



Australian Government

CPCCBBC6011 Establish systems to develop and monitor building and construction costs

Release: 2

CPCBC6011 Establish systems to develop and monitor building and construction costs

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 CPCBC6011A Establish systems to develop and monitor building and construction costs. Updated to meet the Standards for Training Packages 2012.

Application

This unit of competency specifies the skills and knowledge required to establish systems to develop and monitor building and construction costs for residential or commercial projects. It includes implementing and maintaining a construction costing system and recording outcomes.

It includes establishing the human resources and facilities necessary to produce accurate and successful costing information and providing a basis for accurate estimating and tendering processes in accordance with organisational guidelines.

This unit of competency supports builders, project managers and related construction industry professionals who integrate information from a broad range of sources to develop systems and take responsibility establishing and managing construction costing systems.

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.
1 Identify factors for inclusion into the costing system.	1.1 Identify and quantify strategic factors impacting on the construction costing process. 1.2 Quantify range and scope of activities being undertaken by the organisation under the contract. 1.3 Qualify strategic and operational factors impinging on organisation costing processes and introduce measures to capture cost data.
2 Establish and implement organisational costing systems.	2.1 Direct and manage the design and development of an organisational project planning system. 2.2 Develop criteria for implementing and maintaining systems concerned with costing the construction process and formulate into active practice. 2.3 Develop methods to gather and monitor actual cost information essential to the construction costing process. 2.4 Obtain approval of the costing process from senior management. 2.5 Evaluate the costing process regularly to ensure accuracy and compliance with policy.
3 Establish and implement a costing quality control system.	3.1 Base quality control procedures on sound financial principles and practices. 3.2 Train staff to ensure that quality assurance practices are applied to the costing process on a daily basis. 3.3 Develop a system that allows reconciliation of invoices for progress payments against work completed, or due for completion, prior to payments being approved.
4 Develop and implement a costing feedback system.	4.1 Establish and implement a method to effectively and quickly communicate financial information concerning construction costs within the organisation.

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| | 4.2 | Develop and maintain a review and feedback system using company project records and performance criteria to identify cost over-runs or savings within the contract. | |
| | 4.3 | Plan and strategically implement a subcontractor feedback system, based on performance, progress and other strategic factors. | |
| 5 | Establish recording and costing evaluation systems. | 5.1 | Institute a documentation and recording system to meet organisational needs for ongoing evaluation of the costing process. |
| | | 5.2 | Apply strategic balances and checks that enable the ongoing maintenance of quality of the costing system. |

Foundation Skills

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

- technology skills to:
 - use digital tools, devices and programs to communicate and collaborate effectively with others
 - use equipment and programs to access, extract information and complex data to analyse for strategic purposes.

Unit Mapping Information

Supersedes and is equivalent to CPCCB6011A Establish systems to develop and monitor building and construction costs.

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 CPCBC6011 Establish systems to develop and monitor building and construction costs

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Performance Evidence

To demonstrate competency, a candidate must meet the performance criteria of this unit by developing and implementing a construction costing system for a building and construction organisation.

In doing this, the candidate must:

- incorporate monitoring processes to ensure continued financial viability of the organisation
- communicate effectively both verbally and in writing with senior management, employees, clients, regulatory authorities and legal representatives.

Knowledge Evidence

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

- appropriate sector of the building and construction industry and the nature of contracts upon which its activities are based
- factors to be considered in assessing the risk inherent in different types of building and construction projects
- financial and business administration principles commensurate with organisational processes:
 - establishing and maintaining accurate estimating practices
 - ability to gather specific information concerning actual versus estimated costs
 - relationships with financial management and construction management systems
- human resource practices and the industry's industrial relations climate and practices:
 - awards, agreements and work practices
 - entitlements, margins, allowances, rates and penalties
 - using the services of well-trained and experienced personnel

- socioeconomic and political factors which determine the climate in that sector of the building and construction industry
- quality assurance systems:
 - control procedures for maintaining costing
 - establishing performance benchmarks for system
 - monitoring internal expenditure and funding allocations
 - establishing and maintaining comprehensive records of bids
 - appropriate manual or electronic databases to assist performance comparisons
 - programmed and spontaneous reviews of success rates
 - providing secure and safe accommodation for costing information.

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:

- relevant and current government building, safety, environmental and industrial relations legislation, codes and standards
- project plans, specifications and manufacturer instructions
- organisational policies, procedures and other quality documentation to undertake the performance criteria and assessment requirements
- relevant financial and consumer protection legislation
- business equipment and technology, applications and software to facilitate establishing costing systems to monitor building and construction costs.

Links

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