



Australian Government

CPCCBBC4032 Apply contract law to sales processes

Release: 2

CPCBC4032 Apply contract law to sales processes

Modification History

Release 2 Updated reference to general construction induction training program.

Release 1 This version first released with CPC Construction, Plumbing and Services Training Package Release 5.0.

Supersedes and is equivalent to CPCBC4032A Apply contract law to sales processes. Updated to meet the Standards for Training Packages 2012.

Application

This unit of competency specifies the skills and knowledge required to apply contract law to the sales processes for construction of residential and commercial buildings. It includes selection and administration of contract and pre-contract agreements.

This unit of competency applies to builders, site supervisors and related construction industry professionals responsible for ensuring contract law is applied to the sales process of building.

This unit of competency is suitable for those using specialised knowledge to complete routine and non-routine tasks and using their own judgement to deal with predictable and sometimes unpredictable problems.

Completion of the general construction induction training program specified by the model Code of Practice for Construction Work is required for any person who is to carry out construction work. Achievement of *CPCWHS1001 Prepare to work safely in the construction industry* meets this requirement.

No licensing, legislative or certification requirements apply to this unit at the time of publication.

Pre-requisite Unit

Nil.

Unit Sector

Building and Construction

Elements and Performance Criteria

Elements describe the essential outcomes.

Performance criteria describe what needs to be done to demonstrate achievement of the element.

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| 1 Identify legislative requirements applying to the sales process. | 1.1 | Identify relevant government legislation relating to contract law. |
| | 1.2 | Identify types and purposes of contracts employed within the building and construction industry. |
| | 1.3 | Identify pre-contract agreements that meet legal and organisational requirements. |
| | 1.4 | Identify pre-contract clauses within the agreement. |
| 2 Apply contract law as it relates to the sales process. | 2.1 | Explain the importance of contract to sales process and implications of contract law to the client. |
| | 2.2 | Describe clauses in the contract to the client, the reasons for their inclusion and their impact. |
| | 2.3 | Explain the offer and acceptance element of a contract to the client. |
| | 2.4 | Apply common law principles, federal laws and contract standards and codes to the sales process. |
| | 2.5 | Apply cooling off periods, definitions of building work and provisional sum (PS) and prime cost (PC) allowances. |
| | 2.6 | Explain to the client contract anomalies and appropriate measures to be taken in the rendering of the contract. |
| 3 Finalise the pre-contract agreement with customer. | 3.1 | Ensure clauses that reflect client's requirements are included in pre-contract agreement. |
| | 3.2 | Ensure documents are signed in accordance with legal and organisational requirements. |
| | 3.3 | Receive payment or deposit from client in accordance with legal and contractual requirements. |
| | 3.4 | Process and save documents following organisational procedures. |

Foundation Skills

As well as the foundation skills explicit in the performance criteria of this unit, candidates require:

- communication skills to:
 - use contract terminology relevant to the context
 - use written and oral communication to clearly confirm client understanding and agreement with contract clauses
- technology skills to:
 - use digital tools and devices to communicate and collaborate effectively with others
 - use equipment and programs to access and extract information and develop relevant documentation.

Unit Mapping Information

Supersedes and is equivalent to CPCCB4032A Apply contract law to sales processes

Links

Companion volumes to this training package are available at the VETNet website -
<https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=7e15fa6a-68b8-4097-b099-030a5569b1ad>

Assessment Requirements for CPCBC4032 Apply contract law to sales processes

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Performance Evidence

To demonstrate competency, a candidate must meet the elements and performance criteria of this unit by applying contract law to the sales process for one building and construction project.

In doing this, the candidate must:

- select the correct contract for the building project
- select the appropriate clauses and conditions within the contract and explain the reasons and impacts to the client
- administer the contract to meet government legal and regulatory requirements
- follow organisational procedures to apply contract law to the sales process
- determine and explain to the client appropriate measures to be taken in the event of anomalies in rendering the contract
- communicate and finalise pre-contract agreements with client.

Knowledge Evidence

To be competent in this unit, a candidate must demonstrate knowledge of:

- contract types and the circumstances they cover
- contract law and related government legislation and regulations
- legal meanings of terms and clauses in building and construction contracts
- definitions and interpretations commonly applied to contracts
- definitions of building work
- pre-contract agreements:
 - offer and acceptance documentation
 - preliminary contracts
 - preparation of plan agreements
- clauses in construction contracts:

- cost adjustments
- extensions of time
- offers and acceptances
- payments
- retention of moneys
- scope of work
- terms and representations
- pre-contract clauses:
 - conditions
 - scope of work
 - time for completion
- relationship between the organisation and its clients.

Assessment Conditions

Assessors must meet the requirements for assessors contained in the Standards for Registered Training Organisations.

Assessment can be undertaken in the workplace or in a simulated workplace environment.

A simulated environment is one that realistically replicates workplace conditions, materials and equipment, interactions with others and workplace irregularities, and which meets industry standards for safety and environmental practices.

Candidates must have access to:

- variety of construction contracts
- government contract law legislation and regulation
- organisational policies, procedures and other quality documentation to undertake the performance criteria and assessment requirements
- digital technology to access information and software to process and save contract documentation
- relevant building industry and local authority codes and standards
- site plans and project contracts

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