
Construction contracts *cheat sheet*

Learn what each contract type
is really asking of your tender.



Know your contract type before you write. Each model shifts the risks, responsibilities and evidence the client will expect to see in your tender.



A GC21 Contract is widely used in Australia’s public sector, it is known for its principles of cooperation, risk sharing and clear communication between all parties.

Issues	How to address this in your tender
Early Warning - The contractor needs to be prepared to provide early warning for issues that may affect costs, timelines or outcomes.	Emphasise your company's efficient risk management systems, detailing how you identify potential risks early and take proactive steps to mitigate them. Provide instances where your early warning led to timely solutions and minimised project disruptions. [methodology]
Role of the Principal - the principal maintains an active role in the project, which the contractor must accommodate.	Show that your team understands and respects the active role of the Principal in a GC21 contract, including examples of successful projects under this model. Highlight your company's communication strategies for ensuring consistent and clear interactions with the Principal. [methodology past projects CV]
Contract Facilitator - show how you have a contract facilitator who is appointed to help resolve disputes and facilitate communication.	If your company has a trained or experienced contract facilitator, highlight this in the tender. Discuss how your facilitator contributes to smoother project execution and early resolution of potential conflicts. [methodology CV]
Quality management - GC21 contracts with no defects period.	GC21 contracts forgo the traditional defects liability period in favour of a process where the contractor immediately rectifies any defects. Detail your quality management process and track record for delivering defect-free work with expert detail. [methodology past projects]

GC21



A D&C contract is a project delivery method where the contractor is responsible for both the design and construction of the project, providing a single point of responsibility to the client.

Issues

How to address this in your tender

Design Management - demonstrate a clear and robust design process as the contractor is responsible for both the design and construction of the project.

Explain your company's design process in detail, including the steps involved, quality control measures, and any design software or tools used. Emphasise the importance your company places on meticulous planning and rigorous review to ensure the design aligns with the client's needs and project requirements. [methodology]

Client review and approvals - provide opportunities for the client to review and approve the design, which requires a transparent communication process.

Highlight your company's practices regarding client review and approval. Provide examples of your approach to maintaining open lines of communication, regular status updates, and incorporating client feedback into the design. Showcase your company's flexibility and responsiveness to changes or modifications requested by the client. [methodology]

Contract Facilitator - show how you have a contract facilitator who is appointed to help resolve disputes and facilitate communication.

Outline your team's capabilities in delivering an integrated project, drawing on examples from past projects where seamless coordination between design and construction led to successful outcomes. Discuss your team structure, collaboration tools, and coordination processes to demonstrate how you ensure smooth project delivery. [CV | past projects]

D&C

Contract type matters. Spot the risks, shape your methodology and show the client you understand how the project will actually be delivered.



An ECI contract is a type of contract where the contractor is involved during the design phase of a project, fostering collaboration and optimising project design and constructability.

Issues	How to address this in your tender
On-time delivery - this contract is usually selected to save time, meaning programme will be a critical focus.	Detail your company's track record with efficient design-phase project management, emphasising past success with meeting tight deadlines in your project data sheets. Highlight any project management methodologies or software you use to maintain timelines. [programme methodology]
Value engineering and cost-saving options - providing value engineering and cost-saving options or methods.	Provide examples of how your company has applied value engineering on past projects. Explain how your recommendations improved value, reduced cost, improved constructability or protected the programme while maintaining the design intent. [methodology past projects]
Cost planning and budget control - show how you manage budget certainty during the design phase and respond to cost changes.	Highlight your experience with budget management during the design phase, including examples where you helped manage cost fluctuations, refine scope or identify more cost-efficient design and delivery options. [methodology past projects]
Collaboration and adaptability - show how engaging with your team can support smoother project execution.	Collaboration and flexibility are vital in an ECI contract due to the iterative nature of the design process. Your company should show how you were able to adapt to changes and work well with different stakeholders. [past projects]
Early risk identification Early involvement in the project allows for early identification and management of risks.	Detail your company's process for early identification and mitigation of risks. Give specific examples of potential risks on similar past projects and how your early involvement allowed for effective risk management. [methodology]

ECI



A Lump Sum contract is a type of contract in which the contractor agrees to execute the complete project for a fixed price agreed upon at the beginning. Even though lump sum contracts aren't as complex, here are some pitfalls to look out for.

Issues	How to address this in your tender
Pricing accuracy	Highlight your approach to pricing accuracy, including examples from past projects where your pricing aligned closely with final delivery outcomes. [past projects]
Understanding the scope of work to minimise disputes and unexpected costs.	Discuss your process of scope definition and management, this might involve a return brief type process. Provide examples of complex projects where clear scope communication played a crucial role. [past projects methodology]
A thorough understanding of the site conditions to minimises the risk of cost overruns.	Detail your approach to conducting site investigations and how these feed into your project planning. Use case studies to show how your site investigations have previously contributed to the success of your projects. [past projects methodology]
Effective management of subcontractors can keep the project on track and within budget.	Discuss your approach to selecting and managing subcontractors. Include examples of successful projects where effective subcontractor management was key. [methodology]

Lump Sum

Did you find this guide *useful?*

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