

Project monitor services

For use with the RICS Scotland Short form of consultant's appointment



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Len Stewart works for the Davis Langdon LLP Legal Support Group. Davis Langdon is a leading international project and cost consultancy, providing managed solutions for clients investing worldwide in infrastructure, property and construction.

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Notes:

- 1 This Appointment is not suitable for use for expert witness appointments.
- 2 This Schedule should be completed by inserting a 'tick' within the box adjacent to the service to be provided. For further information please refer to the Explanatory Notes.
- 3 Services that have been ticked below shall be deemed to be Basic Services under the terms of this Appointment.
- 4 All other services which are not ticked shall be deemed to be Additional Services under the terms of this Appointment.
- 5 For convenience the Services have been co-ordinated to fit with the RIBA Outline Plan of Work 2007. In practice many of the Services will be carried out in more than one section.
- 6 These services are only suitable for use with the RICS Scotland Short Form of Consultant's Appointment.
- 7 Any Project-specific services agreed between the Client and the Consultant should be inserted in section 2.4.
- 8 A schedule of 'typical' meetings is included with these Services. Completion of this schedule is also recommended.

1 CORE SERVICES

1.1 Generally

- 1.1.1 Attend Client, Design, Project, Site and other meetings as provided under this Appointment.

1.2 Initial Audit Report – Preparation, design and pre-construction (RIBA Outline Plan of Work 2007)

1.2.1 Advising on land and property acquisition matters

- 1.2.1.1 Review the Client's interest in the Project. Advise on the technical adequacy of any report on title and any other documentation supplied and on any areas of concern.
- 1.2.1.2 Identify and advise on restrictions that may affect the Client's interest in the property including, for example, boundaries, easements and covenants. Identify and advise upon any non-statutory consents arising.
- 1.2.1.3 Review any technical reports prepared for, or on behalf of, the Client in connection with the acquisition of an interest in the Project. Advise on any areas of concern.
- 1.2.1.4 Advise on the need for further specialist surveys, reports and advice including, for example, environmental reports, party wall awards, rights to light surveys, building surveys and measured surveys.
- 1.2.1.5 Advise on the risks arising out of the information supplied or out of the lack of information available. Recommend a strategy and programme for managing these risks.

1.2.2 Advising on statutory compliance

- 1.2.2.1 Liaise with the Professional Team and advise the Client of its obligations under the CDM Regulations.
- 1.2.2.2 Comply with the CDM Regulations insofar as they relate to this Appointment.
- 1.2.2.3 Review the statutory consents in place. Advise on the adequacy of the documentation supplied and on any areas of concern.
- 1.2.2.4 Identify any further statutory consents required, including the discharge of any conditions associated with any statutory consents in place. Recommend a strategy and programme for obtaining any outstanding consents.
- 1.2.2.5 Advise on the risks arising out of the information supplied or out of the lack of information available. Recommend a strategy and programme for managing these risks.

1.2.3 Advising on the competency of the developer, the Professional Team, the Contractor and any proposed project management systems

- 1.2.3.1 Confirm the contact details of the developer, the Professional Team and the Contractor. Advise upon their skills, experience and financial stability in respect of the Project.
- 1.2.3.2 Review any consultancy agreements and the building contract. Advise on the adequacy of the documentation supplied and on any areas of concern.

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- 1.2.3.3 Review the fees, scopes of services, insurances and resources of the Professional Team and the Contractor. Advise on the adequacy of the documentation supplied and on any areas of concern.
 - 1.2.3.4 Review the project management systems proposed by the developer, the Professional Team and the Contractor. Advise on the adequacy of the proposals and on any areas of concern.
 - 1.2.3.5 Review the proposed procurement strategy. Advise on any EU implications. Advise on the adequacy of the proposals and on any areas of concern.
 - 1.2.3.6 Advise on the risks arising out of the information supplied or out of the lack of information available. Recommend a strategy and programme for managing these risks.
- 1.2.4 Advising on financial appraisals
- 1.2.4.1 Review the financial appraisal prepared by the Client and/or the developer. Advise on the methodology, assumptions and cost and programme benchmarks used in the appraisal. Advise on the adequacy of the appraisal and on any areas of concern.
 - 1.2.4.2 Advise the Client and/or the developer on the need for sensitivity analysis.
 - 1.2.4.3 Advise on the risks arising out of the information supplied or out of the lack of information available. Recommend a strategy and programme for managing these risks.
- 1.2.5 Advising on development, finance, consultancy and construction agreements
- 1.2.5.1 Review the client's brief which summarises the Client's interest in the Project and its risk profile. Prepare, and agree with the Client, a technical/performance/output specification.
 - 1.2.5.2 Review the agreement for sale and purchase/ the development agreement/ the finance agreement/ the agreement to lease. Advise upon any conditions that are at variance with the client's brief and risk profile. Recommend a strategy and programme for resolving any variances with the client's brief and risk profile. Advise on the adequacy of the documentation supplied and on any areas of concern.
 - 1.2.5.3 Recommend technical and commercial conditions precedent to funding drawdowns/practical completion etc.
- 1.2.5.4 Review any consultancy agreements including any associated warranties or third party rights schedules. Advise on any conditions that are at variance with the client's brief and risk profile. Recommend a strategy and programme for resolving any variances with the client's brief and risk profile. Advise on the adequacy of the documentation supplied and on any areas of concern.
 - 1.2.5.5 Review the building contract and/or sub-contractor/supplier contracts including any associated warranties, third party rights schedules and bonds. Advise on any conditions that are at variance with the client's brief and risk profile. Recommend a strategy and programme for resolving any variances with the client's brief and risk profile. Advise on the adequacy of the documentation supplied and on any areas of concern.
 - 1.2.5.6 Advise on any technical and commercial requirements and conditions that need to be included in any of the above agreements in order to meet the client's brief and its risk profile and/or to enable the Project Monitor to fulfil its scope of service.
 - 1.2.5.7 Recommend processes and protocols for the administration of the above agreements including, for example, change management, payment and quality management. Advise on appropriate clauses to be included in the above agreements.
 - 1.2.5.8 Advise on the risks arising out of the information supplied or out of the lack of information available. Recommend a strategy and programme for managing these.
- 1.2.6 Advising on development costs and programmes
- 1.2.6.1 Review the Client's capital budget/cost plan. Identify any shortfalls and review them with the Client.
 - 1.2.6.2 Review the developer's capital budget/cost plan. Benchmark costs and programmes against similar projects. Advise on any benchmarks that are at variance with the client's brief, risk profile and specification. Advise on the adequacy of the documentation supplied and on any areas of concern.
 - 1.2.6.3 Review the client's life-cycle budget/cost plan. Identify any shortfalls and review them with the Client.
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- 1.2.6.4 Review the developer's life-cycle budget/cost plan. Benchmark costs and programmes against similar projects. Advise on any benchmarks that are at variance with the client's brief, risk profile and specification. Advise on the adequacy of the documentation supplied and on any areas of concern.
- 1.2.6.5 Identify any additional capital and/or life-cycle contingency requirements likely to be required by the Client. Agree an appropriate allowance and authorisation procedure with the Client.
- 1.2.6.6 Prepare capital and/or life-cycle cash flow forecasts. Consider, and review, alternative cash flow profiles arising from alternative programmes and procurement routes with the Client.
- 1.2.6.7 Review the development programme and identify key milestone dates. Advise on the adequacy of the documentation supplied and on any areas of concern.
- 1.2.6.8 Advise on the risks arising out of the information supplied or out of the lack of information available. Recommend a strategy and programme for managing these risks.
- 1.2.7 Advising on quality
 - 1.2.7.1 Review the client's brief which summarises the Client's interest in the Project and its risk profile. Prepare, and agree with the Client, a technical/performance/output specification.
 - 1.2.7.2 Review the Professional Team's drawings and specifications. Advise on their compliance with the client's brief, risk profile and specification.
 - 1.2.7.3 Identify, and confirm to the Client, any works required by the Client that fall outside the building contract. Recommend a strategy and programme for managing the implementation of these works through the development process.
 - 1.2.7.4 Clarify the Client's and developer's requirements in an agreed set of drawings and specifications prepared by the Professional Team.
 - 1.2.7.5 Recommend a process for managing design development, including change management, payment and quality management, to ensure compliance with the client's brief, risk profile and specification.
 - 1.2.7.6 Recommend a process for managing site quality and progress inspections to ensure compliance with the client's brief, risk profile and specification.

- 1.2.7.7 Advise on the risks arising out of the information supplied or out of the lack of information available. Recommend a strategy and programme for managing these risks.

1.3 Progress Reports – Pre-construction and Construction (RIBA Outline Plan of Work 2007)

Note: Progress reports will normally be carried out at monthly intervals unless stated otherwise.

- 1.3.1 Advising on land and property acquisition matters
 - 1.3.1.1 Advise on matters outstanding following completion of the initial audit report. Recommend a strategy and programme for managing these matters.
 - 1.3.1.2 Monitor and report on progress measured against the strategy and programme. Advise on any areas of concern.
- 1.3.2 Advising on statutory compliance
 - 1.3.2.1 Advise on matters outstanding following completion of the initial audit report. Recommend a strategy and programme for managing these matters.
 - 1.3.2.2 Monitor and report on progress measured against the strategy and programme. Advise on any areas of concern.
 - 1.3.2.3 Obtain a report from the developer, the Professional Team and the Contractor on statutory compliance. Advise on any areas of concern.
- 1.3.3 Advising on the competency of the developer, the Professional Team, the Contractor and any proposed project management systems
 - 1.3.3.1 Advise on matters outstanding following completion of the initial audit report. Recommend a strategy and programme for managing these matters.
 - 1.3.3.2 Monitor and report on progress measured against the strategy and programme. Advise on any areas of concern.
 - 1.3.3.3 Obtain a report from the developer, the Professional Team and the Contractor on completion of consultancy agreements, the building contract and associated warranties/third party rights schedules (i.e. to cover all third-party issues). Advise on any areas of concern.
 - 1.3.3.4 Advise on insurance cover taken out by the developer, the Professional Team and the Contractor. Advise on any unusual exclusions and/or excessive excess levels. Advise on any areas of concern.

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- 1.3.3.5 Advise on the resources supplied by the developer, the Professional Team and the Contractor. Advise on any areas of concern.
 - 1.3.3.6 Review the project management systems proposed by the developer, the Professional Team and the Contractor. Advise on the adequacy of the proposals and on any areas of concern.
 - 1.3.4 Advising on financial appraisals
 - 1.3.4.1 Advise on matters outstanding following completion of the initial audit report. Recommend a strategy and programme for managing these matters.
 - 1.3.4.2 Monitor and report on progress measured against the strategy and programme. Advise on any areas of concern.
 - 1.3.5 Advising on development, finance, consultancy and construction agreements
 - 1.3.5.1 Advise on matters outstanding following completion of the initial audit report. Recommend a strategy and programme for managing these matters.
 - 1.3.5.2 Monitor and report on progress measured against the strategy and programme. Advise on any areas of concern.
 - 1.3.5.3 Administer, and/or comply with, the terms of the development/finance agreement. Recommend and implement processes and protocols for the administration of the development/finance agreement including change management, payment and quality management.
 - 1.3.5.4 Report on the discharge of any conditions precedent associated with the development/finance agreement.
 - 1.3.5.5 Monitor the administration of consultancy and construction agreements insofar as they may affect the client's brief and risk profile.
 - 1.3.6 Advising on development costs and programmes
 - 1.3.6.1 Advise on matters outstanding following completion of the initial audit report. Recommend a strategy and programme for managing these matters.
 - 1.3.6.2 Monitor and report on progress measured against the strategy and programme. Advise on any areas of concern.
 - 1.3.6.3 Prepare a monthly cost and progress report. Where appropriate the report should include copies of progress photographs, certificates and other documentary evidence. The report should summarise expenditure and progress to date and confirm an anticipated final cost and completion date.
 - 1.3.6.4 Provide a monthly cash flow forecast showing the actual expenditure to date and forecast expenditure to completion. Review the current forecast against the original forecast and advise on any areas of concern.
 - 1.3.6.5 Advise on the adequacy of remaining contingency allowances.
 - 1.3.6.6 Prepare a Client variation account itemising all Client variations instructed to date together with their actual, or forecast, cost and programme effects.
 - 1.3.6.7 Prepare an analysis of the developer's monthly financial report. Ascertain reasons for variances and advise on any areas of concern.
 - 1.3.6.8 Prepare an analysis of the developer's monthly progress report. Ascertain reasons for variances and their implications on any Client key milestone dates and advise on any areas of concern.
 - 1.3.7 Advising on quality
 - 1.3.7.1 Advise on matters outstanding following completion of the initial audit report. Recommend and implement a strategy and programme for managing these matters.
 - 1.3.7.2 Monitor and report on progress measured against the strategy and programme. Advise on any areas of concern.
 - 1.3.7.3 Make monthly site inspections and attend the meeting attended by the developer, the Professional Team and the Contractor.
 - 1.3.7.4 Review the Professional Team's drawings and specifications. Advise on their compliance with the client's brief, risk profile and specification.
 - 1.3.7.5 Identify, and confirm to the Client, any works required by the Client that fall outside the building contract. Recommend a strategy for managing the procurement of these works.
 - 1.3.7.6 Recommend and implement a process for managing design development, including change management, payment and quality management, to ensure compliance with the client's brief, risk profile and specification.
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- 1.3.7.7 Recommend and implement a process for managing site quality and progress inspections to ensure compliance with the client's brief, risk profile and specification.
Note: inspections will normally be carried out at monthly intervals unless stated otherwise.
- 1.3.7.8 Recommend and implement a process for completion and/or snagging inspections including, where appropriate, the Client's facility management team. Obtain confirmation from the Professional Team and the Contractor on completion of defects.
- 1.3.7.9 Liaise with the Client, the Professional Team and the Contractor and obtain a handover plan, or similar management tool, identifying the roles and responsibilities of the Client, the Professional Team and the Contractor. Establish review, approval, variation and reporting procedures. Prepare recommendations for the Client's approval.

1.4 Completion Report – Use (RIBA Outline Plan of Work 2007)

- 1.4.1 Prior to Practical Completion, Partial Possession, Sectional Completion, or other similar handover arrangements, the Consultant shall prepare a status report on the development that covers the following:
 - land and property acquisition matters;
 - statutory compliance;
 - competency of the developer, the Professional Team and the Contractor and any proposed project management systems;
 - financial appraisals;
 - development, finance, consultancy and construction agreements;
 - development costs and programmes; and
 - quality.
- 1.4.2 This report shall advise on any areas of concern that may affect the Client's ability to enjoy 'beneficial occupation' and/or any matters outstanding from the agreement for sale and purchase/the development agreement/the finance agreement/the agreement to lease. The Consultant shall recommend a strategy for their resolution prior to Practical Completion.
- 1.4.3 Agree with the Professional Team and the Contractor all test certificates and statutory and non-statutory approvals. Prepare recommendations for the Client's approval.
- 1.4.4 Liaise with the Client, the Professional Team and the Contractor and obtain a defects administration plan, or similar management tool, to identify the roles and responsibilities of the Client, the Professional Team and the Contractor. Establish review, approval, variation and reporting procedures. Prepare recommendations for the Client's approval.

- 1.4.5 Facilitate agreement to the final account or similar financial statement from the parties to the agreement for sale and purchase/the development agreement/the finance agreement/the agreement to lease. For the purposes of this clause the final account or similar financial statement excludes the assessment of loss and expense claims.

1.5 Post-Completion Services

- 1.5.1 The Consultant and the Client are to complete any post-completion in 2.4 below. It would be typical for the Consultant to be instructed to monitor all outstanding matters, e.g. discharge of remaining planning conditions or other statutory issues, defects rectification, remaining payments, incomplete documents and to attend the end of defects inspection, etc.

2 SUPPLEMENTARY SERVICES

2.1 General

- 2.1.1 Provide services for the Client's/third party's organisational move to new premises.
- 2.1.2 Provide services in connection with insurance claims.
- 2.1.3 Provide services for the Client's and/or any third party's fitting-out or direct works contracts.
- 2.1.4 Facilitate, set up and manage value engineering exercises.
- 2.1.5 Facilitate, set up and manage early warning and risk reduction meetings.
- 2.1.6 Attend and contribute to early warning and risk reduction meetings.
- 2.1.7 Facilitate, set up and manage 'Lessons Learned' or other workshops.
- 2.1.8 Act as the Client's partnering adviser.

2.2 Financial

- 2.2.1 Advise on the implications of developing different sites.
- 2.2.2 Advise on the preparation of development appraisals.
- 2.2.3 Advise on the implications of alternative development programmes.
- 2.2.4 Obtain advice on Project sustainability.
- 2.2.5 Obtain life-cycle cost studies and estimates of annual running costs.
- 2.2.6 Carry out off-site inspections of sub-contractors' and suppliers' premises.

2.3 Contractual

- 2.3.1 Provide specialist advice on the interpretation of contracts and contractual clauses.
- 2.3.2 Liaise with the Client's legal advisers and advise on the use and/or amendment of bespoke forms of contract or contribute to the drafting of particular Client requirements.
- 2.3.3 Advise on the cost, contractual and programme consequences arising from an acceleration instruction.
- 2.3.4 Prepare documentation and/or provide advice to support adjudication proceedings. Attend adjudication proceedings.

- 2.3.5 Prepare documentation and/or provide advice to support mediation proceedings. Attend mediation proceedings.
- 2.3.6 Prepare documentation and/or provide advice to support arbitration proceedings and/or litigation. Attend arbitration and/or litigation proceedings.

2.4 Project-Specific Services

- 2.4.1 Enter or attach Project-specific services agreed with the Client.

SAMPLE

Schedule of Meetings to be attended by the Consultant

1 CLIENT MEETINGS

Attendance: Partner Director Associate Project Surveyor Other (please specify)
Frequency: Daily Weekly Monthly Quarterly No attendance required Other
Please specify requirements: _____

2 DESIGN TEAM MEETINGS

Attendance: Partner Director Associate Project Surveyor Other (please specify)
Frequency: Daily Weekly Monthly Quarterly No attendance required Other
Please specify requirements: _____

3 PROJECT TEAM MEETINGS

Attendance: Partner Director Associate Project Surveyor Other (please specify)
Frequency: Daily Weekly Monthly Quarterly No attendance required Other
Please specify requirements: _____

4 SITE MEETINGS

Attendance: Partner Director Associate Project Surveyor Other (please specify)
Frequency: Daily Weekly Monthly Quarterly No attendance required Other
Please specify requirements: _____

5 (OTHER) MEETING

Name of meeting: _____

Attendance: (Specify required attendees) _____

Frequency: Daily Weekly Monthly Quarterly No attendance required Other
Please specify requirements: _____

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RICS Scotland Consultancy Forms are written in plain English in a clear, concise and unambiguous style. They embrace the principles of modern consulting methods and include a full and short form of appointment, with co-ordinated scopes of services for:

- project managers
- quantity surveyors
- project monitors
- building surveyors
- CDM co-ordinators
- employer's agents

The default positions in the appointment forms provide a practical balance of risk between the client and the consultant, removing any ambiguity about the consultant's scope of service and contractual liabilities.

Sample versions of these documents are available on www.rics.org (search for 'Practice standards and guidance').

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