS code on the front
- Proof of consultation with sub-contractor regarding contract and contract terms, inclusions and omissions (emails)
- Copy of HSE minimum requirements sent as contract condition
- Construction contracts 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:	Gordon Pirret	
Name of observer:	Josh Reade	
Role of observer (Confirm suitability to sign)	Construction Manager	
Email address of observer	<u>joshua@homesbycma.com.au</u>	
Signature of observer:		
Date:	24/2/2020	
When completing the task, did the participant:	Tick if satisfactorily completed. Provide comments if left unticked.	
	1st Occasion	2nd Occasion

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)	✓	✓
B. Discuss and agree upon clauses of a pre-contract agreement, including payment or deposit.	✓	✓
C. Ensure the pre-contract agreement is signed and processed according to organisational requirements.	✓	✓
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	✓	✓
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	✓	✓
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

Gordon has been employed as a Construction Supervisor for the last 4 months and very quickly, has learnt, the requirements of the role, whilst having a full understanding and being able to positively input at weekly construction meetings.

Gordon has a fantastic level of understanding of all aspects of his role, meaning that he is able to communicate effectively with clients, subcontractors, engineers, drafts people, colleagues and management.

Part of Gordon's role as a Construction Supervisor is to be the first point of contact for all of his clients. Gordon is required to answer questions relating to contracts on a daily basis and ensure all information shared with the client is accurate and factual, in accordance with the correct legislation, regulations and standards.

Gordon is required to explain the various stage payments that our clients are contractually obliged to pay, at certain points throughout the build process.

Gordon works closely with the administrative and accounting staff in ensuring that all contracts are completed and meet compliance legally.

Gordon is required to understand that all clients are different and have different levels of understanding of the industry. Gordon is able to convey any required information in a way any client will understand, regardless of language or cultural differences. Explaining certain building definitions is paramount and builds trust with the client. Gordon always excels in this regard.

During the build process, the majority of our clients will at some stage, change their mind or, wish to add to their final contract. This entails a variation. Gordon is extremely competent at streamlining this process from initial consultation with the client, to completion of the build project, ensuring that the client is presented with the home of their dreams.

Gordon is proficient in every aspect of the build process, and is so successful in his role due to his organisation and effective communication, verbally, on the phone, face to face and via email.