



### **Stage 9. Tendering the contract**

By putting the drawings out to tender, the owner — with assistance from the architect — can shop around for the right builder and the best price. The comprehensive working drawings prepared in Stage 8 play a decisive role here. The level of detail the drawings and specifications deliver will determine the accuracy of the tender. Extra detail allows the owner to compare submissions covering the same items to the same level of quality and performance, helping to eliminate any uncertainty or ambiguity when builders prepare a submission. It is to the home owner's advantage to draw on an architect's training and experience, and engage them to prepare of a fully detailed set of working drawings prior to getting tenders or quotes from builders.

As tender submissions can vary wildly, the owner should aim for a quote from at least three builders. This is called competitive tendering (owners who go with only one building quote could be taking a big financial risk, as a single quote makes it difficult to know whether the submission represents a fair price for the work, particularly if the only other references a the tender price can be compared with are a project budget or cost estimate. With competitive tendering, there is

often a big variation between the highest and the lowest tender (40% to 60% is not unusual). If this stage is handled shrewdly, that difference can cover the architect's fee and more.

The architect can help the owner shortlist 3-6 builders who produce work of an appropriate standard. The architect's suggestions in these cases are invaluable, because when a competent builder is on the job, the homeowner can be confident in the knowledge that the work is being carried in a professional manner. When assessing tenders owners should not only look at costs, but also the starting date and the projected time the project will take. The owner should seek from the architect advice on tender assessment and the most suitable builder for the project.

Once a builder has been selected, the architect can then help the owner prepare a contract. All contracts must be approved and comply with the Domestic Building Contracts Act. Many contracts exist; the most popular one for Archicentre architects is the one created by the Royal Australian Institute of Architects (RAIA). While most common building contracts are signed by the owner and builder and commit the builder to completing the documented project within a certain time at a fixed price, RAIA contracts also incorporate a role for an architect to ensure that the works are carried out in accordance with the agreed contract documents. They also deal with the manner in which changes or variations to the plans are handled and costed without disadvantage to the owner.

A well considered building contract will also include security provisions to protect the owner, should a defect or deficiency become apparent in the works, until the end of an adequately specified defects liability period.

The architect will explain to the owner the contract in detail and ensure that there's no confusion (i.e. cost surprises or time delays) once the contracts have been signed and construction has commenced.