

Anglican Church Property Trust Diocese of Sydney "ACPT" Project Contingency Sum Policy

The Project Contingency Sum Policy determines the amount required to be held by the ACPT, in addition to the GST inclusive contract sum, before a project commences to cover project contingencies and variations arising from latent conditions. The contingency sum mitigates and responds to the risk of cost escalation through unforeseeable events and unassessed building or ground conditions.

Name of Policy

1. This policy is the, "ACPT Project Contingency Sum Policy".

Commencement of Policy

2. This ACPT Board policy is effective 28 March 2014.

Delegation

3. SDS management is authorised to execute a building contract under the power of attorney pursuant to the terms of this policy.

Scope of Policy

4. A proposed building contract will fall within the scope of the ACPT Project Contingency Sum Policy if the contract is required to be executed by the ACPT (Building Works Kit Refers).

Project Contingency Sum

5. Noting that other existing Building Works Kit requirements will continue to apply, the ACPT Board has resolved that the following contingency sum is required:
 - (a) *For building contracts under \$500,000 a contingency sum of 5% of the GST-inclusive building contract sum is required; and*
 - (b) *For building contracts over \$500,000 and under \$5m a contingency sum of 10% of the GST-inclusive building contract sum is required.*
 - (c) *For building contracts over \$5m, a contingency sum of 7.5% of the GST-inclusive building contract sum is required.*

Policy Note

6. This ACPT Project Contingency Sum Policy reflects a resolution of the ACPT Board of 28 March 2014 to reflect the long-standing protocol, practice and procedure of the ACPT to require a project contingency sum of 5% for minor projects (under \$500,000) and 10% for major projects (over \$500,000); and the resolution of the ACPT Board of 9 March 2018 to require a project contingency sum of 7.5% for projects over \$5m.

Review of Policy

7. Unless reviewed earlier, this policy is to be reviewed by the ACPT Board every 5 years.

Note: This policy was reviewed by the ACPT Board during July 2016, April 2018 and July 2021. The next full review is due in July 2024.

Effective	28 March 2014
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Revised	29 July 2016 20 April 2018 July 2021
Review Date	July 2024