

# Part One

## Contracts & Administration

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# Introduction

Preparation is the name of the game. My first ever supervisor told me to apply and remember the following phrase **“80% of the work can be done in the first 20% of the project”**. Of course being a young brash engineer, come site supervisor I thanked him for the advise and took it on with a grain of salt. Well! Some years and numerous challenges later I have come full circle, that such a simple phrase could have such a strong and positive effect on a project. (Mind it can be applied to most of life’s other type projects).

## ***Where To Start ?***

Part One of the book is filled with information on how and where to start. It covers issues of Local, State & and Federal Government requirements, Contracting, Contract Administration, Budgeting, Conveyancing and much more.

# Budgeting and Estimation

## ***Introduction***

It is always good practice to have a budget for the proposed works prior to commencement. It will assist you in the attaining of finance and allow you to explore alternative methods of construction to meet your budget.

It is possible to estimate cost by using a square metre basis for the proposed area of new works and values can be fairly accurate. However, this exercise should be attempted with the assistance of a suitably qualified professional or publication.

For better indicative costing, it is a good idea to break down the project into its various trade components and apply associated rates which can be obtained from industry standards publications. (*i.e.; Cordell Building Publications and The Rawlinsons Group*).

## ***Cost Break Down Components***

- Council & Statutory Authority Fees
- Architectural & Engineering Design & Documentation
- Preliminaries (*Includes Supervision & Site Establishment etc*)
- Excavation
- Concreting
- Structural Carpentry
- Roof Lining
- External Wall (*Brick Work or Cladding*)
- Windows
- Interior Lining (*Plaster Board or Render*)
- Joinery (*Doors, Hardware, Stairs, Skirting etc*)
- Plumbing
- Electrical
- Floor Covering
- Wall & Floor Tiling
- Painting
- Landscaping

# Variations

## ***Introduction***

A variation is any work which is required to be carried out and was not specified or outlined in the original design or contract documentation. It doesn't always necessarily result in extra payment for additional work or supply. Sometimes, the change in the scope of works may result in less work or cheaper inclusions.

## ***Delegation***

It is important to clearly establish who has the delegation to determine or authorise a variation from the contract documents.

## ***Keeping Of Records***

All variations should be documented and should be treated like a minor contract within the head or sub-contract agreement. It is also important to keep a record of all authorised variations as it will assist in the administration of the contract.

It is good practice to always ask for a written price to carry out the variation with a formal letter of acceptance.

(Refer Contract Administration).