

Higher National Unit Specification

General information for centres

Unit title: Standard Forms of Construction Contracts

Unit code: DW3N 35

Unit purpose: This Unit is designed to enable candidates to gain skills in recommended procurement strategy and interpretation of construction contracts.

On completion of the Unit the candidate should be able to:

- 1 Recommend suitable procurement strategies and standard forms of contract.
- 2 Describe the rights and obligations of interested parties with reference to the latest JCT standard form of building contract incorporating the Scottish supplement.
- 3 Describe the provision, consequences and, where appropriate, remedies for non compliance with specific clauses in the latest JCT standard form of building contract incorporating the Scottish supplement.
- 4 Describe the procedures available for dispute resolution under the latest JCT standard form of building contract incorporating the Scottish supplement.

Credit points and level: 1 HN Credit at SCQF level 8: (8 SCQF credit points at SCQF level 8*).

**SCQF credit points are used to allocate credit to qualifications in the Scottish Credit and Qualifications Framework (SCQF). Each qualification in the Framework is allocated a number of SCQF credit points at an SCQF level. There are 12 SCQF levels, ranging from Access 1 to Doctorates.*

Recommended prior knowledge and skills: It would be beneficial if candidates had a basic knowledge and understanding of the construction industry and the various stages of a building project, although this is not essential as the Unit covers all the basic principles. Possession of basic knowledge and understanding may be evidenced by possession of an appropriate Higher or HN Unit.

Core Skills: There are opportunities to develop the Core Skill(s) of Communication, Numeracy, Problem Solving in this Unit, although there is no automatic certification of Core Skills or Core Skills components.

Context for delivery: If this Unit is delivered as part of a Group Award, it is recommended that it should be taught and assessed within the subject area of the Group Award to which it contributes.

Assessment: It is possible to assess candidates either on an individual Outcome basis, combinations of Outcomes or by a single holistic assessment combining all Outcomes such as a single case study.

General information for centres (cont)

0.75 hours should be allowed for Outcomes carried out separately.

A single holistic assessment covering all Outcomes should not exceed 3 hours in duration. Candidates must achieve all the minimum evidence specified for each Outcome in order to pass this Unit. Assessment should be conducted under supervised, controlled conditions.

Where evidence for Outcomes is assessed on a sample basis, the whole of the content listed in the knowledge and/or skills section must be taught and available for assessment. Candidates should not know in advance the items on which they will be assessed and different items should be sampled on each assessment occasion.

An exemplar instrument of assessment and marking guidelines has been produced to provide examples of the type of evidence required to demonstrate achievement of the aims of this Unit and to indicate the national standard of achievement at SCQF level 7.

Higher National Unit specification: statement of standards

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The sections of the Unit stating the Outcomes, knowledge and/or skills, and evidence requirements are mandatory.

Where evidence for Outcomes is assessed on a sample basis, the whole of the content listed in the knowledge and/or skills section must be taught and available for assessment. Candidates should not know in advance the items on which they will be assessed and different items should be sampled on each assessment occasion.

Throughout the Unit emphasis will be placed where appropriate on the application of Health and Safety and Sustainability. Safe working practises should be looked at in accordance with current safety codes of practise and regulations. Sustainability should include reference to criteria affecting sustainability, impact of not implementing sustainability on the environment and the legislation promoting sustainability.

Outcome 1

Recommend suitable procurement strategies and standard forms of contract.

Knowledge and/or skills

- ◆ Identify client needs
- ◆ Appropriate procurement strategies
- ◆ Standard forms of building contracts

Evidence Requirements

In this Outcome candidates will be required to demonstrate their knowledge and/or skills by showing that they can:

- ◆ assess client's needs for three proposed projects
- ◆ recommend a suitable procurement strategy for each of the three proposed projects including reasons for discounting other strategies
- ◆ recommend suitable forms of building contracts

In any assessment of this Outcome **all** knowledge and/or skills items should be assessed.

Candidates must provide a satisfactory response to all items.

Assessment guidelines

Evidence should be generated through assessment undertaken in controlled, supervised conditions. Assessment should be conducted under **open** book conditions and as such candidates should be **allowed** to bring standard forms of contracts, textbooks, handouts or notes to the assessment.

Higher National Unit specification: statement of standards (cont)

Unit title: Standard Forms of Construction Contracts

The assessment paper/s for this particular Outcome should be composed of a series of proposed client projects for which procurement advice is sought as outlined in the Evidence Requirements above.

0.75 hours should be allowed for this Outcome carried out separately.

Outcome 2

Describe the rights and obligations of interested parties with reference to the latest JCT standard form of building contract incorporating the Scottish supplement.

Knowledge and/or skills

- ◆ Rights and obligations of the Employer
- ◆ Rights and obligations of the Architect
- ◆ Rights and obligations of the Quantity Surveyor
- ◆ Rights and obligations of the Contractor
- ◆ Rights and obligations of the Planning Supervisor
- ◆ Rights and obligations of the Clerk of Works

The above interested parties are all with reference to the latest JCT standard form of building contract incorporating the Scottish supplement.

Evidence Requirements

Evidence for the knowledge and/or skills in this Outcome will be provided on a sample basis.

In this Outcome candidates will be required to demonstrate their knowledge and/or skills by showing that they can:

- ◆ describe the Rights and Obligations of members of the construction team

In any assessment of this Outcome **three out of six** knowledge and/or skills items should be sampled.

In order to ensure that candidates will not be able to foresee what items they will be questioned on, a different sample of **three out of six** knowledge and/or skills is required each time the Outcome is assessed. Candidates must provide a satisfactory response to all three items.

Assessment guidelines

The assessment paper/s for this particular Outcome requires a description of the performance of the roles of three participants in the contract as outlined in the Evidence Requirements above.

Evidence should be generated through assessment undertaken in controlled, supervised conditions. Assessment should be conducted under **open** book conditions and as such candidates should be **allowed** to bring standard forms of contracts, textbooks, handouts or notes to the assessment.

0.75 hours should be allowed for this Outcome carried out separately.

Higher National Unit specification: statement of standards (cont)

Unit title: Standard Forms of Construction Contracts

Outcome 3

Describe the provision, consequences and, where appropriate, remedies for non compliance with specific clauses in the latest JCT standard form of building contract incorporating the Scottish supplement.

Knowledge and/or skills

- ◆ Architect's instructions
- ◆ Variations
- ◆ Extensions of time
- ◆ Loss and expense claims
- ◆ Interim valuations and final accounts
- ◆ Practical completion

The above are all with reference to the latest JCT standard form of building contract incorporating Scottish supplement.

Evidence Requirements

Evidence for the knowledge and/or skills in this Outcome will be provided on a sample basis.

In this Outcome candidates will be required to demonstrate their knowledge and/or skills by showing that they can:

- ◆ describe contractual requirements and procedures

In any assessment of this Outcome **three out of six** knowledge and/or skills items should be sampled.

In order to ensure that candidates will not be able to foresee what items they will be questioned on, a different sample of **three out of six** knowledge and/or skills is required each time the Outcome is assessed. Candidates must provide a satisfactory response to all three items.

Assessment guidelines

The assessment paper/s for this particular Outcome should require description of the contractual requirements for three events or procedures occurring on a building project eg extensions of time, as outlined in the Evidence Requirements above.

0.75 hours should be allowed for this Outcome carried out separately.

Evidence should be generated through assessment undertaken in controlled, supervised conditions. Assessment should be conducted under **open** book conditions and as such candidates should be **allowed** to bring standard forms of contracts, textbooks, handouts or notes to the assessment.

Higher National Unit specification: statement of standards (cont)

Unit title: Standard Forms of Construction Contracts

Outcome 4

Describe the procedures available for dispute resolution under the latest JCT standard form of building contract incorporating Scottish supplement.

Knowledge and/or skills

- ◆ Litigation
- ◆ Arbitration
- ◆ Adjudication

Evidence Requirements

Evidence for the knowledge and/or skills in this Outcome will be provided on a sample basis.

In this Outcome candidates will be required to demonstrate their knowledge and/or skills by showing that they can:

- ◆ describe means of dispute resolution

In any assessment of this Outcome **two out of three** knowledge and/or skills items should be sampled.

In order to ensure that candidates will not be able to foresee what items they will be questioned on, a different sample of **two out of three** knowledge and/or skills is required each time the Outcome is assessed. Candidates must provide a satisfactory response to both items.

Assessment guidelines

The assessment paper/s for this particular Outcome should require description of the requirements for means of dispute settlement, as outlined in the Evidence Requirements above.

0.75 hours should be allowed for this Outcome carried out separately.

Evidence should be generated through assessment undertaken in controlled, supervised conditions. Assessment should be conducted under **open** book conditions and as such candidates should be **allowed** to bring standard forms of contracts, textbooks, handouts or notes to the assessment.

Administrative Information

Unit code:	DW3N 35
Unit title:	Standard Forms of Construction Contracts
Superclass category:	TF
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Higher National Unit specification: support notes

Unit title: Standard Forms of Construction Contracts

This part of the Unit specification is offered as guidance. The support notes are not mandatory.

While the exact time allocated to this Unit is at the discretion of the centre, the notional design length is 40 hours.

Guidance on the content and context for this Unit

This Unit has been written in order to allow candidates to develop knowledge, understanding and skills in the following areas:

- 1 Recommending suitable procurement strategies and standard forms of contract.
- 2 Describing the rights and obligations of interested parties with reference to the latest JCT standard form of building contract incorporating the Scottish supplement.
- 3 Describing the provision, consequences and, where appropriate, remedies for non compliance with specific clauses in the latest JCT standard form of building contract incorporating the Scottish supplement.
- 4 Describing the procedures available for dispute resolution under the latest JCT standard form of building contract incorporating the Scottish supplement.

In designing this Unit the unit writers have identified the range of topics they would expect to be covered by lecturers. The writers have also given recommendations as to how much time should be spent on each outcome. This has been done to help lecturers to decide what depth of treatment should be given to the topics attached to each of the outcomes. Whilst it is not mandatory for a centre to use this list of topics it is strongly recommended that it does so to ensure continuity of teaching and learning across the units and because the assessment exemplar pack for this Unit is based on the knowledge and/or skills and list of topics in each of the Outcomes.

The list of topics is given below. Lecturers are advised to study this list of topics in conjunction with the assessment exemplar pack so that they can get a clear indication of the standard of achievement expected of candidates in this Unit.

This Unit is designed to prepare candidates for a career in the construction industry where standard forms of construction contracts are central to operations. The Unit begins at the feasibility stage of a project where procurement strategies, their documentation and standard forms are examined. It continues through to the construction stage where the contractual roles of interested parties and day-to-day contractual procedures are outlined. The last outcome deals with contractual disputes and their settlement.

Outcome 1

Recommend Suitable Procurement Strategies and Standard Forms of Contract (12hours)

Procurement

- ◆ clients
- ◆ procurement power of large spending clients
- ◆ RIBA Plan of work

Higher National Unit specification: support notes (cont)

Unit title: Standard Forms of Construction Contracts

- ◆ client priorities: time, budget, variation, competition, risk allocation
- ◆ split of procurement strategies across industry (RICS Survey)
- ◆ traditional procurement strategies
- ◆ design and Build procurement strategy
- ◆ management contracting
- ◆ measured term contracts
- ◆ prime cost contracts
- ◆ joint ventures
- ◆ partnering
- ◆ public private partnership

Standard forms of building contract for each of the above procurement strategies and Scottish equivalents.

Outcome 2

Describe the rights and obligations of interested parties with reference to the latest JCT standard form of building contract (10 hours)

JCT standard form of building contract: Definitions, Appendix, JCT Members, SBCC.

- ◆ employer
- ◆ architect
- ◆ quantity surveyor
- ◆ contractor
- ◆ planning supervisor
- ◆ clerk of works

Outcome 3

Describe the provisions, consequences and, where appropriate, remedies for non compliance with specific clauses in the latest JCT standard form of building contract incorporating the Scottish supplement (10 hours)

Architect's Instruction: What constitutes an instruction;
Oral instructions;
Architect's power;
Contractor's right to challenge Instruction's validity

Variations: What is a valid variation
Pricing of variations
Consequences of variations

Extension of Time: Procedure for claiming extension of time
Valid reasons ("Relevant Events")

Higher National Unit specification: support notes (cont)

Unit title: Standard Forms of Construction Contracts

Loss and Expense Claims:	Procedures Valid reasons (“Matters”) What sums can the contractor claim (“Heads” of claim)
Interim Valuations and Final Accounts:	Procedures on sums to be included Timescale: information to be provided
Practical Completion:	Explanation of Practical Completion

Outcome 4

Describe the procedures available for dispute resolution under the latest JCT standard form of building contract incorporating the Scottish supplement (8 hours)

Dispute resolution procedure:	Importance of avoiding disputes Court Action Arbitration Adjudication
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Guidance on the delivery and assessment of this Unit

Where this Unit is incorporated into other group awards it is recommended that it be delivered in the context of the specific occupational area(s) that the award is designed to cover.

Details on approaches to assessment are given under Evidence Requirements and Assessment guidelines under each Outcome in the Higher National Unit specification: statement of standards section. It is recommended that these sections be read carefully before proceeding with assessment of candidates.

Opportunities for developing Core Skills

This Unit provides opportunities for the development of Core Skills in Communication and Problem Solving. Opportunities for the development of Core Skills at the output level are more fully identified in the Core Skills Sign Posting Guide.

Higher National Unit specification: support notes (cont)

Unit title: Standard Forms of Construction Contracts

The following grid provides a general guide to opportunities for the development of Core Skills in this Unit. Opportunities for the development of Core Skills at the output level are more fully identified in the Core Skills Signposting Guide.

Core Skill	Outcome 1	Outcome 2	Outcome 3	Outcome 4	Outcome 5
1 Communication					
Reading	✓	✓	✓		
Writing	✓	✓	✓		
Oral					
2 Numeracy					
Using Number	✓	✓	✓		
Using Graphical Information	✓	✓	✓		
3 IT					
Using Information Technology					
4 Problem Solving					
Critical Thinking	✓	✓	✓		
Planning and Organising	✓	✓	✓		
Reviewing and Evaluating	✓	✓	✓		
5 Working with Others					

Open learning

This Unit could be delivered by distance learning, which may incorporate some degree of on-line support. However, with regard to assessment, planning would be required by the centre concerned to ensure the sufficiency and authenticity of candidate evidence. Arrangement would be required to be put in place to ensure that the assessment, which is required to be at a single event, was conducted under controlled, supervised conditions.

For information on normal open learning arrangements, please refer to the SQA guide *Assessment and Quality Assurance of Open and Distance Learning*.

Candidates with additional support needs

This Unit specification is intended to ensure that there are no artificial barriers to learning or assessment. The additional support needs of individual candidates should be taken into account when planning learning experiences, selecting assessment instruments or considering alternative Outcomes for Units. For information on these, please refer to the SQA document *Guidance on Alternative Assessment Arrangements for Candidates with Disabilities and/or Additional Support Needs*, which is available on the SQA website www.sqa.org.uk.

General information for candidates

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- 4 Describe the procedures available for dispute resolution under the latest JCT standard form of building contract incorporating the Scottish supplement.