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# Monitoring Contract Performance & Reporting



## Learning Objectives

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By the end of the Session, participants will be able to:

- Assess Time Controls
- Assess Quality Controls and Assurance
- Assess Quantity Controls
- Assess Cost Controls
- Seek Performance Approvals
- Seek Performance Indicators and Resolution of Challenges



## Introduction

- Objective of monitoring contract performance is to ensure that the Works are completed within cost, time and in accordance with drawings and specifications,
- Consultant exercises the desired supervision and control of the Works and the Entity's investment is protected and prevents unnecessary claims by the Contractor,
- Effective contract supervision and control can be achieved when parties work together
- Co-operation, collaboration and coordination are essential,
- Supervision organization must be provided with offices, laboratories, equipment and transport facilities to be operational,
- Supervision is the responsibility of the Consultant with primary duties to direct the execution, completion and maintenance of the Works and to test and examine materials and workmanship for conformance.



## Time Control

### **PROGRAMME IS THE BASIS FOR THE TIME CONTROL FOR THE WORKS,**

- Contractor shall submit to the Consultant a Programme for all the activities in the Works,
- Update of the Programme shall show the actual progress achieved on each activity and the effect of the progress achieved, including any changes to the sequence of the activities.
- Contractor must submit to the Consultant for approval an updated Programme at prescribed intervals,
- Should Contractor fail to submit within the specified period, the Consultant may withhold the amount from the next Interim Payment Certificate
- approval of the Programme shall not alter the Contractor's obligations
- Revised Programme must show the effect of any variations,
- Consultant shall extend the completion date should any variation issued make it impossible for completion at the original Completion Date,
- Consultant shall also extend the Completion Date should an event of Force Majeure has occurred,



## Time Control

- Consultant shall decide whether and by how much to extend the Completion Date within a period specified based on Contractor's request upon the effect of a variation or if the Contractor or the Entity request for a decision on the occurrence of an event of Force Majeure, both requests in writing.
- Such written requests shall be supported and justified,
- Should Entity want the Contractor to finish before the Completion Date, the Consultant shall obtain priced proposals for necessary acceleration from the Contractor,
- Consultant may instruct the Contractor to delay the start or progress of any activity within the Works.



## Time Control

- Either the Consultant or Contractor may require the other to attend the meeting to review progress and other relevant matters raised,
- Consultant shall record the business of meetings and provide copies of the record to those attending the meeting and to the Entity.
- Contractor shall inform the Consultant at the earliest opportunity of specific likely future events that may adversely affect the quality of work, increase the contract price, or delay execution of the Works.
- Contractor shall request the Consultant to issue a Certificate of Completion of the Works and the Consultant shall do so upon deciding that the Work is completed.
- Consultant shall take over the Site and the Works within a specified period of the Consultant's issuing a certificate of completion

### ***TIME CONTROL - SECTION 8 OF CONDITIONS OF CONTRACT***



## Quality Control & Assurance

- Contract/Project quality refers to the requirements relating to the quality standards in the Specifications, Drawings and Bills of Quantities;
- Quality requirements must be SPECIFIC and RELEVANT to the Contract/Project
- Ensure that quality requirements are complied with to avoid or reduce the incidence of defective works;
- Continuous testing of materials and finished sections of Works; and
- Reject all defective works which Contractor has to rectify at Own cost



## Quality Control & Assurance

- Consultant shall CONTINUOUSLY check the Contractor's work, give notice of any defects and such checking shall not affect the Contractor's responsibilities,
- Consultant may instruct the Contractor to search for defects, uncover and test any work that the Consultant considers defective,
- Consultant shall give notice of any defects before the end of the Defects Liability/Notification Period,
- should Contractor fail to correct defect within the time specified, cost assessment will be done for the Contractor to pay.

**QUALITY CONTROL – SPECIFICATIONS AND SECTIONS 9 & 10 OF CONDITIONS OF CONTRACT**



## Cost Control

### DRIVEN BY THE BILLS OF QUANTITIES

#### Agreement on procedures to handle payment for work done:

- Joint measurement of Work done;
  - Consultant QS prepares valuation of Work done
  - Contractor's QS agrees on valuation
  - Consultant QS submits valuation to Consultant for the issuing of Certificate of Payment
- Procurement Entity honours Certificate of Payment within required period set in Contract Data Sheet

If Contract Sum is subject to Fluctuations, then each Payment is adjusted accordingly:

- Building Works use indices published by the Building and Roads Research Institute, Kumasi; and
- Road Works and other Civil Engineering contracts use the indices published by the Ministry of Roads and Highways.



## Cost Control (Cont'd)

- Quantities given in the BoQs are deemed provisional and for payment purposes, actual works measured,
- Differences may arise from measurement or re-measurements or those arising out instructions.
- Quantity Control consists of two activities:
  - measurement or re-measurement, and
  - variations,
- Variations are directed in writing by the Consultant and the Entity.
- REMEMBER TO SEEK NECESSARY PRIOR APPROVAL IN ACCORDANCE WITH SECTION 87 OF ACT 663 AS AMENDED BEFORE ISSUING ANY VARIATION ORDERS

### **COST CONTROL - SECTIONS 12 & 13**



## Cost Control (Cont'd)

- The Project Quantity Surveyor is expected to carry out the following duties:
  - carry out quantity measurement and keep up to date quantity records including field measurements,
  - assist to review and comment on Drawings for quantity estimates,
  - assist in completing Weekly and Monthly Reports,
  - With Programme updates, the Contractor shall provide the Consultant with an updated Cash Flow Forecast
  - evaluate variations and rates submitted by the Contractor,
  - evaluate Monthly Statement and Claims, and
  - prepare the forecast for Final Accounts.



## GENERALLY

One of the key responsibilities of the Entity throughout contract execution is to maintain a close control on what actually happens on the site of the Contract.

Entity's staff should note the following minimum aspects that relate to visual or physical inspection:

- progress of Works against planned,
- quality of Works,
- deployment of adequate and qualified staff/labour,
- Contractor's mobilization of materials and equipment,
- health and safety with regard to Contractor's personnel and public safety, and
- environmental issues including the appropriate enforcement of Environmental Management Plan



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## Questions and Discussion

