

Title	Demonstrate knowledge of tendering for, and administration of, building construction contracts		
Level	5	Credits	10

Purpose	<p>This unit standard is designed to provide an overview of the tender process.</p> <p>People credited with this unit standard are able to: describe the tender process from the perspective of the main contractor; describe the procurement process on confirmation of a successful tender; explain the process for preparing progress claims; explain the principles of determining the costs of variations; and explain the process of preparing the final claim.</p>
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Classification	Construction > Core Planning and Construction
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Available grade	Achieved
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Explanatory notes

- 1 Definition
A *pre-let meeting* is an initial meeting prior to engagement to discuss the terms of a contract.

- 2 Legislation and publications relevant to this unit standard include:
Health and Safety in Employment Act 1992 and Health and Safety in Employment Regulations 1995;
Building Act 2004;
Construction Contracts Act 2002;
Standard Conditions of Contract NZIA SCC 2009 1st edition, available from the New Zealand Institute of Architects (<http://www.nzia.co.nz/e-shop.aspx>).
NZS 3910:2003 *Conditions of contract for building and civil engineering construction*, available from Standards New Zealand (<http://www.standards.co.nz>);
Registered Master Builders Federation, *Subcontract Agreement 2009*, available from RMBF (<http://www.masterbuilder.org.nz/index.asp?id=109>).

Outcomes and evidence requirements

Outcome 1

Describe the tender process from the perspective of the main contractor.

Evidence requirements

- 1.1 Methods of tender are described and explained in terms of their advantages and disadvantages.
- Range lump sum, fixed price, cost reimbursement, design and build.
- 1.2 Tender preparation stages are described in terms of process and requirements.
- Range stages include – invitation to price, documentation, subcontract requirements established and invited, main contractor requirements measured, notice to tenderers, assemble tender bid, submission.
- 1.3 Risks and opportunities are identified from examples of tender documentation.

Outcome 2

Describe the procurement process on confirmation of a successful tender.

Evidence requirements

- 2.1 The process of establishing procurement requirements from the main contractor's quantity list is described using a given example of a confirmed tender.
- Range procurement requirements for – site establishment, critical materials, critical subcontractors.
- 2.2 The selection process for subcontractors is explained for a post-tender situation.
- 2.3 The role of the subcontract agreement is explained in terms of its relationship to the main contract agreement and the specific requirements of the main contractor.
- 2.4 Pre-let meetings are described in terms of purpose and agenda.

Outcome 3

Explain the process for preparing progress claims.

Evidence requirements

- 3.1 The process for preparing progress certificates is explained in terms of writing claims to conform to the contract conditions.
- 3.2 The process for analysing claims is explained in terms of establishing a match to the claimed percentage in relation to value of work completed.
- 3.3 The requirement for establishing the validity of claims for materials on and off site is explained in accordance with the contract conditions.
- 3.4 The process for deducting retentions is explained in terms of the contract conditions.

Outcome 4

Explain the principles of determining the costs of variations.

Evidence requirements

- 4.1 The principles of variations to building works are explained in terms of measurement, pricing, and presentation in accordance with contract conditions.
- 4.2 The procedures for processing variations are explained in terms of company procedure and contract conditions.

Outcome 5

Explain the process of preparing the final claim.

Evidence requirements

- 5.1 The process for preparing final account statements containing items adjusted in terms of the contract is explained in relation to contract conditions.
- Range adjusted items – variations, fluctuations, sum adjustments, provisional quantities adjustments, liquidated damages, extension of time costs.

Planned review date	31 December 2015
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Status information and last date for assessment for superseded versions

Process	Version	Date	Last Date for Assessment
Registration	1	15 April 2011	N/A

Consent and Moderation Requirements (CMR) reference	0048
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This CMR can be accessed at <http://www.nzqa.govt.nz/framework/search/index.do>.

Please note

Providers must be granted consent to assess against standards (accredited) by NZQA, before they can report credits from assessment against unit standards or deliver courses of study leading to that assessment.

Industry Training Organisations must be granted consent to assess against standards by NZQA before they can register credits from assessment against unit standards.

Providers and Industry Training Organisations, which have been granted consent and which are assessing against unit standards must engage with the moderation system that applies to those standards.

Requirements for consent to assess and an outline of the moderation system that applies to this standard are outlined in the Consent and Moderation Requirements (CMRs). The CMR also includes useful information about special requirements for organisations wishing to develop education and training programmes, such as minimum qualifications for tutors and assessors, and special resource requirements.

Comments on this unit standard

Please contact the Building and Construction Industry Training Organisation national.office@bcito.org.nz if you wish to suggest changes to the content of this unit standard.