

# Trevor Sadd Associates Ltd

## FREQUENTLY ASKED QUESTIONS ANSWERED

Why Outsource the Estimating Process?	(4)	Page 2
General Estimating Questions	(7)	Page 4
How does TSA Cost Work?	(6)	Page 6
Design and Build Projects	(3)	Page 8
Estimate Presentation	(6)	Page 9
Working in Your Area	(4)	Page 10
Fees	(5)	Page 11
Tendering / Presentation / Negotiation	(6)	Page 12
Other Questions	(7)	Page 13

## Why Outsource the Estimating Process?

### What advantages can an external estimating company offer?

1. For most contractors the decision to outsource is determined by one of three factors:
  - Do we have the right or enough people, skills, technical ability, software, hardware or other resources available.
  - are we specifically missing opportunities?
  - do we need to free up management time, key staff or other resources for more important work?
2. It provides you with instant managed structured resources.
3. It can fill gaps during periods of holiday or sickness.
4. It frees up resources to undertake other tasks.
5. On larger projects the simple investment of having a quotation prepared could allow contractors to free up weeks of time for intermediate and senior staff which could more usefully be used in securing work, improving valuations and cash flow or agreeing final accounts.
6. In other companies staff could be released who would allow work on improved purchasing and site management, all of which could easily account for the marginal difference.
7. It might be used where companies need to either relieve existing overburdened staff or to allow for training time.

The download "57 Reasons to Choose Trevor Sadd Associates" includes a range of more detailed examples (over 12 pages) of why contractors elect to outsource all or an element of their estimating work. We include a shortlist of time related examples below.

### Why should we consider Trevor Sadd Associates Ltd (TSA)?

Again, the 10-page download "57 Reasons to Choose Trevor Sadd Associates" sets out what we believe are the key benefits of employing TSA to prepare your estimates.

A few examples from that document include:

- 1a. Preparing estimates for Main Contractors who are core business.
- 1b. We prepare personalised estimates - based on your actual labour rates, sub contractor and builders merchants quotations.
2. Our approach is such that most work is priced on the basis of first principles which also creates a transparent measure of accessibility such that adjudicators are confident in tendering for the work.
3. Clients generally engage us when they require a high level of confidence in and accessibility to the estimate.
4. Our estimates are easy to read and adjudicate.
5. We use the latest and the best software available on the market.
6. Working remotely, preparing estimates for main contractors is our core business.
7. We have highly motivated staff who are all trained in the UK.
8. We use the latest technology, and with today's fast internet service our estimators can work wherever they are located, 24 hours a day.

### How qualified / experienced are TSA's estimators?

TSA has, in relation to the work types we undertake, a good blend of experience together with younger, masters graduates. Specific details about individual estimators are set out in the [About Us > The Team](#) section of this website.

We also have our own in-house training programmes to ensure that we are all constantly updated with latest changes in building regulations etc.

### What risks should we consider when outsourcing?

From our perspective, we believe that the key issue for contractors is to maintain complete control over the process but give up managed area of the work. In selecting any external estimator, contractors need to:

- Ensure that the work will be completed to a satisfactory standard on time. That the estimating team have experience of the work type within the project.
- That costs are based on your costs rather than generalised rates.
- That the estimating company are experienced in the production of sub contractor quotations and that they have systems in place to manage the same.
- That the software used provides full analysis of all elements of the rates and that it has sufficient flexibility to enable proper adjudication.
- That the work is supplied in a transparent nature such that the contractor can fully understand all elements of the cost.
- The estimating company clarifies areas of ambiguity within the tender documents such that they can be properly managed and adjudicated.
- That the level of service offered is appropriate to the project and contractual arrangements on which the work is to be tendered.
- That the estimators have checking procedures in place and are available such that performance can be monitored.
- That fee costs are understood and agreed prior to the work being commissioned.

## General Estimating Questions

### What sizes and types of projects do TSA prepare costs for?

TSA provides estimating services for main contractors, general builders, sub contractors, property developers and other building industry professionals. Services are offered on both a local and national level and cover most types of construction work for projects between £20,000 and £20 million.

We have also provided costs for small road and drainage projects on behalf of civil engineering companies. However this is not an area of core business or expertise for TSA.

### What documents do clients need to provide?

Generally we like to see all the documentation that has been supplied as part of the tender package together with any supporting documentation that could have an effect on the price, for example site photos. The more detailed the brief the more accurate the estimate will be. A secondary benefit of a complete brief is a reduced likelihood of a need to adjust figures together with an easier adjudication process.

Further to the aforementioned documentation, we will also ask for details such as your preferred sub contractors, builders merchants and your labour rates (or in the case of returning clients confirmation of the same) either in conversation or by means of a form to complete, so that we can increase the accuracy of your estimate by inputting your personalised, actual costs rather than basing the figures on general market rates.

### How long will it take?

Our standard estimating service is based on a 10-15 working day timeframe. This timeframe commences on receipt of all relevant documentation (as discussed in the question above) and payment, and concludes on the day the completed estimate leaves our office (by post, email or fax).

However, we would prefer as long as we can get to complete a job, with a minimum of 3 - 4 weeks in relation to traditional contracts and 4 - 5 weeks in relation to design and build contracts. The longer we have the greater likelihood that we will get a better number and quality of sub contractor and specialist material supplier returns (if applicable) and therefore the more accurate your estimate will be.

That being said tenders are sometimes produced on an emergency basis and we will, wherever possible, endeavour to assist.

Discounts are available to those offering longer tender periods - see the [Fees and Offers](#) section of our website.

Trevor Sadd is currently writing a white paper entitled "Turning Time To Your Advantage" which sets out the commercial reasoning and advantages of making early decisions and providing an adequate time span. It also discusses the code for selective tendering and useful procedures that one can adopt when requesting extensions of time. When complete it will be available to download from our website, in the meantime interested parties are welcome to discuss the same with Trevor.

### Do you do budget or lower cost estimates?

Yes - We currently offer five levels of estimate service from simple budget estimates through to fully analysed and detailed estimates.

You can download our [Estimating Service Guide](#) which defines our service range, describes the different uses (benefits and disadvantages) of the individual services and provides example printouts of each.

## How do you deal with errors or omissions in the documents?

Our approach to technical problems is similar to the other strategies we employ in order to cater for the requirements of individual contractors. We contact the contractor once the project is in progress and we have a sense of the issues involved - to take instructions as to how the contractor wishes to resolve errors, omissions or other ambiguous items.

Determining how these kind of issues will be dealt with depends on many factors such as: the type of contract, desire to secure the contract, the relationship which the contractor may have with an employer or an employers agent, the extent on nature of the omission, error or ambiguous item.

Dependant on the nature of the issue and the contractors view of the above can, under instruction:

1. Actively disclose issues to the employers team during the tender period.
2. Clarify issues as part of the tender.
3. Identify the issues for the contractors consideration but remain mute in relation to the employer/employers agent on the basis that the contractor will resolve all outstanding issues prior to or during the contract period.

Of the above list we generally have a preference for option 1 where a level playing field for the tenders would be created. This is however, a matter of contractors instruction and we will not contact the employers agent or employer until such time as we are in the receipt of those instructions.

## How accurate are your estimates?

The accuracy of any estimate is usually dependant on three factors:

1. The quality of the tender documents.
2. The level of service purchased.
3. The extent to which contractors are able to assist us in identifying their costs.

Examples of accuracy levels and factors affecting accuracy are dealt with in the document: [Service Pack - Part 1](#).

Examples of how accuracy can be improved and dealt with in the downloadable document titled [Improving Commercial Accuracy And Success Rates](#).

## How do you identify, analyse and deal with risk?

As a matter of policy, we have a process whereby we look to identify those risks that will affect the contractor (in relation to the contract proposed). Beyond identification and listing, the analysis and quantification (valuation) of risks are dealt with on both a contractor specific and project specific basis. Dependent upon the requirements of the individual contractor and the project in hand we can prioritise by likelihood, effect and cost, and present the same in various forms (such as mini-max tables in relation to design and build risks). These are not matters, however, that can be carried out in isolation and wholly depend upon the contractors' view as to their ability to manage the individual risks identified.

## How does TSA Cost Work?

### How do you price work?

In simple terms we try wherever possible to price the work in the way that the contractor would ultimately undertake it should he secure the contract – that is, if work was to be put out to labour only sub contractors we would expect to put that element of the work out to sub contract quotations. If the materials for an element of the work are to be secured from a local builders' merchant we would look to obtain a quotation from that merchant. In so far as is possible and practicable in the given timeframe, we try to use the contractor's individual, actual costs rather than basing our figures on general market rates.

Please see the downloadable booklet titled [Establishing Construction Costs and Sources of Supply](#) for details.

### Can you use our costs?

Yes – We prefer to incorporate known rates supplied by Our Clients or their preferred labour and material suppliers. The use of such figures usually improves the quality and accuracy of the estimate, reduces the time taken to source costs and enables Clients themselves to adjudicate the estimate at the end of the job.

Please see the downloadable booklet titled [Establishing Construction Costs and Sources of Supply](#) for details.

### How do you price specialist items?

This depends on three factors:

- How specialist the item is and whether we can adequately price it from our own database (or experience)
- How significant the value of the item is within the overall context of the tender
- What contractual arrangements we are tendering under

If a significant item falls outside our area of expertise we would normally look to source specialist quotations or, in exceptional cases, seek budgetary advice from an expert within the field.

### Could you explain how your material and subcontractor quotation enquiry services work?

Please see the downloadable booklet titled [Establishing Construction Costs and Sources of Supply](#) for details.

### If we cannot supply costs how do you assess or calculate them?

Before answering this question it is important to state that it is our preference to work closely with contractors based on their own costs.

We can, in exceptional circumstances, source all costs, quotations and rates such that we can produce an estimate on your behalf. We also have significant experience in producing market based estimates (based on the averages of rates of other contractors).

Our concerns in relation to this type of approach are that it:

1. Creates an additional level of variation in the tendered work.
2. That it undermines the contractors ability to properly adjudicate the work.
3. Creates documentation that has no relation to the contractors own standing or performance.

### How do you cost preliminaries, overheads and profit?

In the first instance we use our experience to add commercially viable percentages to each element based on the work type, size of project and contractual arrangement. These sums are then usually removed by the client who will add their own costs and margins.

A full preliminaries pricing service is available to those who would prefer us to complete a detailed preliminaries costing and/or require a complete package prior to adjudication.

## Design and Build Projects

### Do you cost development projects?

TSA has significant experience in both property developing and in advising property developers. The section of the website dealing with [property developers](#) provides examples of the specific services we can provide.

### What experience do you have of design and build contracts?

TSA has significant experience in working with contractors on design and build projects both as estimators and as valuers. The key issue here is that contractors are properly aware of the legal responsibilities in relation to such contracts and that they can have or can put together a team that properly provides for the requirements.

A document setting out these requirements is currently being edited by Trevor Sadd but is available to Clients on request.

### Can you make utility enquiries on our behalf?

We can make utilities enquiries but, on the condition that we receive a full and correct definition of your requirements very early on in the process. It is also noteworthy that an extensive lead time is required for all utilities and that in some cases an additional charge (to cover the providers fees) will be applicable.

## Estimate Presentation

### How are estimates presented?

Please see our [Estimate Service Guides \(Parts 1 and 2\)](#) both available as PDF documents to download from [www.trevorsadd.co.uk](http://www.trevorsadd.co.uk).

### What software do you use?

Most larger projects are measured and rated in ConQuest estimating software. We also use elements of their libraries together with our own database, dependent upon the nature of the works. For smaller projects and some specialist elements of the work we use FastEst and Quick Brix (based on our own libraries). Generally we select the most appropriate software and rating system dependent upon the requirements of the project and the client.

Sub contract materials and sub contract packages are prepared using our own bespoke enquiry system which merges documentation and provides us with updates as to the current status of enquiries.

### Can estimates be provided in a spreadsheet format (for example in Microsoft Excel)?

Yes - Both estimates and tenders can be provided in a standard Bill of Quantities format which can then be adjusted by the client.

### Can the estimate be provided in a digital format?

Yes - In fact we prefer to provide documentation digitally (usually in a PDF format) because it is quicker and more reliable and therefore it saves Client's money.

### Can you provide specialist breakdowns, alternatives and presentation bills?

Yes - There are multiple breakdowns and page layout options available, particularly if we complete your estimate in ConQuest estimating software (see our [Estimate Service Guides \(Parts 1 and 2\)](#) available to download at [www.trevorsadd.co.uk](http://www.trevorsadd.co.uk)). There are also numerous methods of recoding work and allocating margins.

The key issue here is that Clients define their requirements early in the process so that they can be incorporated most effectively. It is recommended that those with specific requirements speak directly to one of our senior estimators to identify the options available prior to our quoting for works.

### Do you provide schedules of materials etc?

Yes - All analysed rates are broken down into: labour, material, plant, domestic sub contractors, and other elements. Each of these details then shows the individual elements (i.e. how many cubic metres of a particular concrete type) see our [Estimate Service Guide \(Part 1\)](#) available to download at [www.trevorsadd.co.uk](http://www.trevorsadd.co.uk) for examples.

## Working in Your Area

### What area(s) of the country do you have experience of and cover?

We have successfully completed hundreds of projects in England, Scotland, Wales and Northern Ireland. We have even completed the odd project internationally. However, whilst the preparation of cost based estimates throughout the United Kingdom is relatively straightforward and a system in which we have extensive experience, we do not have a sufficient database of returns to advise on localised market conditions and it is therefore essential that clients involve themselves in the markup and adjudication process. It is also essential that we are familiar with any local issues that may apply. These are matters that are generally dealt with by a senior estimator at the beginning of the project.

### Can you meet with us to discuss our project?

In the first instance we prefer simply for clients to check their requirements with our website and discuss them with our Sales Department. In most cases this provides sufficient information such that potential clients are able to try a sample project (for which we can, of course, quote).

However, this being said, for those clients in the East Anglian "Valuation Area" who are considering engaging us on a number of projects or outsourcing all of their estimating work we are, of course, pleased to visit and discuss your requirements in detail.

Alternatively clients are welcome to come to our offices (by appointment).

### Can you do the site visit for us?

In most cases we encourage contractors to visit the sites themselves initially (where appropriate). To assist we provide a checklist of the items that we generally look for and ask our client to produce, where appropriate, a digital photographic record.

For those clients within the East Anglian "Valuation Area" we can complete site visits. There is, however, a cost which would be quoted on a project specific basis.

### Can a senior estimator meet with us to adjudicate the work?

Yes - However, there is a significant cost and generally this only applies to multi-million pound projects where such a meeting would be beneficial. In most cases we generally adjudicate with clients by conference call based on our prior analysis of the project and an understanding of the client's requirements.

## Fees

### How much do your estimating services cost?

Please see the [Fees and Offers](#) section of the website.

### How long would it take you to provide a fee quotation?

TSA's policy is to return a written fee quotation within 24 hours of receiving the relevant documentation and information from a prospective client. See [Ordering Work](#) for full details.

### Are there any additional costs?

Our written quotations clearly state the works which have been allowed for within the stated fee and the extent of works we have been asked to exclude. An example quotation is available to view on the [Fee Guides](#) page.

On top of the basic fee for completing the measurement and/or rating of a project there are a number of supplementary services available at an additional cost. The relevant options available will be discussed on a project by project basis before we commence work and all supplementary services will be quoted for in advance.

With regard to alterations, we are happy to incorporate any alterations and amendments we receive prior to pricing the relevant item of the work; we will also incorporate any minor amendments that might occur to items we have already priced within the written fee quotation allowed above. However, if there are significant amendments to the works and we have already completed that section of the specification there may be an additional charge depending on the number of hours' work required.

### Do you give discounts?

Yes - time related discounts are offered to those clients who are able to make an early decision and thus maximise the period of time we have to prepare and return the estimates. There are also, from time to time, introductory and product promotional offers and clients can request that we notify them of the offers when available. For full details go to the [Fees and Offers](#) section of the website.

### What credit terms do you offer?

TSA does not offer any form of credit and all work is undertaken on a payment in advance basis. See [Ordering Work](#) for further details.

## **Tendering / Presentation / Negotiation**

### **Can you help us adjudicate the tenders?**

Yes - We regularly assist clients during the adjudication process and have prepared a range of documentation to assist.

### **What knowledge do you have of local tender rates?**

Please refer to the [Working in Your Area](#) FAQs.

### **What is your win (or strike) rate?**

Our current hit rates vary significantly depending upon the strengths of the client we are working for and their desire to secure the work. On average clients are securing 1 in 3 or 4 tenders submitted, however in value terms we have a number of regular clients who negotiate high value design and build contracts which makes the ratio far more positive.

### **Can you prepare a tender letter for us?**

Yes - Where appropriate we regularly prepare tender presentation letters for clients. Letters are provided in a "Word" format so that they can be simply modified to suit clients' own letterheads and also used again on future projects if desired.

### **Can you help us with tender presentations?**

Yes - We have and continue to assist clients wherever possible in securing work. In such a role we have prepared documentation for potential partnership agreements, quality management, together with our more traditional role of providing financial advice. In most cases the work has required that we develop projects from first principles and in many cases we have attended workshops and meetings to support our clients' position.

### **Can you help us with negotiations?**

See above.

## Other

### Can you provide examples of work?

We can provide examples of work in order to illustrate the layout/presentation of our estimated bills but, for reasons of confidentiality, these cannot be client or project specific. To view such example estimates please download our [Estimate Service Guide \(Part 1\)](#).

### What are your terms and conditions?

Details of our terms and conditions (in relation to our estimating service) and confidentiality policy can be found in the [Ordering Work](#) section of this website.

### How do I order work?

The procedure for ordering an estimate is detailed in the [Ordering Work](#) section of this website. In relation to engaging TSA for other services please call the marketing and sales manager in the first instance to discuss your requirements.

### What do you do if another company asks you to estimate for the same project?

We only ever undertake a project for a single client (on a first come first served basis) unless we have the express permission of both parties to undertake work on a joint basis.

In the rare circumstances where we do produce joint takeoffs, fees are reduced accordingly and assistance on adjudication cannot be given to either party. Specific rules on the extent of work that we would undertake would need to be agreed by both parties prior to work starting.

### Can you recommend any estimating software that we could use ourselves?

We do not offer general advice on estimating software because the individual needs of individual users often require specific solutions.

We use ConQuest estimating software on the majority of projects (although demonstrations of Causeway estimating software show it to be a similarly impressive product). For smaller companies FastEst provides a reasonably thorough tool for rating work (we use its slightly older predecessor QuickBrix). For those primarily interested in smaller new works and extensions both EasyPrice Pro and HB Excel offer innovative solutions but they do not fit the requirements of most of our Clients.

The use of spreadsheets remains prevalent within the industry. This is not, however, a method that we would recommend.

### Can you help us with valuations?

Yes - Please see the services for [main contractors](#) section of the website for further details.

### Can you help us with project plans?

Yes - We can create project plans (also known as project programmes) in both Asta and Microsoft Project.

However, this is not a core service and is only available to regular clients with whom we have developed a working relationship and where we understand the capabilities of the contractor's management team. Interested parties should contact the Sales Team to discuss their requirements further.