

# Experience counts

9 November 2016

**In the first of a series of articles providing guidance to APC candidates, Tim Jones looks at the Contract practice competency**

---

The RICS' APC process ensures that candidates undergo a rigorous assessment and that their competence to practice is checked. The process gives confidence to the sector, the public, clients and employers that they have reached an acceptable level of experience before they are admitted into the profession.

We often see candidates falling down in the crucial area of Contract practice, in both their written documentation and at interview. So, let us start with the basics.

Contract practice is a core Level 3 competency for those on the Quantity surveying and Project management pathways, and an optional competency for those on the Building surveying and Built infrastructure pathways.

The competency requires you to have an understanding of all aspects of construction contracts and how they are administered. For example, Quantity surveying or Project management candidates might gain experience in this competency when acting as an assistant to, or as the employer's agent on, a design and build contract or as a project manager on an NEC3 contract. They may also gain relevant experience acting for a contractor, or managing subcontractor contracts.

The assessors will ask questions on those contracts that you use on a daily basis but, given that you need to provide guidance or advice in this area, you should also be conscious of the other types of contract that there are in your area of practice.

*You should also be conscious of the other types of contract that there are in your area of practice*

The assessors are likely to ask questions across a wide range of subjects, but you should have gained direct experience and provided advice in most of these. You will need to show that you have a clear grasp of the contractual implications of any decisions and advice that you have provided.

It is fairly standard for assessors to ask questions in the following areas.

**Establishing a contract:**

- basic contract law;
- current contract legislation such as the Housing Grants, Construction and Regeneration Act 1996, the CDM Regulations 2015 etc.;
- common standard forms of contract and subcontract that are in use, for instance JCT, NEC3, International Federation of Consulting Engineers (FIDIC) etc.;
- contract documentation;
- letters of intent;
- third-party rights, for example collateral warranties, Contracts (Rights of Third Parties) Act 1999 etc.

#### **Contract mechanisms:**

- roles of parties under the contract, such as client, contractor, contract administrator, employer's agent, project manager etc.;
- conflict avoidance and dispute resolution, for example mediation, adjudication, arbitration etc.;
- contractor-designed works, for instance employer's requirements, contractor's proposals etc.;
- subcontracting;
- payment provisions;
- change procedures, such as variations, compensation events etc.;
- bonds or parent company guarantees;
- insurance, for instance public, professional indemnity, employer's, all risks etc.;
- retention, including retention bonds;
- liquidated damages;
- claims, such as extensions of time, acceleration, loss and expense etc.;
- early possession; and
- phasing (sectional completion) termination of contract and insolvency;
- contract completion;
- final accounts;
- defects/rectification.

This extensive list covers the areas that you should know, so ensure that you have read all the relevant guidance. A good place to start, if you have not already done so, is to consult the Black Book. This is a suite of guidance notes that define good technical standards for quantity surveying and construction professionals. These standards are essential development tools for younger professionals working through their APCs.

The Black Book provides clear standards against which professionals can perform their duties, eliminate ambiguity and promote best practice. It also helps to ensure that clients receive objective advice in a professional manner with a consistent approach.

You should visit the [RICS](https://www.rics.org/) and [isurv](http://www.isurv.com) websites regularly as the Black Book is continually being updated and the assessors will expect you to know about any updates. For example, guidance on employer's agents and fluctuations is currently being developed.

There are also numerous books to read and APC courses that you can attend. RICS runs a number of online APC-related masterclasses as well as face-to-face training courses. The wider you make your range of reading and training then the better your understanding of Contract practice will become.

Obviously, the assessors will not be able to ask about all areas in this competency, but given that around 100 questions are asked at interview, it is common for several areas to be covered in both discussions about your case study and in your Summary of Experience.

If you have attended seminars and done your research and reading, you should have the basic knowledge to comply with Level 1 of this competency. RICS expects you to have experience to show Level 2 competency, and ? importantly ? to have provided advice to show Level 3 competency.

In your Summary of Experience for Contract practice, you should demonstrate experience in as many of the above areas as possible and, ideally, in a number of different forms of contract. However, where your experience is only in one form, you should thoroughly understand all the components as they relate to that form. It would also be acceptable for you to have been involved in a bespoke contract rather than one of the standard forms in your area of practice.

Again, you should be able to show that you have gained experience and a thorough understanding of that contract. For example, you might not have worked on a project where a letter of intent was used, or a claim for loss and expense was made, but you should still know about such components.

When filling out your Level 2 competency statement, discuss your experience of at least 2 of the above areas, preferably in different projects. Often, candidates are only involved in 1 large project; if so, discuss your involvement in a number of the above areas in relation to it to show assessors you have a wide range of experience. The assessors will also target those areas when they ask their questions ? they are trained to enquire according to your experience.

For Level 3, you should have given advice on the selection or implementation of at least some of the above areas. Advice can be in written or verbal forms and must be addressed to someone in particular, such as a client, your manager or director, a board or committee, the contractor, a subcontractor or the project team. Again, you need to cover at least 2 of the above areas when writing your Level 3 Summary of Experience statement, and it is sensible to choose different projects rather than just one.

*The wider you make your range of reading and training, the better you will understand Contract practice*

You will not be expected to have provided guidance in all of the above areas. For example, you might not have given advice on the use of collateral warranties as opposed to using relevant legislation. However, you should understand the advantages and disadvantages of both so you can give advice if required.

To summarise, make sure you have read the Black Book, have read widely on contract provisions and have attended a range of seminars on the aforementioned subjects.

You should also have gained experience in a range of the above areas and provided advice on several of them. The more diverse a range of contract-related areas that you discuss in your Summary of Experience and Case study the better, because it shows assessors that your experience is not narrow.

**Tim Jones is a director of [TJMC Ltd](#) , an APC trainer, coach and assessor and a member of the RICS Project Management Professional Group Board**

## **Further information**

- More information on the [Black Book](#)
- Details on [training courses](#)
- Related competencies include [Contract practice](#)
- This feature is taken from the RICS *Construction journal* (September/October 2016)