



National Roads Authority

**Contract Administration Guidelines
Consultation Version - July 2010**

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NRA Contract Administration Guidelines

Foreword

The National Roads Authority major projects represent a significant component of the overall National Roads Programme. Good and proactive contract administration is a prerequisite to the successful delivery of these projects on budget, on time and to the required standard.

To help ensure successful delivery of all projects funded by the Authority, Employer's Representatives must employ best practice approaches to the administration of contracts.

These Contract Administration Guidelines will complement detailed Project Execution Plans (PEP) prepared on this basis by Employer's Representatives and form an important pillar of the NRA's Project Management Guidelines. They expand on certain requirements set out in the NRA Cost Management Manual and will help ensure consistence in management approaches for specific elements of contract administration across various projects.

I would like to thank NRA staff who, together with private sector support, put together these guidelines.

Fred Barry

Chief Executive
National Roads Authority

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1.0 Introduction

1.1 Defining Contract Administration

Contract administration is the management, after Contract award, of all actions that must be taken to ensure and where appropriate document compliance with the Contract by all parties. For the Employer's Representative (ER), this also includes the fulfilment of obligations set out in the ER consultancy agreement.

1.2 Purpose of Construction Contract Administration Guidelines

During the construction and handover stages of a scheme, the ER's duties include the administration of the main construction contract. These duties includes a range of services which oblige the ER to develop procedures for the management of cost, risk and value which specifically provide for the management of the risks associated with the employment of and subsequent interface with the Main Contractor.

This document aims to improve the delivery of these services and the outcomes achieved as a consequence by providing ER's with:

- Defined service expectations in these areas which are critical to the achievement of scheme objectives including delivery on programme and within budget.
- A standard framework within which to deliver the cost, risk and value management aspects of the service.
- A range of typical templates for use where appropriate (e.g. Construction Contract Risk Register; Claims and Compensation Events Register).

These contract administration guidelines provide supplementary cost management guidance (for schemes at construction stage) to that contained within the NRA Project Management Guidelines (PMG) and the NRA Cost Management Manual. It is expected that the procedures adopted by Local Authorities and their Consultants in exercising their duties in relation to the contract administration of major NRA funded schemes during and after the construction phase will take account of these guidelines.

Note Reference to 'the Contract' or contract clauses within this guidance note relate specifically to the Main Construction Contract between the Employer and the Contractor based on the Public Works Contract for

Civil Engineering Works designed by the Contractor. References to the ER's Consultancy Agreement shall be so described.

1.3 Responsibility for Contract Administration

Contract Administration is the responsibility of the ER as delegated to them by the Employer. Where appropriate, the ER shall also facilitate and support the fulfilment of the Employer's obligations under the Contract.

Note The duties and obligations of the ER will be as defined in their Consultancy Services Agreement and in accordance with the Contract. Overall responsibility for the delivery of the Scheme shall remain with the Local Authority Project Manager.

1.4 Successful Contract Administration

The ER should administer the Contract between the Employer and the Contractor in accordance with the Consultancy Agreement in a manner as to ensure that:

- Cost certainty and value for money are achieved,
- All required works are delivered on time and to the required standard,
- Cost control and risk and value management are proactive,
- Full effect is given to the requirement for 'reciprocal co-operation'.

Note The Capital Works Management Framework guidelines indicate that delivery of the project at the accepted contract sum is a key success criterion when working with the Public Works Contract. This means that there is need to minimise change orders, maximise acceptable value proposals and proactively take actions that will minimise claims and the effects of compensation events. This is in order to ensure as far as practicable that the final outturn costs are the same as the accepted tender price.

1.5 Scope of Guidance Note

These guidelines are considered to be indicative of best practice in relation to cost management and related activities at construction stage and should not be taken as exhaustive but rather as complementary to the various procedures used by Employer's Representatives.

The guidelines are not an interpretation of contract documents or of provisions governing public procurement

1.6 ER Detailed Contract Administration Procedures

Consultants should take account of these guidelines when preparing their own detailed and project specific contract administration procedures to provide a comprehensive and practical administrative framework for project delivery.

Note Notwithstanding any guidelines produced, there is an obligation on the ER to act in all cases with the skill, care, diligence, efficiency and professional conduct reasonably to be expected of a consultant appointed to carry out this important role.

1.7 Commercial Sensitivity

All registers and reports containing any financial information such as cost estimates, claims, compensation events, risk registers and value proposals represent work in progress and shall be treated and labelled as such and as commercially sensitive information for purposes of the Freedom of Information Act.

1.8 Glossary of Terms

Terms used within this guideline which are in **bold text** are explained within the Glossary of Terms contained in Appendix J.

2.0 Reports

This chapter outlines requirements for monthly progress reports, financial reports prepared by the ER for the Employer. These are complementary to any specific requirements that may be included in the consultancy agreement or communicated separately to the ER. The Employer will determine the number of copies required for each report.

2.1 Monthly Progress Reports

The contract requires that the Contractor submits monthly progress reports to the ER. The format of the Contractor's report as agreed by the ER should be such that the ER can easily extract information when preparing the ER's own progress report for the Employer

The key requirements for the Contractor's monthly progress report are specified in the contract. The ER's monthly progress report to the Employer should include, where required by the Employer:

- information supplied to the ER by the Contractor
- information generated by the ER

The timing of monthly progress reports would usually be ahead of the Construction Stage Monitoring Meetings specified in the Project Management Guidelines.

Appendix A gives a typical structure and contents listing for a Monthly Progress Report.

2.2 Financial Reports

In relation to the main construction contract only, the ER's Financial Report shall be incorporated into the monthly progress report as mentioned above and as described within Appendix A.

2.3 Other Reports

Other reports shall be prepared by the ER as required by these guidelines, the consultancy agreement, the PMG or as required by the Employer.

3.0 Cost Management

3.1 Key Cost Management Responsibilities

The ER's contract administration duties include the management of cost, employer retained risk and the management of the value proposals process.

3.2 Employers Representative – Cost Management Procedures

Prior to the commencement of the Contract, the ER should prepare, for the Employers approval, Cost Management Procedures (financial management approaches) encompassing a **Change Management Plan** which shall form part of their own detailed project specific contract administration procedures.

These procedures should take into account the requirements of this guidance note and the NRA Cost Management Manual and shall encompass Risk and Value Management.

3.3 Cost Management Site Documentation

Until the agreement of the final account, the ER should maintain at all times at an agreed location a readily accessible full set of relevant documentation generated in relation to cost management including but not limited to:

- Financial Reports (in accordance with the requirements of the PMG)
- Change Orders documentation including back-up
- Risk and Value management documentation
- Compensation Events documentation and other Claims including backup
- Interim payments records and any supporting information
- Value proposals documentation

3.4 Compiling Factual Records

3.4.1 The Contractor is required under the contract to keep detailed contemporary records where in the Contractor's opinion it is entitled to an extension of time or an adjustment to the contract sum or that it has any other entitlement under or in connection with the contract.

3.4.2 The ER should seek that in accordance with contractual provisions, the Contractor submits documentation on relevant facts of claims including details of proposed

adjustments to the contract sum, use of programme contingency and any extension to the date for substantial completion.

In addition, the ER can direct that the Contractor keeps certain records and submit such records to the ER when directed to do so by the ER.

- 3.4.3 The ER should make maximum usage of these various contractual arrangements to ensure as far as possible that there is, for each notice from the Contractor claiming an entitlement or for each event or occurrence on site, a systematic build up of adequate contemporaneous factual information that could form the basis for the review, assessment, quantification and the valuation of any work carried out by the Contractor.
- 3.4.4 Where possible, the ER should also gather other information that in the ER's opinion could be useful in validating certain aspects of the project including, where possible, the Contractor's records or for any other application as may be required by the contract including verification of as-built information (e.g. extent of excavation and filling below embankments).
- 3.4.5 The ER shall ensure that such contemporaneous factual information is documented in accordance with the Quality Management Plan and is retained for as long as may be required to assist in the valuation of the works or as may be required by the Contract.

3.5 Cost Coding and Cost Reporting

- 3.5.1 All costs contained within any report or register referred to either directly or indirectly within these guidelines should be coded so as to allow the allocation of all costs to the works section deemed most appropriate as per the breakdown included within the Pricing Document (for the Main Construction Contract).

- Note**
- 1) The allocation of such items should be further broken down as is necessary to facilitate the isolation and identification of data in relation to major issues or particular elements of the works.
 - 2) The coding of costs in this manner will help facilitate the analysis of expenditure and final outturn costs.
 - 3) Costs to be coded include costs associated with Compensation Events and risk provisions.

- 3.5.2 As part of the back up to interim, penultimate and final payment certificates generated by the ER, the Interim Financial Reporting Summary in Appendix B should be completed. The elements within the template should be amended to reflect scheme specifics and be based on the Pricing Document.

Note It is recommended that the ER agrees with the Contractor the format of interim, penultimate and final payment statements submitted by the Contractor for payment. The breakdown of the Contractor's statements back-up should be aligned to the pricing document. The back-up to the payment certificates (interim, penultimate and final) should in turn be in a format consistent with statements from the Contractor. The back-up to the invoice raised by the Contractor on foot of the ER's payment certificate should be such that payments made for each scheduled item in the pricing document and respective additional payments for same can be identified.

3.6 Instructions that are Change Orders

- 3.6.1 The ER's issuing of Instructions which he considers Change Orders (*which may constitute compensation events*) should be in accordance with the requirements of the Consultancy Agreement and the terms of the Contract. See Figure 1 for details of the Change Order approval process.

- 3.6.2 The ER may approve Change Orders to the threshold amount specified in the Schedule (Part 1A) to the Contract. The ER should seek from the Employer approval for Change Orders (see Appendix C) in excess of this threshold amount by submitting the following to the Employer:

- The Contractor's written submission detailing all the effects (cost and time) of the Change Order
- A Justification Report for Change Order (template included in NRA Project Management Guidelines). The report should include any effects on construction programme.

The Local Authority Project Manager will secure the necessary internal approvals for the Change Order.

- 3.6.3 The ER shall maintain an up to date **Change Orders Register** in the format given in Appendix D. This register should indicate instructions that the ER considers to be Change Orders and should indicate the purpose and reason for the issuing of the Change Order by the ER. Where necessary the ER should maintain a separate record of directions given to the Contractor to comply with the contract.

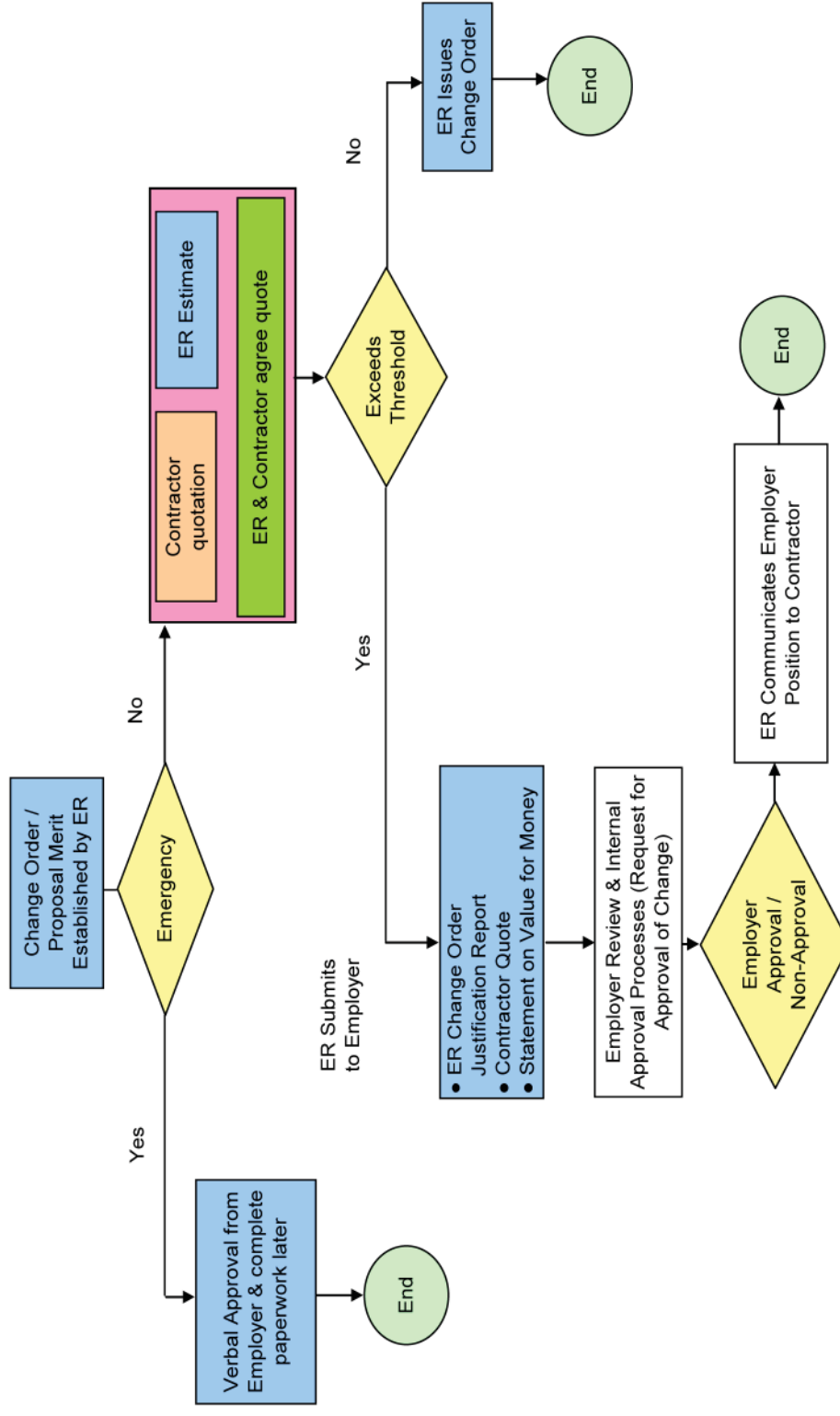


Figure 1 – NRA Change Order Approval Flow Chart

Note Contents of the Change Order register should be incorporated in the Compensation Events register. Alternatively one register can be maintained recording all Compensation Events, Claims and Change Orders once Change Orders are labelled as such. See item 3.9.

3.7 Adjustments to the Contract Sum

3.7.1 The contract is essentially a fixed price lump-sum contract. The limited instances when it is allowable to adjust the contract sum or the date for substantial completion are stated in the contract.

3.7.2 Adjustments to the contract sum under the contract may result from:

- Compensation Events (including change orders)
- Allowable delay costs due to a compensation event
- Other adjustments allowable under the contract

Note (1) Unless the contract is set aside, adjustments to the contract sum should be limited to the allowable cases stated in the contract. The ER should link all adjustments to the contract sum to the particular clauses or schedule item numbers where such adjustments are allowable.

(2) While some deductions are made in interim certificates as abatements for failure to provide full services expected under the contract, these will lead to a reduction in the contract sum if there is still no compliance by the time the defects certificate is issued.

3.8 Claims

3.8.1 Under Clause 10, a Contractor may submit that he considers that there should be an extension of time or an adjustment to the contract sum or both or that he has any other entitlement under or in connection with the Contract. This submission of alleged entitlement is taken as a Claim in these guidelines.

3.8.2 The ER shall maintain on site, until the settlement of the final account, an updated **Claims Register** detailing all claims notified by the Contractor. The structure of the register should be such that it is possible to use the register to check the Contractor's and ER's compliance with contractual requirements specified in Clause 10. A suggested format of the claims register is given in Appendix E.

3.8.3 The Claims Register should clearly identify:

- All claims made by the Contractor notifying the ER of an intention to seek additional payment or extension of time or other entitlement under or in connection with the Contract.
- Compliance by the Contractor and the ER with the requirements set out in clause 10 of the contract.
- Any reciprocal co-operation with the Contractor offered by the Employer/ER in relation to the Contractor's efforts to minimise delay and compensation events and their effects.
- Details of the ER's determination.
- The status and extent of resolution of each claim.

3.8.4 The ER should seek, as early as possible, to establish a structured formal forum for the discussion, valuation and agreement of claims with the Contractor on a 'without prejudice' basis. This is consistent with the principles of co-operation set out in Clause 4 of the Contract and the requirement for the Contractor to provide notices and relevant information within defined timescales and at set milestones. Such a forum should:

- Endeavour to reach a consensus as to whether or not there is an entitlement in accordance with the conditions of the Contract to additional payment and/or an extension of time.
- Clarify the ER's requirements in relation to any additional information sought in relation to any claim notified by the Contractor.
- Clarify the timescales defined within the Contract for the submission of information and consideration of same by the ER.
- Explore, where possible, aspects of the Contractor's detailed submission and seek and record agreements reached.

3.8.5 The ER shall apprise the Employer of the intention to hold claims management meetings and the proposed dates for same and the Employer may choose to attend these meetings.

3.8.6 The ER should manage Claims from the Contractor in strict accordance with the contractual provisions of Clause 10. The generic approach that can be adopted for the management of claims is illustrated in Figure 2.

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- Note**
- 1) The suggested structure of the claims register (see Appendix E) is aligned to the suggested systematic methodology for the assessment of claims that is depicted in Figure 2.
 - 2) A file should be opened for each claim and or compensation event and should contain all documentation generated in relation to these.
 - 3) While the compliance in full by the Contractor with Clause 10.4 makes Change Orders exempt from the strict notice periods required under clause 10.3, it is good practice that the claims register incorporates all compensation events (including change orders). Where the Contractor fails to comply in full with the requirements of clause 10.4, any claims raised by the Contractor should meet the timeframes set out in Clause 10.3.
 - 4) It is recommended practice that, where possible, the ER asks the Contractor to make detailed proposals in relation to all proposed instructions that are deemed to be change orders.

3.8.7 All Contractor claims should be notified to the Employer through the Client Progress Report with details of ER assessments and determinations being provided under separate cover when requested by the Employer.

Note In exceptional circumstances and where possible, the ER should contact the Employer to highlight a potential claim item in advance of the receipt of a formal notification. It may be appropriate, subject to the potential scale and risk associated with the issue, to include provision for same within the Construction Contract Risk Register (CCRR – see Part 4).

3.9 Compensation and Delay Events

The ER shall maintain a **Compensation Events Register** until the final account has been agreed. Provision shall also be made for similarly recording and tracking Delay Events. The format included in Appendix E for the Claims Register can also be adopted for the Compensation Events register

- Note**
- 1) This register should contain items that are defined as compensation and/or delay events by the contract including Change Orders.
 - 2) The Compensation Events Register should be included in the Monthly Progress Report.
 - 3) The Claims and Compensation Events Registers may be maintained as one document and filtered and split for presentation purposes subject to discussion with the Employer.

3.10 Projected Final Payment Certificate (Final Account)

Interim assessments of amounts likely to be included in the final payment certificate for the main construction contract can be obtained by summing the following:

- a) The initial contract sum.
- b) The total amounts paid to date for compensation events
- c) Actual amounts to date of other adjustments allowable under the contract (e.g. value proposals, PVC, Employer deductions and claims)
- d) Provisions for compensation events likely to happen and/or be paid in future
- e) Provisions for other adjustments allowable under the contract that may happen and/or be paid in future

- Note**
- 1) Amounts in items (d) and (e) of section 3.10 would be as included in the Construction Contract Risk Register.
 - 2) At the time of the final payment certificate issued by the ER after the Defects Certificate, risk provisions included in (d) and (e) of section 3.10 should be reduced to zero for those risks that did not materialise.
 - 3) The cost coding referred to in section 3.5 should be adhered to when compiling penultimate and final payment certificates.

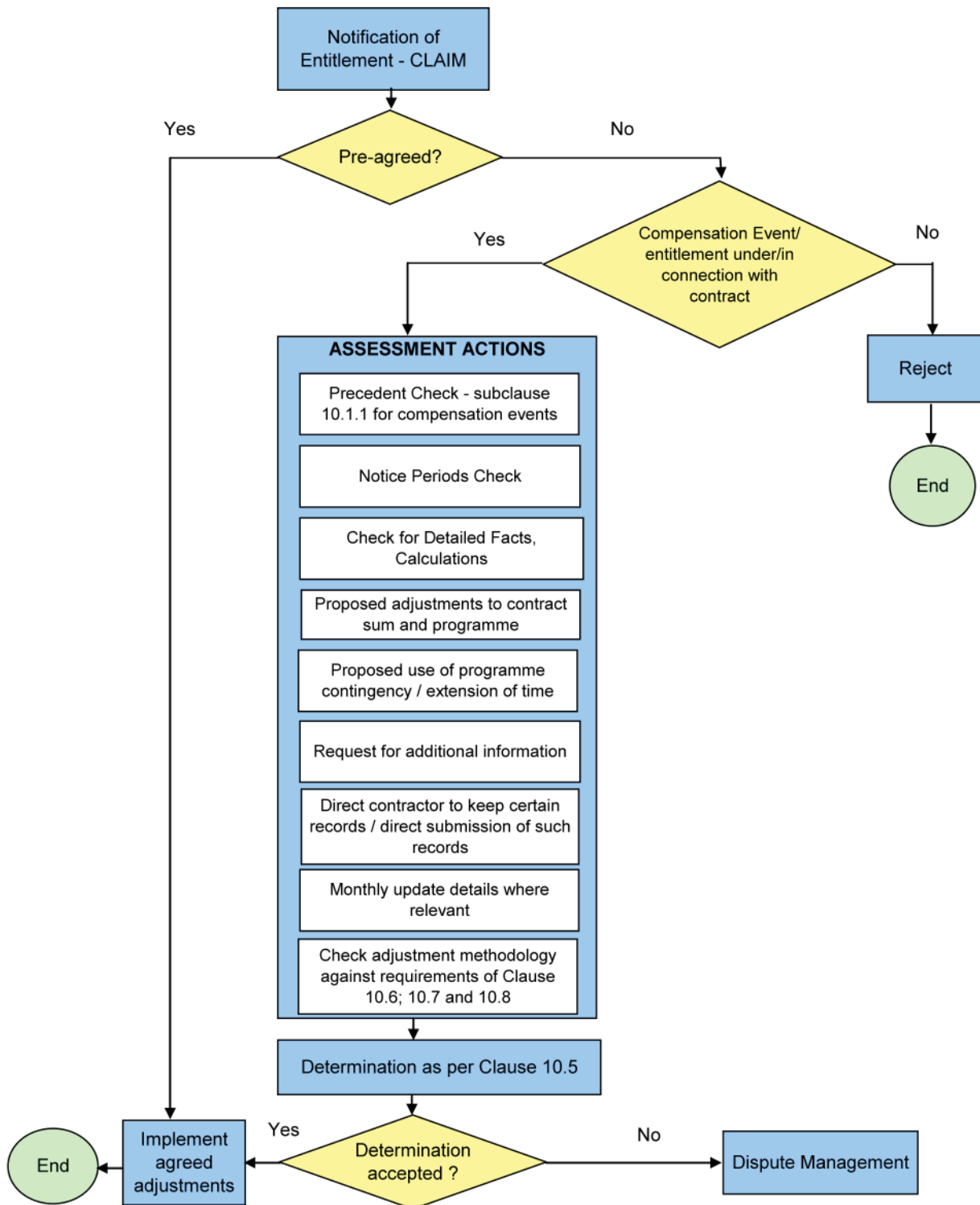


Figure 2 Claims Management Procedure

4.0 Risk Management

4.1 Key Risk Management Responsibilities

- 4.1.1 The ER's responsibilities under risk and value management include the management of the Employer's residual risks associated with the Contract as well as the management of value proposals arising on the project. Emphasis at this stage is to be placed on capitalising on opportunities to improve value by anticipating problems, devising and following up on mitigation actions and keeping relevant lines of communications open.
- 4.1.2 The ER should where possible, and in the spirit of co-operation provided for under the Contract, support the Contractor's efforts to mitigate transferred risks. The ER shall maintain detailed records of all such assistance.
- 4.1.3 The ER should prepare and maintain a **Construction Contract Risk Register (CCRR)**. Appendix F contains typical templates (qualitative and quantitative assessment approaches in Appendices F1 and F2 respectively) which contains the type of information that should be contained in a construction phase risk register. The CCRR shall relate only to those elements of the Employer's residual risk which arise specifically in connection with the Contract. Management of the CCRR together with the Claims and Compensation Events Registers should be at the core of the ER's cost and risk management efforts and shall include details of the individual responsible for risk management on a risk by risk basis.

- Note**
- 1) The Employer is responsible for the overall management of scheme risk at all phases of scheme delivery – this includes the risks to be managed by the ER as defined above and to be identified and included for within the CCRR.
 - 2) The Employer may at his discretion require that the ER prepares and maintains the CCRR without the inclusion of financial information detailing possible risk impacts. In such circumstances, the format of the CCRR and the method of financial assessment for risk and contingency shall be agreed with the Employer in Consultation with the NRA. A suggested template for a CCRR based on qualitative assessment of risks is included in Appendix F1

4.2 Construction Contract Risk Register (CCRR) – Risk Identification

4.2.1 The following key points should be considered when identifying risks for inclusion within the CCRR:

- Risks shall only be included on the basis that there is a possibility that at a later date, they may constitute compensation events, delay events or lead to other adjustments to the contract sum allowable under the Contract.
- Claims issues recorded in the Claims Register are automatically transferred into the CCRR by the ER where the ER considers that there is a risk, under the contract, associated with the Claim.
- The settlement of compensation events should include for the full effects of the compensation event. However, the ER may consider that there is a residual risk associated with a Compensation Event and may deem it appropriate to include an item for the residual risk within the CCRR.
- The CCRR should not include for compensation events that have occurred where their full impact has been agreed as these should have been transferred to the Compensation Events register. The CCRR only includes for issues which might occur and have the potential to result in either delay to the works or additional cost for which the Employer may have a liability under the Contract.

The interface between the CCRR, the Claims Register and the Compensation Events Register is depicted in Figure 3.

4.2.2 The CCRR should not include any impacts relating to risks deemed to be NRA programme risks.

- Note**
- 1) Where a risk has been transferred to the Contractor in accordance with the Contract, the impact (unless residual risk remains) is either included within the Contract amount or allocated to a compensation event.
 - 2) The Employer may require that certain risks be included in the CCRR by the ER.

4.3 Updating the CCRR

4.3.1 The CCRR should be updated monthly by the ER, until the final account is agreed, to take account of progress of the Works and changes to the Claims and Compensation Events Register(s).

4.3.2 Once the update has been completed, the result should be a revised CCRR reflecting the current status of the risks included within the register and including new risks that may have been identified in the month. Typical amendments to the CCRR following the update might include :

- a) The reduction of the individual financial provisions for risks where response strategies including mitigation plans have been implemented.
- b) The deletion of the financial provisions for risks which have occurred and where their effects have been agreed and where they are, in accordance with the contract, compensation events or other allowable adjustments. These should be transferred to the Compensation Events Register.
- c) Updated and amended risk response strategies where appropriate.
- d) The inclusion of new risks and provisions for same including response strategies.

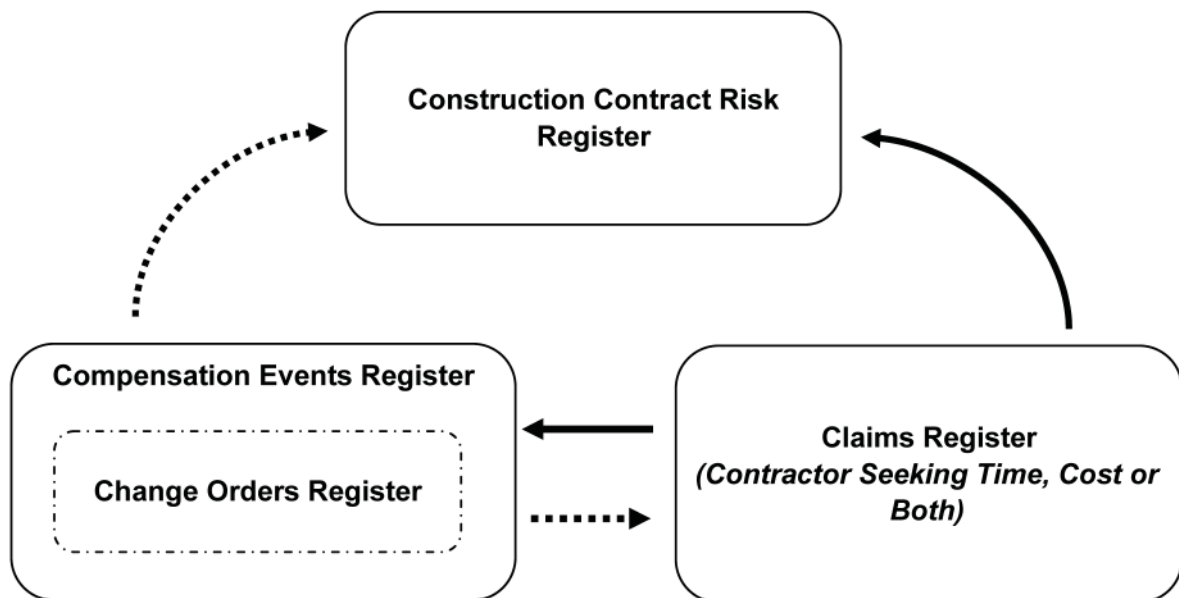


Figure 3 Relationships between Cost Management Registers

The outcome of each review shall be recorded and reflected within the revised risk register supplemented by an additional report where the volume of information being produced during the course of the review merits same.

Figure 4 illustrates that as time progresses, issues are resolved and the CCRR monetary provision goes down while payments for resolved issues go up.

any financial provision for potential impact included for within the revised risk register. Risk items which no longer require financial provision should be left within the register without the financial provision. A comment should be inserted explaining why the risk provision has been removed.

- 4.3.3 Updates of the CCRR for reporting on in the Monthly Progress Report should highlight changes to the CCRR since the last report.
- 4.3.4 The ER should highlight to the Employer current significant risks which merit detailed discussion at each progress meeting and any other risks the ER believes should be brought to the attention of the Employer.
- 4.3.5 Unless otherwise directed by the Employer, the ER should periodically carry out a full analysis of the CCRR. The Employer should be given a copy of the new Quantitative Risk Analysis and shall be fully apprised of the results of this exercise.

4.4 Managing and Reporting on Risk and Contingency

- 4.4.1 The CCRR must be reviewed at each Client progress meeting. Typical issues which should be considered include:
- Tracking and review of previously recommended response strategies and their effectiveness
 - Confirmation that current risk response strategy for each risk is still the best that can be adopted
 - Are response strategies allocated to those best placed to action them?
 - Any new risks which should be included in the register
 - Adequacy and/or appropriateness of the current risk provision for each risk
- 4.4.2 The Project Manager should ensure that there is periodic review, during Client progress meetings, of the risk management process. This review should include a review of the effectiveness of the risk management strategy and the specific risk response strategies contained in the register, current assessment of potential impact, and any management actions required on any of the risks.
- 4.4.3 Results of any periodic analysis of current risks contained in the CCRR or any other analysis as required by the Employer may lead to a requirement to adjust the construction contract contingency.

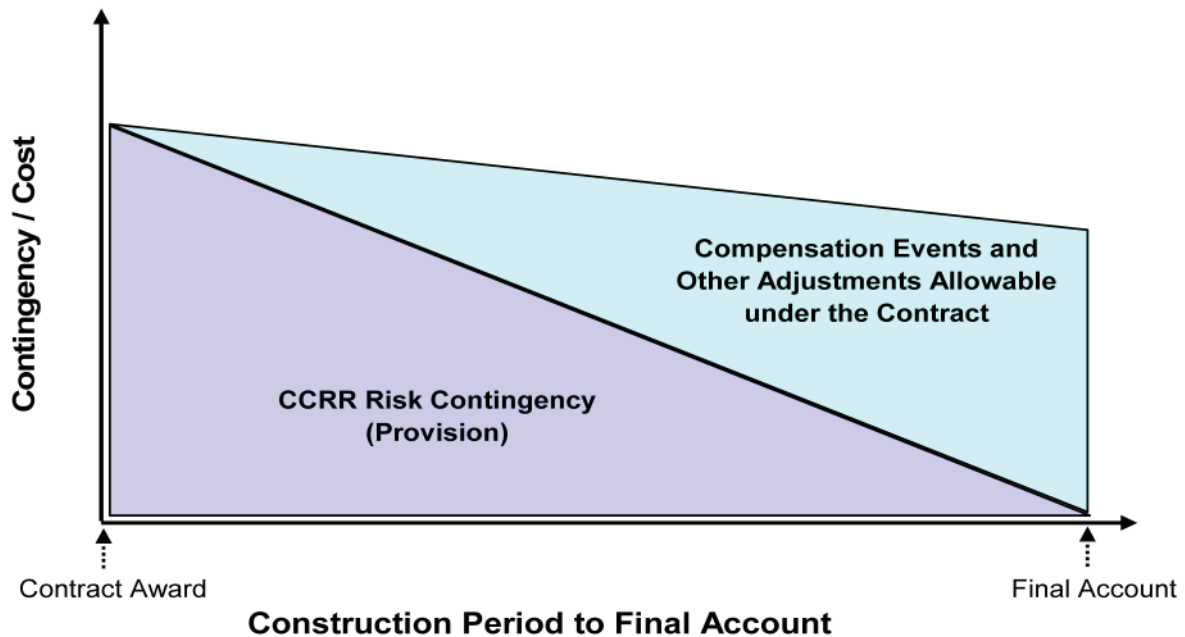


Figure 4 Main Construction Contract Risk Contingency Vs Compensation Events Entitlement

- Note**
- 1) Amounts are transferred from the CCRR as necessary to settle compensation events and other adjustments to the contract sum allowable under the contract.
 - 2) At Final Account agreement no risk remains for the main construction contract and all risk contingency in the CCRR should be set to zero.
 - 3) At Final Account, a new column should be inserted in the CCRR indicating whether certain risks materialised or not. Where risks materialised, the ER should add a comment in CCRR indicating how the risk materialised, how it was managed and any impact that it had, making reference to the Final Account where appropriate

5.0 Value Management

5.1 Value Management Responsibilities

- 5.1.1 The ER's responsibilities under value management include the review of all value engineering proposals submitted by the contractor and advising the Employer on the merits or otherwise of such value proposals.
- 5.1.2 The Employer and ER should continuously seek to identify value engineering opportunities and the ER may be required to review such opportunities and make recommendations to the Employer. Such efforts should include, where possible, the use of value engineering as a mitigation measure for some risks identified in the CCRR.
- 5.1.3 The ER should prepare and maintain a **Value Proposals Register** recording any value engineering proposals to emerge during the construction phase. A suggested format for the value proposals register is included in Appendix G.
- 5.1.4 The Value Proposals Register shall record the date of receipt of each proposal from the Contractor, details of the contractor's proposal as required by the contract, the ER's own review/valuation of the proposal and the status of the proposal.
- 5.1.5 The Project Manager should incorporate the construction stage Value Proposals Register into the overall Scheme **Value Decisions Register** whose compilation would have started during earlier phases of the schemes development.

- Note**
- 1) Value Engineering should not result in increases in either project costs or project duration as per clause 4.8.2 of the Contract conditions.
 - 2) The Contract contemplates that the Contractor will initiate value proposals but where the ER independently identifies a value engineering opportunity, the ER should bring this to the attention of the Employer who will advise on the procedures that may be required to explore and/or realise the opportunity.

6.0 Closeout

6.1 Definition of Closeout

The Scheme Closeout phase commences once the Contract has been substantially completed and concludes for the ER when the final payment certificate has been issued and the ER has discharged all duties and responsibilities assigned to him in accordance with the terms of his appointment. It is therefore expected that for the ER's involvement in the closeout phase to be concluded, the final account for the Contract will have been agreed with the Contractor.

6.2 Final Payment Certificate Report (Final Account Report)

A report based on the final payment certificate (Final Account Report) should be compiled by the ER giving details of how the initial contract sum developed and evolved into amounts included in the penultimate and final payment certificates. (A template is included in the NRA Project Management Guidelines)

Following the substantial completion of the Contract, the ER should work towards the completion of the Final Account Report.

Subject to the progress of negotiations with the Contractor, the Employer may request an interim final account report from the ER prior to final agreement with the Contractor.

Once agreement has been reached with the Contractor in relation to the Final Account, the ER should produce the Final Account Report (See Appendix H for typical format and contents listing).

The Final Account Report shall contain directions outlining roles and responsibilities for the conclusion of any outstanding issues and the measures to be take to inform the individuals responsible of their duties in this regard.

Schedule of Appendices

- A) Monthly Progress Report – Typical Format and Contents
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Monthly Progress Report – Typical Format and Contents

Table of Contents

Dashboard Summary

One sheet summary of giving an overview of the progress of the works and financial progress to date

1.0 Project Details

Tabular presentation of scheme particulars including scheme name and description; key quantities/project scope; contractor name; employer's name; employer representative's name; tender details; contract programme and expenditure summary; Project team individual names, roles and responsibilities.

2.0 Programme – Current Status

Current programme status, extensions of time, programme performance (include Contractor's marked-up copy of the current contract programme).

3.0 Construction Progress to Date

Overall completion percentage, progress S-Curve, Comments on Contractor's claimed progress
Construction status for key scheduled items
Planned works for next period
Construction Issues

4.0 Design Progress and Submissions

Design status of key scheduled items or key work packages,
Departures and Relaxations,
Variant Conceptual Designs
Design Issues

5.0 Health and Safety

Accidents, incidences, occurrences, audits
Health and Safety Issues including environmental incidences.

6.0 Quality and Environmental

Commentary on test results; non-conformance report; quality site meetings, Contractor's quality assurance; Workmanship; Environmental issues
Approvals of key suppliers, sources of materials or specialists

7.0 Finance

Summary - Contractor's Application Vs ER's Certificate
Reconciliation of Contractor's application versus ER's approved payments/ adjustments based on:

- Contract Works (payments for items scheduled in initial contract sum)
- Compensation Events (separate change orders and other compensation events)
- Other adjustments allowable under the contract
- Current Contract Sum compared to Initial Contract Sum

8.0 Risk and Value Management

- Value Engineering Proposals and status
- Risk Management – CCRR (key issues and status; early warning system including steps being taken by ER or Contractor to reduce risk or actions required from the Employer; Claims/ unresolved compensation events and delay events)

9.0 Stakeholders Management

Landowner Interfaces
Statutory Bodies
Employer Requirements
Employer's Representative Issues
Project Resourcing

10.0 Project Resourcing and Management

Contractor's personnel and Things on the Site; ER staff and Contractor's Designer personnel.
Labour relations issues

11.0 Communications

Proposed Instructions (directions and change orders)
Information required or outstanding from the Contractor
Information required or outstanding from the Employer
Information required or outstanding from the Employer's Representative

12.0 Action List

Table with actions implementation status, continuing actions, new actions required

13.0 Contract Documentation

Safety file, as built drawings

Examples of Appendices that may be generated for the progress report

- Information Required/Release Schedule
- Design Approval Certificates Register
- Value Engineering Proposals Register
- Non-Conformances Report
- Construction Programme
- Compensation Events and Other Adjustments Register
- Claims Register
- Construction Contract Risk Register
- Current Interim Payment Certificate
- Cumulative Monthly Figures Graphical Comparison

Main Construction Contract - Interim Financial Reporting Summary											
Scheme : <input type="text"/>		Scheme Reference : <input type="text"/>		Reporting Period up to : <input type="text"/>		Reporting Period Completion at end of Reporting Period : <input type="text"/>		Previously Certified		Difference	
Prepared by : <input type="text"/>		Date of Preparation of Report : <input type="text"/>		Reporting Period up to : <input type="text"/>		Reporting Period Completion at end of Reporting Period : <input type="text"/>		Reporting Period End : M/M/YYYY		G - H	
Scheme Commencement Date : <input type="text"/>		Reporting Period up to : <input type="text"/>		Reporting Period up to : <input type="text"/>		Reporting Period Completion at end of Reporting Period : <input type="text"/>		Reporting Period End : M/M/YYYY		J	
Cost Coding - Main Construction Contract <i>(As per pricing document)</i>	Breakdown of Pricing Document Initial Contract Sum	Current Application Amounts B	Certification to end of Current Reporting Period				Total Certified G	Previously Certified H	Difference G - H	Comments on Movement	J
			Initial Contract Sum A	Initial Contract Sum C	Compensation Events (CE) Change Orders D	Other CE E					
Preliminaries											
Site Clearance											
Fencing and Environmental Barriers (Excluding Safety Barriers)											
Safety Fencing and Pedestrian Guardrails											
Drainage and Ducting											
Earthworks											
Pavement											
Kerbs, Footpaths/Cyclepaths and Paved Areas											
Traffic Signs											
Roadmarking											
Lighting and Electrical Work											
Landscaping and Environmental Work											
Communications and Technology											
Structures											
Accommodation Works											
Statutory Undertakers/Authorities/Utilities											
Documentation including As-Built Records & the Safety File											
Any other Works and/or Liabilities (Add Descriptions)											
Sub-Totals - as per Pricing Document Breakdown											
Value Engineering Adjustments											
Other Adjustments under the Contract (not provided for above)											Must be specified
Sub-Totals											
Materials on Site											
Sub-Totals											
Less Retention											Please specify basis of deduction
Sub-Totals											
Add VAT											
Totals Inclusive of VAT											
Current Contract Sum											

(Totals of A, D, E and F)

Notes : Back-up to the figures included below shall be presented in the manner described within the NRA Cost Management Manual

TYPICAL CHANGE ORDER APPROVAL REQUEST

To :

From :

Employer's Contact Details

Employers Representative's Details

Project : *Enter Here*

Description: *Enter Here*

Reference : *Enter Here*

Contract Conditions: *Enter Here*

Expenditure to Date : *Enter Here Here*

Tender Sum: *Enter Here*

Total Scheme Budget : *Enter*

Date of Request : *Enter Date Request issued to the Employer*

We hereby request your approval to issue a Change Order to the Main Contractor on the above project for the following works :

Enter detailed description of nature and extent of the works here.....

A Change Order in accordance with the conditions of the main construction contract is required for these works for the following reasons :

Enter reasons for Change Order and contractual context and clause applying.....

The risk to the Contract and the Scheme if the Change Order is not approved is as follows :

Enter risk to the scheme including programme; budget; quality; claims etc

In relation to the consideration of Alternative Measure, we advise as follows:

Enter measures, if any which were considered as an alternative including cost estimates and provide evidence of value engineering opportunities availed of for the alternative measures and the proposed change order.

The agreed/estimated (delete as appropriate) value of the above described works inclusive of VAT is € ***Enter Amount (attach a detailed breakdown of the proposed change order cost estimate confirming basis of valuation and coverage)***. The cumulative value of all Change Orders issued in the applicable 3 month period is € ***Enter Amount***.

The proposed change order can be funded as follows:

Enter funding proposals and/or details of how the proposed change order costs can be offset against the Contract (e.g. contingency; value engineering savings)

We would ask that you respond to this request by return/before the ***Enter Date*** (delete as appropriate).

Yours Faithfully

Enter Name
Employer's Representative

TYPICAL CLAIMS / COMPENSATION EVENTS REGISTER

Project Name : _____		NRA Project Ref. Number : _____		Register Prepared by : _____		Date of Last Update : _____		Register Updated by : _____																															
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38		
EPIC Claim Reference	Date of Receipt of Notice	Brief Description of Claim / Reason for Issuing Refinement to Contract Sum or Schedule	Impacted Works Claimed by Contractor	Contractor K Item number assigned by Contractor	Compassion Event a Delay Event or both?	Does ER consider the Item to be a Compassion Event?	Does the Contractor's safety requirements of Cl.17?	Does ER consider the Item to be a Delay Event?	Does ER consider the Item to be a Delay Event?	Does the Contractor consider the Item to be a Delay Event or both? (Y/N)	Does ER consider the Item to be a Delay Event or both? (Y/N)	Does the Contractor consider the Item to be a Change Order?	Does ER consider the Item to be a Change Order?	Does ER consider the Item to be a Change Order? (Y/N)	Does ER consider the Item to be a Change Order? (Y/N)	Does ER consider the Item to be a Change Order? (Y/N)	Does ER consider the Item to be a Change Order? (Y/N)	Does ER consider the Item to be a Change Order? (Y/N)	Does ER consider the Item to be a Change Order? (Y/N)	Does ER consider the Item to be a Change Order? (Y/N)	Does ER consider the Item to be a Change Order? (Y/N)	Does ER consider the Item to be a Change Order? (Y/N)	Does ER consider the Item to be a Change Order? (Y/N)	Does ER consider the Item to be a Change Order? (Y/N)	Does ER consider the Item to be a Change Order? (Y/N)	Does ER consider the Item to be a Change Order? (Y/N)	Does ER consider the Item to be a Change Order? (Y/N)	Does ER consider the Item to be a Change Order? (Y/N)	Does ER consider the Item to be a Change Order? (Y/N)	Does ER consider the Item to be a Change Order? (Y/N)	Does ER consider the Item to be a Change Order? (Y/N)	Does ER consider the Item to be a Change Order? (Y/N)	Does ER consider the Item to be a Change Order? (Y/N)	Does ER consider the Item to be a Change Order? (Y/N)	Does ER consider the Item to be a Change Order? (Y/N)	Does ER consider the Item to be a Change Order? (Y/N)	Does ER consider the Item to be a Change Order? (Y/N)		
		Cumulative Totals																																					

It is intended that all Claims including for example items which are Compensation Items. Delay Items or both raised by the Contractor shall be recorded in this register. Users are encouraged to contact the NRA Project Manager Cost Management with any feedback on working with the typical register and any recommendations on how it may be improved. Figures above to exclude VAT unless otherwise stated. Please use the following codes in relation to the completion of individual columns:
 6 if no item number identified by the Contractor. ER to leave blank.
 7 if "No". ER to decide on course of action - otherwise leave blank.
 8 if "Yes". Insert Schedule K item number - otherwise leave blank.
 9 if "No". ER to decide on course of action - otherwise leave blank.
 10 if "Yes". ER to decide on course of action - otherwise leave blank.
 11 & 12 These Columns shall contain details of the cumulative figures for cost and time. Where there is no Continuing Effect, the cumulative figures shall be the same as those in Columns 14 to 18.
 17 & 23 These Columns shall contain details of the cumulative figures for cost and time. Where there is no Continuing Effect, the cumulative figures shall be the same as those in Columns 14 to 18.
 21 to 25 The ER's determination shall be the cumulative determination.
 33 to 35 The ER's determination shall be the cumulative determination.
 36 If "No". Columns 37 and 38 must be completed.

CONSTRUCTION CONTRACT RISK REGISTER

N100 - ANY CONTRACT		Current At:		01/02/2012		Previously Updated:		01/12/20011		Maintained by:		Position:		
RISK IDENTIFICATION		Delay		RISK ASSESSMENT - QUALITATIVE		RISK ASSESSMENT - QUALITATIVE		RISK ASSESSMENT - QUALITATIVE		RISK ASSESSMENT - QUALITATIVE		RISK ASSESSMENT - QUALITATIVE		
No	Risks	Cat	Prog Activity Reference	Activity Delay (Days)	Critical Path Delay (Days)	Probability - Low/ Medium/ High	Programme Impact - Low/ Medium/ High	Financial Impact - Low/ Medium/ High	Overall Impact - Low/ Medium/ High	Risk Assessment Notes	Person Responsible for Managing the Risk	Claim or CE Item (Y/N)	Risk Management Plan	Implementation Status & Feedback (Did it Occur ? If Yes Note Cost and Time Impacts)
	Roadworks	R												
	Geotechnics	G												
	Structures	S												
	Technology	T												
	Environment	E												
	3rd Parties	TP												
	Resources/Market	RM												
	Sustainability & Construction Programme	B												
	Finance	F												
	Other-General	M												

Notes :
General
Claim or CE Item - refers to items that are included on either the claims or compensation events registers.

CONSTRUCTION CONTRACT RISK REGISTER																
N100 - ANY CONTRACT			Current At:	01/02/2012	Previously Updated:	01/12/20011	Maintained by:	Position:								
RISK IDENTIFICATION			Delay		RISK QUANTIFICATION			APPROX QUANTIFICATION OUTPUT			Risk Management					
No	Risks	Cat	Prog Activity Reference	Activity Delay (Days)	Critical Path Delay (Days)	Prob (P)	Min (€)	Most Likely (€)	Max (€)	P x Min (€)	P x Most Likely (€)	P x Max (€)	Person Responsible for Managing the Risk	Claim or CE Item (Y/N)	Risk Management Plan	Implementation Status & Feedback (Did it Occur? If Yes Note Cost and Time Impacts)
	Roadworks	R														
	Geotechnics	G														
	Structures	S														
	Technology	T														
	Environment	E														
	Traffic	TP														
	Resource/Market	RM														
	Reliability & Construction Programme	B														
	Finance	F														
	Other-General	M														
										Average =		€ 0				

Notes :

General

Risk provisions above relate solely to the Main Construction Contract

All figures above are in Euro.

All figures above are exclusive of VAT

The above risks MUST NOT include any provision for NEA Risks - please consult with the NEA Inspector if clarification is required in this regard. Claim or CE Item - refers to items that are included on either the claims or compensation events registers.

Refer to Cost Management Manual for Risk Categories

Risk Quantification

Probabilities and /or most likely/max values must be manually inserted above

These values should be reviewed regularly and amended accordingly during the course of the construction phase

When quantifying risk items, it is recommended that time related delay costs are not included in the provision for each item.

Time related delay cost should be included under one item to be added to the risk register if the possibility of such cost occurring is identified

VALUE PROPOSALS REGISTER									
Project :	Register Prepared by :			Position :				Date of this Update :	
	Date Raised	Part of Design Being Considered for Optimisation	Value Options Available incl Alternatives	Basis of ER Decision (including alternative selected and outline of Envisaged Impact in descriptive terms)	Time Impact	Adjustment to Contract Sum	Person Responsible for Implementation	Actions Required	Date Implemented (Adoption Completed)
Notes :									

Final Account Report – Typical Format and Contents

Table of Contents

Executive Summary

Report summary including breakdown of the proposed final account settlement figure, confirmation of the status of payments at the date of the report and a brief outline of the negotiations which led to the agreement of the account.

1.0 Introduction

Short description of purpose of report and its structure

2.0 Project Details

Brief outline of scheme particulars including

- scheme description and location
- key scope details and quantities
- tender details (cost and programme)

3.0 Contract Administration

Review of the Contract Administration of the Contract including summaries of final details of matters reported on within the Client Progress Reports and not covered elsewhere within the Final Account Report including :

- Health and Safety
- Quality Assurance
- Design
- Construction
- Programme and Progress

4.0 Final Account Agreement Approach

General outline of how the Final Account Settlement was reached including reference to any **disputes resolution** processes engaged in to facilitate same.

5.0 Amounts Included in Final Account

This section should demonstrate Contractor entitlement to all payments made or proposed and how these represent value for money to the Employer.

5.1 Priced Contract Works

- a. Contractors Application in relation to the Contract Amount.
- b. Entitlement to payment for works included for within the Contract Amount.
- c. Details of any adjustments to the Contract Amount for matters other than Compensation Events including value engineering or lane rentals.

5.2 Compensation Events

- a. Brief description and scope of each item.
- b. Confirm Contractual basis of Entitlement to payment for Compensation Events on an issue by issue basis.
- c. Details outlining the justification of the occurrence of each Compensation Event.
- d. Settlement figures and basis of Quantum

Provide explanations in relation to key Claims arising on foot of Compensation Events and those arising outside the Contract by outlining:

Comment on programme performance and extensions of time given including an outline of major delays and the basis of any extensions of time awarded in relation to same. Identify EOT awards in relation to each Compensation Event.

Note that final versions of Cost and Risk Management registers must be included within the appendices to the Final Account Report.

5.3 Minor Residual Risks Transferred

Details of minor risks remaining with the Employer or transferred to Contractor at Final Account Stage if any (with the format following that used to compile the Construction Contract Risk Register – the CCRR)

6.0 Risk Management Review

Review the risk management process during construction including commentary on the practices adopted and their effectiveness in relation to contingency management and facilitating the achievement of value for money.

Report on the management of scheme contingency through to agreement of the main construction contract final account. Identify any residual risk and associated contingency remaining and state the reason for same as of the date of the Final Account Report.

This review should also report on the effectiveness of the Contract in transferring risk to the Main Contractor.

7.0 Value Management Review

Review the value management process during construction and report on the effectiveness and results achieved.

8.0 Recommendations for Future Scheme Management – Lessons Learnt

Considering the performance in relation to achieving the key project deliverables of cost certainty, value for money and delivery to programme and outline any lessons learnt which would improve the management and achievement of key aims on future contracts.

This section should also contain recommendations if any in relation to the conditions within the Contract and how they might be improved if being used in subsequent contracts.

Examples of Appendices that may be generated for the final account report

- Detailed reconciliation of Tender Amounts for work packages and Final Account payments for same.
- As-Built Programme
- Value Engineering Proposals Register
- Claims and Compensation Events Register
- Residual Risks Register (Final Version of Construction Contract Risk Register)
- Current Interim Payment Certificate
- Cumulative Monthly Payments Report (Project Start to Final Account Report)

Glossary of Terms

Change Management Plan

The ER's plan to successfully manage change during the course of their appointment.

Change Orders Register

A register recording all Change Orders issued on a scheme in a format similar to that included within these guidelines.

Claims Register

A register recording all Claims made on a scheme in a format similar to that included within these guidelines.

Compensation Events Register

A register recording all Compensation and Delay Events occurring on a scheme in a format similar to that included within these guidelines.

Claims and Compensation Events Register

A register including all Claims, Compensation and Delay Events.

Construction Contract Risk Register (CCRR)

The risk register relating to residual risk associated with the main construction contract only.

Value Proposals Register

A register to record any value engineering proposals to emerge during the construction phase and the status of these proposals.

Value Decisions Register

A register prepared to record value engineering decisions made during all phases of scheme development including construction.



National Roads Authority

**Contract Administration Guidelines
Consultation Version - July 2010**