

Contract Administration and Practice

Module Descriptor

Module Code: QSP7CAP Version: 10.00 Status: Final Date: 15/09/2022

Summary Module Details

Module details

Module Title: Contract Administration and Practice

Module Leader: Paul Fitchett

Module Mode: Supported online learning

Semester: Autumn (UK)

Level: 7

Credits: 20

Learning Hours: 200

Contact & Study Hours

Directed Study Time: 60hrs (30%)

Self-directed Study Time: 70hrs (35%)

Assessment Study Time: 70hrs (35%)

Assessment Type

Coursework: 100%

Computer Marked Assessment: 0%

Self-directed Research Project: 0%

Portfolio: 0%

Module summary

This module examines Joint Contracts Tribunal (JCT), New Engineering Contract (NEC) and International Federation of Consulting Engineers (FIDIC) Standard Forms of construction contracts to enable students to interpret and analyse the key provisions for effective control and management of a contract. The module also examines the interactions of stakeholders and addresses impartiality and lack of bias within construction contracts.

Taken on which Programmes

MSc Construction Management (C) MSc Quantity Surveying (C)

Core (C) or Elective (C)

Module Aims

The module aims to examine the following in an international context:

- Various standard forms of contract and sub-contract.
- The common conditions of contract and the interaction between the conditions of contract and the other contract terms.
- The practicalities of contract administration.

Module Learning Outcomes

- LO1. Critically analyse the provisions of the Joint Contracts Tribunal (JCT), New Engineering Contract (NEC) and International Federation of Consulting Engineers (FIDIC) forms of contract for construction.
- LO2. Critically analyse the roles of the parties and contract administrators within construction contracts.
- LO3. Critically evaluate a range of different contract events using the procedures in the standard forms of contract to identify practical, reasoned solutions and understand the impact on the client organisation.
- LO4. Critically evaluate the principles of accountancy concepts and business planning models and their impact on the project.

Indicative Module Content

Module topics

• The Common Standard Forms of Construction Contracts and their Context in the Legal Framework

The whole of the module is structured on an analysis and comparison of the JCT standard building contract (SBC), NEC engineering and construction contract (ECC) and FIDIC Red Book standard conditions of contract for international contracts.

• Roles and Responsibilities of the Contract Administrator and Others

Many different people are involved in the administration of a construction contract. Construction contracts are made by employers and contractors, but as well as the parties, there are administrators, suppliers and subcontractors who play an important role in the successful completion of the contract. The module explores the different roles and responsibilities of all those involved in the contract and the client relationship.

• Management of Changes to the Construction Contract

It is almost inevitable that there will be some form of change in the contract between its formation and its completion – that is the nature of 'one off' construction projects. The module analyses how these changes are administered and how the effects of these changes, in terms of time, cost and quality, are allocated between the parties.

• Payment

It is common practice to make regular payments in construction contracts as the work progresses. Without such payments, the construction industry could not operate. This topic evaluates the different payment mechanisms and the statutory and contractual sanctions that come into effect when payment is not made on time.

• Principles of Cost Accounting & Business Planning

Understanding accounting concepts and business planning models; their format and application. Consideration of how these also impact the project and the role of the professional surveyor in administrating and managing of the project.

• Insurance and bonds

Construction is a high-risk activity and the parties must protect themselves from potentially very high financial losses. The topic analyses the different types of insurance and bonds and how they are administered within the different forms of contract.

• Finalising the contract

An important aspect of all contracts, and one that is often overlooked, is the mechanism for bringing the contract to an end, so that the parties are in agreement with their mutual performance of their contractual obligations. This topic explores the systems of certification of completion, correction of defects and finalisation of payment.

• Dispute avoidance, termination and dispute resolution

It is not unusual for difficulties and issues to develop in construction contracts. The contract administrator plays a large part in helping the parties to avoid allowing disagreements and claims become fully fledged disputes by administering the contract in a professional manner. Where disputes, which cannot be resolved by the parties, with the help of the contract administrator, they must be resolved by third parties; often supported by statutory procedures. Sometimes, as in the case of party insolvency, the contract cannot continue, and the standard forms of contract make provision for such cases. This topic studies the role of the contract administrator in avoiding disputes and processing termination procedures. The mechanisms of dispute resolution through mediation, adjudication and arbitration are also covered.

This content will be reviewed and updated regularly to reflect the legal, moral and financial changes in professional standards and practice.

Overview of Summative Assessment

Module learning outcomes	Assessment	Word count or equivalent	Weighting
LO1 & LO2	Assessment 1 Coursework	2,000	40%
LO2, LO3 & LO4	Assessment 2 Coursework	3,000	60%

Module Pass Mark (as a weighted average of all assessments): 50%

Key Module Learning Resources

Core sources and texts

The core reading resources within each module will be provided via the specific Virtual Learning Environment (VLE) module pages and within the e-Library. Additional reference material and supplementary resources to support your studies are available through the UCEM e-Library.

Module tools

Students will have access to study materials, dedicated academic support, student forums, and learning activities via an online learning platform (VLE).

The module page on the VLE is broken down into structured study weeks to help students plan their time, with each week containing a mixture of reading, case studies, videos/recordings and interactive activities to go through. Online webinars/seminars led by the Module Leader can be attended in real time and provide opportunities to consolidate knowledge, ask questions, discuss topics and work through learning activities together. These sessions are recorded to support students who cannot attend and to enable students to recap the session and work through it at their own pace. Module forums on the VLE provide further opportunities to discuss topics with other students, complete collaborative work and get extra help from the module team.

Professional online resources

The e-Library provides access to trusted, quality online resources, selected by subject specialists, to support students' study. This includes journals, industry publications, magazines, academic books and a dissertation/work-based library. For a list of the key industry specific and education resources available please visit <u>the VLE e-Library</u>.

Other relevant resources

Access is also provided to further information sources that include the British Library and Open University UK catalogues, as well as providing a monthly current awareness service entitled, *Knowledge Foundations* - a compendium of news, research and resources relating to the educational sector and the Built Environment.

The module resource list is available on the module website and is updated regularly to ensure materials are relevant and current.