

Overview

This unit is about valuing work in progress, preparing and submitting accounts, assessing the basis of entitlement and progressing valid entitlement.

You will need to value work in progress, price and reference quantities used in valuations and accounts, value variations by proposing and agreeing non-standard rates. You will also need to identify the liability for the cost of re-work and additional work. You will need to prepare and submit valuations, accounts and clarify any areas of disagreement. You will also need to record documents, back-up information and calculations for audit and reference.

You will need to assess the basis of entitlement for the recovery of loss and expense against the contract seeking expert opinion where appropriate and progress valid entitlement. You will also need to calculate entitlement, analyse opposing grounds for the entitlement and negotiate and agree amendments with the parties involved. You will then need to record documents and back-up information for audit and reference purposes.

Performance criteria

You must be able to:

Prepare and agree interim valuations and final accounts

- P1 **value work in progress**, and agree the calculations with valuers who are acting for the people involved in the **contract**
- P2 price and reference the quantities used in **valuations and accounts** so that they meet **contract** provisions
- P3 value **variations** and items which do not have an agreed **contract** rate by agreeing justifiable non-standard rates
- P4 identify the liability for the cost of re-work and additional work, agree the liability with the people involved in the **contract** and record the estimates to meet administrative and contractual requirements
- P5 prepare and submit accurate **valuations and accounts** which contain relevant background information and clarify and justify areas of potential disagreement
- P6 record documents, back-up information and calculations accurately, reference them clearly and store them so that they can be easily referred to for audit and reference

Prepare and agree compensation events and entitlement for reimbursement for loss and expense

You must be able to:

- P7 assess the basis of **entitlement** and criteria for recovery against the **contract** and relevant **expert opinion**, and progress valid **entitlement** which can be substantiated
- P8 calculate **entitlement** accurately from relevant and verified **information sources**
- P9 **analyse** the opposing grounds for the **entitlement**, structure the **entitlement** clearly and present them
- P10 negotiate and agree amendments to the **entitlement** with the parties involved in the **contract**
- P11 conduct negotiations with the parties involved in the **contract** in a manner which maintains their goodwill and trust
- P12 record documents, back-up information and calculations accurately, reference them clearly and store them so that they can be easily referred to for audit and reference

Knowledge and understanding

You need to know and understand:

Prepare and agree interim valuations and final accounts

- K1 how and why to **value work in progress** (analysis)
- K2 how and why to agree the calculations with valuers who are acting for the people involved in the **contract** (evaluation)
- K3 how and why to price the quantities used in **valuations and accounts** so that they meet **contract** provisions (analysis)
- K4 how to reference the quantities used in **valuations and accounts** so that they meet **contract** provisions (application)
- K5 how and why to value **variations** and items which do not have an agreed **contract** rate by agreeing justifiable non-standard rates (analysis)
- K6 what to identify as the liability for the cost of re-work and additional work (understanding)
- K7 how and why to agree the liability with the people involved in the **contract** (evaluation)
- K8 how to record the estimates to meet administrative and contractual requirements (application)
- K9 how to prepare and submit accurate **valuations and accounts** which contain relevant background information (application)
- K10 how to clarify areas of potential disagreement (application)
- K11 how and why to justify areas of potential disagreement (evaluation)
- K12 how to record documents, back-up information and calculations accurately, reference them clearly and store them so that they can be easily referred to for audit and reference (application)

Prepare and agree compensation events and entitlement for reimbursement for loss and expense

You need to know and understand:

- K13 how and why to assess the basis of **entitlement** and criteria for recovery against the **contract** and relevant **expert opinion** (analysis)
- K14 how to progress valid **entitlement** which can be substantiated (application)
- K15 how to calculate **entitlement** accurately from relevant and verified **information sources** (application)
- K16 how and why to **analyse** the opposing grounds for the **entitlement** (analysis)
- K17 how and why to structure the **entitlement** clearly (synthesis)
- K18 how to present the **entitlement** (application)
- K19 how and why to negotiate amendments to the **entitlement** with the parties involved in the **contract** (synthesis)
- K20 how and why to agree amendments to the **entitlement** with the parties involved in the **contract** (evaluation)

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Prepare and agree contract accounts and entitlement in construction contracting operations management



Knowledge and understanding

- K21 how and why to conduct negotiations with the parties involved in the **contract** in a manner which maintains their goodwill and trust (synthesis)
- K22 how to record documents, back-up information and calculations accurately, reference them clearly and store them so that they can be easily referred to for audit and reference (application)

Scope/range

Prepare and agree interim valuations and final accounts

- 1 Value work in progress:
 - 1.1 measure quantities
 - 1.2 suppliers' and sub-contractors' accounts and variations
 - 1.3 project records
 - 1.4 inspection of works
 - 1.5 agreed variations
 - 1.6 by invoice
- 2 Contract - type:
 - 2.1 main contract
 - 2.2 sub-contract
- 3 Valuations and accounts:
 - 3.1 interim payment
 - 3.2 final accounts
- 4 Variations:
 - 4.1 costs
 - 4.2 quantity
 - 4.3 quality
 - 4.4 programme

Prepare and agree compensation events and entitlement for reimbursement for loss and expense

- 5 Entitlement - resulting from:
 - 5.1 measurement
 - 5.2 valuation of variations
 - 5.3 liability for costs
 - 5.4 loss and expense arising from breaches of contract
 - 5.5 extensions of time
 - 5.6 damages arising from extra-contractual consideration
- 6 Contract - type:
 - 6.1 main contractors
 - 6.2 sub-contract
- 7 Expert opinion:
 - 7.1 legal

Scope/range

- 7.2 technical
- 8 Information sources:
 - 8.1 records of executed work
 - 8.2 day work
 - 8.3 records of meetings
 - 8.4 contract documents e.g. specifications, quantities, drawings
 - 8.5 revised contract documents
 - 8.6 variations issued
 - 8.7 site records including photographs
 - 8.8 agreed rates of payment
 - 8.9 agreed method of calculation
 - 8.10 legislative change e.g. tax and NI payments, minimum wage, VAT
 - 8.11 company accounts
- 9 Analyse:
 - 9.1 claimants' analysis
 - 9.2 respondents' analysis

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