Effective working relationships

Introduction

Before we begin to understand the complexities of a trade, we should at least understand how the trade fits together. There are lots of different people and paperwork you will come across, much of it will mean very little unless you use it daily. Below are some of the important points we should be aware of.

Company structure

Sole Trader

In this setup, one person will own and run the business looking after everything involved. They may also employ one or two people. The advantage of being a sole trader is that the business does not need to be registered with Companies House, which set out the rules for a registered business. The owner is also entitled to all of the profits generated from the business, however a large disadvantage is that they are also liable for the debts of the business and could lose their own savings etc.

Partnerships

This is again popular for small business. The setup is very similar to that of the sole trader, but in this case any profit or loss are shared by the parties involved.

Limited Companies

Most business if they start to expand tend to go limited. This is because there are both:

- Tax advantages
- The individuals running the company are not personally liable for any debts should the business fail.

These are sometimes known as private limited companies as they can not trade their shares on the stock market.

Public Limited Companies

These are allowed to trade their shares on the stock market as long as have a share capital of at least £50,000.

The Construction Team

Contracts Manager

The contracts manager is usually office based. They work with the construction management team, and provide a link back from other section of the business. Their job will also involve site visits to make sure the job is running to cost and program. This job may not exist in all companies.
**Construction manager**

Construction managers are responsible for running a construction site or a section of a large project. This job may also be called a site manager, site agent or building manager.

**Supervisory staff**

On larger sites the contracts manager will have support from:

- Site supervisor (Foreman)
- Trade supervisor (Charge hand)

**Planner**

Planners work with the construction managers to organise the sequence and timing of work to ensure that it stays on budget.

Their work includes:

- Working with the Estimator to establish working methods and costs
- Planning the most effective use of time.
- Scheduling events
- Visiting sites to monitor progress
- Keeping projects on target.

**Site Engineer**

The site engineer ensures that the technical aspects of the construction project are correct. Their work includes:

- Setting out the site
- Interpreting the original plans
- Liaising with the workforces
- Checking the quality
- Referring queries to the relevant people
- Providing ‘as built details
- Supervising parts of the construction

**Quantity surveyor (contractor)**

Often called the commercial manager or cost consultant. Their job is

- to advise on and monitor the cost of a project
- Organising the allocation of work to smaller more specialised subcontractors according to which offers the best value
- Managing costs to ensure that the budget is not exceeded
- Negotiating with the clients Private Quantity Surveyor on the payments and the final account.
- Arranging payments to subcontractors

**Buyer**

The buyers purchase all the construction materials needed for a job, they are sometimes known as a procurement officer or purchaser.

Their work includes:

- Identifying suppliers of materials
- Obtaining quotations from suppliers
- Negotiating on prices and delivery
- Placing orders with suppliers
- Resolving quality or delivery problem.
- Liaising with other members of the construction team.

**Estimator**

Estimators calculate how much a project will cost, taking into account labour,
materials etc. This then form the basis of a tender the contract submits to the client.

Their work includes:

Ω Identifying the most cost-effective construction method
Ω Establishing costs for materials, labour etc.
Ω Calculating cash flows and margins
Ω Liaising with other professionals in the construction process
Ω Seeking clarification on contracts where information is unclear.

Architect

Architects plan and design the building. Their work includes:

Ω Meeting and negotiating with the clients
Ω Creating the design solutions
Ω Preparing detailed drawings and specifications
Ω Obtaining planning permission
Ω Choosing building materials
Ω Planning and sometimes managing the building process
Ω Liaising with the construction team
Ω Inspecting the work on site
Ω Advising the client on the company they should get to do the work

Project manager/ Clerk of works (clients)

They take overall responsibility for the planning, management, coordination and financial control of the construction project. They work for architects, client, such as the local authorities.

Their job includes:

Ω Representing the clients interests
Ω Providing independent advice on the management of the projects
Ω Organising the various professional people on the project
Ω Making sure that all the aims of the project are met
Ω Keeping track of progress
Ω Accounting, costing and billing

Structural Engineer

A structural Engineer is involved in the structural design of the building. They are involved in the assessment of existing structures as well as ensuring the safety of new ones.

Building surveyor

They are involved in the maintenance, alteration, repair, refurbishment and restoration of existing buildings.

Their work includes:

Ω Organising and carrying out structural surveys
Ω Legal work including negotiating with the local Authorities
Ω Preparing plans and specifications
Ω Advising people about building matters such as conservation and insulation

Building control officer

Working for the local authorities, building control officers ensure that the building conforms to regulations on public health, safety, conservation and access for the disabled. The job involves the inspection of plans and of work at different stages to check with the building regulations.

Their work includes:
Checking plans and keeping records of the work
Carrying out inspections of the drainage, foundations etc
Issuing a completion certificate
Carrying out surveys of potentially dangerous buildings
Meeting with the architects and engineers

Facilities manager

They ensure that the building functions once they are occupied. They are responsible for maintenance and any changes needed to help fulfil the design use.

Building services engineer

This includes; water, heating, lighting, gas, electrical and other mechanical services.

Their work includes:

- Designing the services
- Planning, installing, maintaining and repairing services
- Making detailed calculations and drawings

Most building services engineers work for manufactures, large construction companies etc.

Building Administration and Contracting Paperwork

Building contract

A building contract is basically a legal agreement between the parties involved. In the contract the contractor agrees to carry out the building work and the client agrees to pay a sum of money for the work. The contract should also include the rights and obligations and details of procedures for variation, interim payments etc.

Working Drawings

Site plan give the position of the proposed building and the general layout of the roads, services and drainage etc.

Installation plan

Installation plan, this shows the position of components with in the building on a scale of around 1:20. On this type of plan you would be able to find the correct location of things such as the cold water storage cistern, sanitary ware, hot water cylinder and the boiler.

Specification

Expect in the case of very small jobs not all information can be show on the plans. The specification will supplement the plans and provide information on things like the type and make of bathroom suites, the type of materials that are allowed to be used. E.g. only copper tube to be used. It will also include important
information such as the quality of workmanship expected.

**Bill of quantities**

This is prepared by the quantity surveyor. This document gives a complete description and measure of the quantities of materials, labour and other items required to carry out the work, based on the drawings, specification and schedules.

**Variation order**

If there are any modifications of the specification by the client or the architect, the contractor must be issued with a written variation order or architects instruction. Any cost adjustment as a result must be agreed between the quantity surveyor and the contractor.

**Work program**

A work program will show the sequence of work activates. It will also show the interrelationship between the different tasks and also the duration of the task. From this you can find out how long a task should take and when you are required on a site.

**Delivery Note**

When materials and plant are delivered to site, the foreman is required to sign the driver’s delivery note. A careful check should be made to ensure that all materials are correct, present and undamaged before the note is signed.

**Quote**

A quote is a rough price for a job or materials. It should only be used as a guideline as it is not a fixed price.

**Estimate**

An estimate is the fixed price that you will pay for materials or for labour or work. It will normally come with a time limit to which the price is fixed for.

**Invoice**

An invoice is the request for payment.

**Remittance advice note**

Remittance advice note shows the balance of payment to be made on an invoice. The note part would then be sent back with the payment to confirm all the account details etc.