

Liverpool John Moores University

Title: COST AND FINANCIAL CONTROL
Status: Definitive
Code: **6013BEUG** (102793)
Version Start Date: 01-08-2011

Owning School/Faculty: Built Environment
Teaching School/Faculty: Built Environment

Team	Leader
Andrew Ross	Y

Academic Level: FHEQ6
Credit Value: 12.00
Total Delivered Hours: 26.00
Total Learning Hours: 120
Private Study: 94

Delivery Options

Course typically offered: Semester 1

Component	Contact Hours
Lecture	12.000
Workshop	12.000

Grading Basis: 40 %

Assessment Details

Category	Short Description	Description	Weighting (%)	Exam Duration
Exam	AS1	Unseen 2 hours	70.0	2.00
Report	AS2	Assignment	30.0	

Aims

To develop an understanding of cost and value in construction and their relationship with the estimating and financial control functions within contracting organisations.

To understand the impact of the timing of receipts and payments on the financing arrangements of the organisation.

To develop competence in the use of techniques for the financial control of construction projects and contracting firms.

Learning Outcomes

After completing the module the student should be able to:

- 1 Analyse how cost control is applied to construction projects and organisations.
- 2 Evaluate the ways in which costs are controlled during construction and how this relates to the valuation of work in progress.
- 3 Prepare forecasts and reconciliations of cost and value for contractors, to monitor actual physical and financial progress against planned.
- 4 Evaluate the effect of delay in the payment process and the impact of this on capital lock up on projects and the financing requirements of construction firms.

Learning Outcomes of Assessments

The assessment item list is assessed via the learning outcomes listed:

EXAM	1	4
ASSIGNMENT	2	3

Outline Syllabus

Classification of cost, relationship with the estimating and buying functions, cost generation, recording and control.

The concept of value, conditions of payment in standard forms of contract.

The relationship between cost and value, cost: value reconciliation, valuation of stocks and work in progress, accounting standards, SSAP9, timing of receipts and payments, financing arrangements.

Techniques for the financial control of projects and contracting firms.

Forecasting techniques, approximate methods, S-curves and formulae, computer software packages, using the programme.

Cost control and reconciliation with value pre and post contract.

Learning Activities

Lectures and computer lab workshops.

References

Course Material	Book
Author	Jaggar, D. & Ross, A.D.
Publishing Year	2002
Title	Building Design Cost Management
Subtitle	
Edition	
Publisher	Blackwells

ISBN	9780632058051
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Course Material	Book
Author	Kirkeham, R.
Publishing Year	2007
Title	Cost Planning of Buildings
Subtitle	
Edition	
Publisher	Blackwells
ISBN	9781405130707

Course Material	Book
Author	Walker, I. & Wilkie, R.
Publishing Year	2003
Title	Commercial Management in Construction
Subtitle	
Edition	
Publisher	Blackwells
ISBN	9780632058273

Notes

This module develops an appreciation of cost and value control. It considers the use of estimating outputs as a means of establishing targets for control. The arousal business simulation package is used to develop a practical understanding of the approaches to be taken.