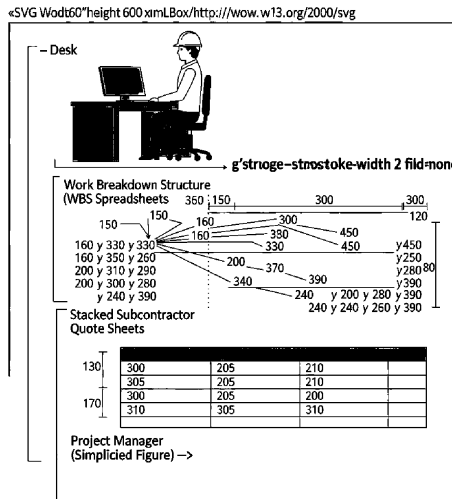


SPECIFIC - CASE

WORKSHEET 7 OF 9

# Client Requests 15% Scope Addition Mid-Project at Fixed Price

*Scenario: the project is 40% complete when the client requests additional scope representing approximately 15% of the original contract value. The client frames this as a minor addition and expects it to be absorbed into the existing fixed price. The additional work includes materials not yet procured, labour beyond the current team's capacity, and two weeks of schedule extension.*



Complementary worksheet for  
*Project Cost Estimation*  
by Ibrahim Anwar

READ ON GOOGLE PLAY BOOKS ›

## What This Is For

---

A scope addition framed by the client as "minor" can represent a significant cost impact once the additional materials, labour, equipment, overhead, and schedule extension are calculated using the same methodology as the original bid. This scenario is the moment when the contractor's estimation discipline either protects the project's margin or fails to. The claim must be calculated the same way the original bid was calculated -- otherwise the client can argue that the original methodology was incorrect, and the entire bid becomes open to renegotiation.

Use this worksheet when a scope addition arrives mid-project and the client's opening position is that it should be absorbed. The worksheet produces the variation order cost document: a line-by-line calculation of the additional scope's cost using the original bid's unit rates, overhead rate, and contingency category. The resulting document is harder to dispute than a round-number claim because every figure traces to a methodology the client already accepted at contract signing.

# Benefits

---

What you get when you actually run this worksheet on a real situation:

- Calculates the additional scope cost using the same methodology as the original bid, making the claim internally consistent and harder to reject.
- Separates the additional scope estimate from the original estimate, showing clearly what the original contract covered and what it did not.
- Quantifies the schedule impact, which is often a compensable element in the contract even when the client disputes the cost claim.
- Forces the notification letter to be sent with a date stamp before the additional work begins, establishing the contractor's position from day one.
- Produces a document structured for negotiation: the client can dispute specific line items, but the framework of the calculation remains the one they accepted at signing.

## Framework To Use

---

### — Scope Addition Cost Build -- Same Methodology as Original Bid

*Every line in the additional scope estimate uses the original bid's unit rates. Overhead rate is the same. Contingency category is the same or higher. No new methodology is introduced mid-project.*

-
-

## How To Use

---

Follow these steps in order. Each one builds on the previous.

- 1** Send the scope change notification letter within 24 hours of receiving the client's instruction. Use the template in Appendix A. The letter's date is the evidence that the contractor identified this as out-of-scope immediately.
- 2** Identify every cost component of the additional scope: materials, labour, equipment, and any subcontractor involvement. Use the same level of breakdown as the original WBS -- do not submit a single lump-sum figure.
- 3** Fill in the Original Estimate column from the relevant WBS package in the original bid. This establishes the original scope boundary.
- 4** Fill in the Additional Scope Estimate column using the same unit rates as the original bid. If material prices have moved since the original bid, note the price increase as a separate line -- the methodology and rate structure remain the same.
- 5** Document the Basis for each additional figure: unit rate x quantity, productivity assumption x labour hours, overhead rate percentage. Every figure must be traceable to a source that existed in the original bid document.
- 6** Calculate the overhead allocation on the additional scope using the same rate as the original bid. Calculate contingency at the same category or one category higher if the additional scope introduces new risks.
- 7** Quantify the schedule impact separately: how many calendar days does the additional scope require, and what is the daily cost of extended site presence?
- 8** Request written approval before starting the additional work. If the client instructs work to proceed before the variation order is signed, confirm the instruction in writing the same day.

## Example Use

*A fit-out contractor is 40% through a commercial office renovation (\$125,000 contract). The client requests installation of a server room with fire suppression -- not in the original contract. The client calls it a 'minor addition' and expects it to be absorbed.*

The contractor sends a scope change notification the same afternoon. Subject: "Scope Change Notification -- Server Room Addition -- Contract No. OFR-2024-07."

Five packages identified: partitioning for the server room enclosure, raised flooring, supplemental precision air conditioning unit, fire suppression system (Novec 1230), and dedicated electrical circuit with UPS connection.

Original scope estimate for the area now being converted: \$3,200 (finishing work -- ceiling, paint, carpet). This defines the original scope boundary.

Additional scope estimate per package:

Partitioning:  $28 \text{ m}^2 \times \$42/\text{m}^2$  (original bid rate for partition work) = \$1,176.

Raised flooring:  $18 \text{ m}^2 \times \$65/\text{m}^2$  (new specification -- documented as new material not in original bid) = \$1,170.

Precision AC unit: equipment at distributor quote \$8,400 + installation 3 days x 2 technicians x \$95/day = \$8,970.

Fire suppression: specialist subcontractor quote \$14,200. No internal rate applicable. Quote from licensed installer on file.

Electrical: 2 days x 2 electricians x \$85/day + materials \$1,100 = \$1,440.

Additional scope direct cost total: \$26,956. Overhead at 12%: \$3,235. Category B contingency at 12%: \$3,235. Schedule extension: 8 working days. Daily extended site cost: \$320. Schedule impact: \$2,560. Total variation order value: \$35,986.

The client: "We thought this was going to be around \$18,000." The contractor: the fire suppression system alone is \$14,200 from the only licensed installer in the area. The remaining \$21,786 covers the other four packages, overhead, contingency, and schedule impact -- all calculated using the same methodology the client accepted at contract signing. The conversation moves from "is this legitimate?" to "which packages can we reduce?"



## Reflection Prompts

---

*After filling in the worksheet on the previous page, work through these.*

1. Calculate every line in the Additional Scope Estimate column using the same unit rates as the original bid. If a material price has increased since the original bid date, document the original rate and the current rate separately. The methodology is the same; the prices reflect current market. A claim built on different unit rates invites the client to argue that the original rates were inflated.  

---
2. Before submitting the variation order: read the contract's scope change clause. Identify: (1) the notice period required -- if the letter has not been sent, send it today; (2) the calculation method specified -- some contracts require daywork rates rather than unit rates; (3) whether schedule extension is compensable separately. Write one sentence per applicable clause.  

---
3. Sum the Additional Scope Estimate column. Add overhead at the original rate. Assign a contingency category. Add schedule extension cost as a separate line. This is the variation order total. Present this document, not a round number, when opening the negotiation.  

---

# Tips and Traps

## TIPS

- Send the notification letter before calculating the cost. The letter establishes the date. The cost calculation follows. A letter sent before the work begins is worth more than a precise cost document submitted after.
- If the client insists on proceeding before the VO is signed, obtain a written instruction to proceed -- even a WhatsApp message saying 'go ahead, we'll sort out the paperwork' -- and confirm it in a follow-up email the same day.
- Separate the additional scope execution costs from original project costs in the bookkeeping from day one. Commingled accounts make the VO claim impossible to verify at the end.
- When the client's stated objection is the total number, break the claim down by package and ask which packages they want to remove or reduce. This moves the conversation from 'this is too high' to 'which specific packages are you not requesting?'

## TRAPS

- Submitting a round-number claim without a breakdown. A \$18,000 claim with no supporting calculation is easy to negotiate down without an anchor. A \$35,986 claim with five packages, each with a unit rate and source, is a document that must be challenged package by package.
- Waiting until the additional scope work is complete before submitting the claim. Once the work is done, the contractor's negotiating position is at its weakest -- the work cannot be undone, and the client knows it.
- Using market rates that differ from the original bid's unit rates without explanation. Either use the original rate, or document the increase with a current vendor quote.
- Omitting overhead and contingency from the additional scope estimate. They are real costs. A VO calculated without overhead and contingency leaves those costs to come from the original project's reserves.

# Appendixes

## Appendix A -- Scope Change Notification Letter

Subject: Scope Change Notification -- [Description] -- Contract No. [XX]

Dear [Client Name],

We received an instruction on [date] to carry out [brief description of the additional work], which we assess falls outside the scope of work defined in Contract No. [XX] dated [contract date].

We will calculate the cost and schedule impact and submit a formal variation order document within [5] working days.

Execution of the additional work is pending your written confirmation or a written instruction to proceed while the variation order is being formalised.

Please confirm receipt of this notification.

[Name and title]

[Date -- this date is the start of the claim window]

## Appendix B -- VO Cost Assembly Formula

Additional scope direct cost (sum of all packages)	= \$ _____
Overhead allocation (___% of additional direct cost)	= \$ _____
Subtotal before contingency	= \$ _____
Contingency (Category ___ : ___% of direct cost)	= \$ _____
Schedule extension cost (___days x \$___/day)	= \$ _____
TOTAL VARIATION ORDER VALUE	= \$ _____

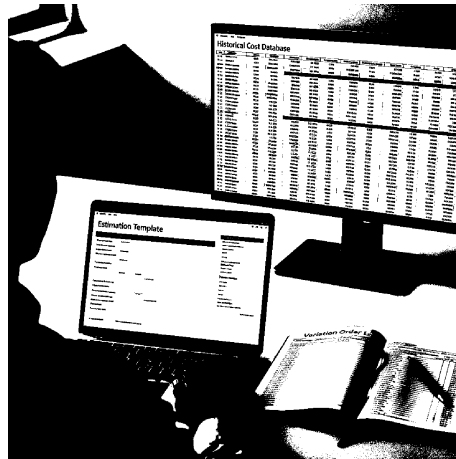
Schedule extension cost components to include:

Site supervision salary for extension period

Equipment rental holding cost during extension

Temporary facilities for extension period

Do NOT include penalties for delays NOT caused by this scope addition



WHERE THIS WORKSHEET COMES FROM

## Project Cost Estimation

*Calculate the Cost Before Signing, Not After the Work Has Started*

by Ibrahim Anwar

---

This worksheet is one of nine in the *Project Cost Estimation* companion worksheet pack. The full pack is grouped into three categories: high-volume worksheets you can run weekly, niche-search worksheets for rare but high-value situations, and specific-case worksheets that walk you through a single concrete scenario.

Every framework, decision filter, and figure used in these worksheets is drawn from the chapters of the source book. The book sets the diagnosis, the worksheets give you the form to act on it.

---

Read the source book on Google Play Books:

<https://play.google.com/store/books/details?id=hIvXEQAAQBAJ>

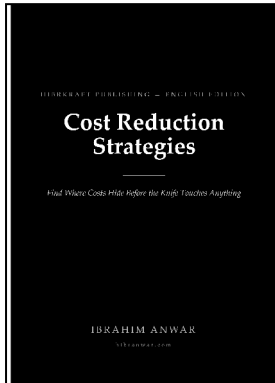
OPEN ON GOOGLE PLAY >

*PT Hibrkraft Kreasi Indonesia · Cileungsi, Bogor · hibrantwar.com*

CONTINUE THE SERIES

# More from the Operator's Handbook

Each handbook is a 9-worksheet companion pack like this one. Tap any cover to open it on Google Play Books.

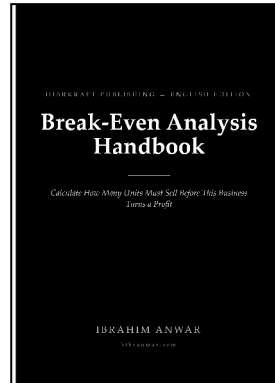


NO. 01 ·  
OPERATOR'S  
HANDBOOK

## Cost Reduction Strategies

*Find Where Costs Hide  
Before the Knife Touches  
Anything*

OPEN ON GOOGLE  
PLAY >

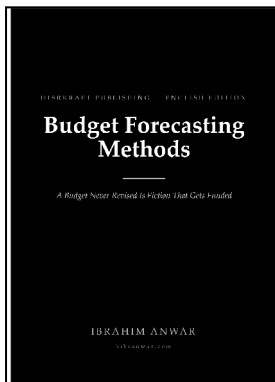


NO. 11 ·  
OPERATOR'S  
HANDBOOK

## Break-Even Analysis Handbook

*Calculate How Many Units  
Must Sell Before This  
Business Turns a Profit*

OPEN ON GOOGLE  
PLAY >

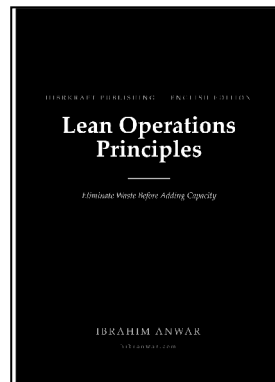


NO. 10 ·  
OPERATOR'S  
HANDBOOK

## Budget Forecasting Methods

*A Budget Never Revised Is  
Fiction That Gets Funded*

OPEN ON GOOGLE  
PLAY >



NO. 12 ·  
OPERATOR'S  
HANDBOOK

## Contract Negotiation Tactics

*A Clear Contract Is a  
Healthy Relationship*

OPEN ON GOOGLE  
PLAY >

Operator's Handbook · PT Hiberkraft Kreasi Indonesia · [hibranwar.com](http://hibranwar.com)