



ESTIMATING, TENDERING AND CONTRACTS CONTROL

THE COURSE WILL COVER

- ESTIMATING REQUIREMENTS
- TENDER FORMS AND TENDER ENQUIRIES
- TENDER DOCUMENTS – FORMAT
- MEASURING AND EXTRACTING QUANTITIES
- COSTING AND EXTRACTING LABOUR CONTENT
- OVERHEAD STRUCTURES
- APPLYING PROFITS AND OVERHEADS TO LABOUR AND MATERIAL COSTS
- SUBMISSION OF A TENDER
- CONTRACT CONTROL
- GENERAL CONTRACT MANAGEMENT
- FREE COPY OF CYA BOOK (PRACTICAL GUIDE TO CONTRACTUAL PITFALLS)

**THIS COURSE IS RELEVANT FOR ALL STAFF
FROM RECEPTION TO CEO**

DATE: 5-7 JUNE 2025

COST: MEMBERS R 5300,00

TIME: 8AM-4PM (2PM ON LAST DAY)

COST: NON-MEMBERS: R6240,00

PROVINCE: PORT ELIZABETH

VENUE: TBA



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OVERVIEW

In this overview we take a brief look at what the individual chapters entail

Preface

This will deal with the background, history and intent of the course as well as paying tribute to the people who initiated this course.

1. Introduction.

The introduction will have a quick look at what the requirement is in the compilation of an estimate, such as background, basis and intent of the relevant methods, calculations, and objectives.

2. Estimating Requirements.

This chapter / segment deals with the estimating requirements, we look at the “tools, conditions, stationery, and back-up needed in an **ideal** estimating office.

3. Tender Forms and Tender Enquiries.

This chapter deals with the traditional forms (worksheets / hard copies) used in compiling a tender. These forms evolved into soft copies and eventually into computer spread sheets such as Lotus 123 and then into Excel.

These Worksheets / Forms will construct the foundation of the different computations required to calculate the ultimate price.

Together with the above guidelines, the obtaining/finding **formal tender documents** is also dealt with, i.e., where when and how.

4. Tender Documents – Format.

This section deliberates and analyses the various **main** formats of tender documents for pricing, including the contents, risk, and advantages.

Prescribed laws and types of Construction Contracts and legal conditions are also touched on.

Sample copies of FORM OF TENDERS are provided for reference, noting and discussions.





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5. **Measuring and Extracting Quantities.**

With the preliminaries concluded, the actual start of the assessment of the enquiry / tender / quote can start, after the initial study is concluded.

During this chapter, the fundamentals are discussed to extract the material content and quantities from the information provided (tender drawings). This information, descriptions and quantities will anchor the material list (BOQ – Bill of Quantities) and form the footing for further development in the pricing and procurement needs. It will also escalate to the root for the calculation of labour hours, basis for the Overhead calculations and finally for the project control and management at a later stage.

Worksheets relating to this section will be the Tender assessment form and the critical Take Off Sheet.

6. **Costing and Extracting Labour Content.**

Once the Material schedule (Bill of Quantity) is established (phase one) from the above material details and associated quantities, one can now proceed to price the material content as well as compute the labour requirement (hours) and nett labour cost.

In this section the BoQ's format will be discussed, we will touch on obtaining prices, look at the pitfalls and guidelines in obtaining the correct price, including VAT, Nett, and CPA (contract price adjustment).

The application of crew combinations and guidelines for the application of the relevant installation speeds will be looked at and the resultant labour hours and allied labour cost will be compiled.

Worksheets completed in this section will be stage 1, 2 and 3 of the estimate sheets with stage 4 to be used in the case where a completed formal BoQ is part of the final submission of a tender / quote / bid.

7. **Overhead Structures.**

The interpretation of “overheads” is broken down into Office Overheads and Site Overheads (the later also referred to as P&G's or Preliminaries).

As the simplified naming indicates the calculations will look at extra costs to be included in the tender to cover the relevant office costs, site establishment costs, lost labour, traveling and a host of other costs often overlooked in the industry.

The resulting “lumpsum” will be finalized. Lastly the application of the Overheads to the nett labour, creating gross selling rates, will be done.

Worksheets relating to the above section will be the Labour recovery and Overhead sheets.





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8. Applying Profits and Overheads to Labour and Material Cost.

The completion of the costing exercise will be done in the final summary where all costs will be brought forward, mark-ups added, additional cost added (Provisional and Prime Cost Sums, and Contingency Sums) if required or specified. Finally, VAT will be added to establish the “selling” price. This will reflect a “Lump Sum” format.

The spread over of overheads (applying overheads to nett labour rates to create inclusive selling rates) will be done if a BoQ and/or variation rate schedule is required. This where the crew selling rates is calculated and then converted back into the BoQ to create Material and Labour rates per unit.

The worksheets used will be the Tender Summary Sheet and the Calculations of the Crew rates.

9. Submission of Tender

The requirements of submitting an official and formal Bid in a professional way will be discussed here including all the pitfalls, legal, commercial, and other impacts on the submission. The importance of the Tender covering letter will also be considered (also refer to the ECASA booklet – CYA).

Applicable worksheet to this chapter is Tender Result Sheet.

10. Conclusion: Contract Control.

Although the pricing and submission are discussed in the above chapters, the step-by-step process discussed leading up to the submission of the bid, it will prepare the way for the application of the information used, in the control and management of the project, should the submission be successful.

The Contract Commencement Form or Hand Over Sheet will be used here.

aa. Supplementary Inclusions

A collection of informative publications, articles, schedules of rates and industry related matters is provided for further study and noting.