

# Builtin's Building Contractor Risk Scorecard

Measuring these key areas of risk will help indicate where action needs to be taken.  
Review this scorecard regularly to identify trends in performance.



## Financial & Cashflow Risk

Metric	How to Measure	Your Score	Risk Indicator
<b>Gross Margin (%)</b>	(Revenue – Direct Costs) ÷ Revenue		● <15%
<b>Jobs with Cost Overruns (%)</b>	Jobs over budget ÷ total jobs		● >20%
<b>Average Job Variance (\$)</b>	Budget vs final cost		● >5%
<b>Debtor Days</b>	Avg days to payment		● >45 days
<b>Reliance on Progress Payments</b>	% of revenue not yet invoiced		● >30%
<b>Working Capital Buffer</b>	Months of overhead covered by cash		● <2 months

## Contractual & Legal Risk

Metric	How to Measure	Your Score	Risk Indicator
<b>Written Contract Usage (%)</b>	Jobs with signed contracts		● <100%
<b>Use of NZ-Standard Contracts</b>	MB / NZS / NZCB / BH contract used		● Ad-hoc
<b>Variations Documented (%)</b>	Written & priced variations		● <95%
<b>Client-Supplied Materials (%)</b>	% of projects		● >25%
<b>Personal Guarantees Given</b>	Yes / No		● Yes
<b>Dispute Incidents (12m)</b>	Legal or mediation events		● ≥1

## Workmanship & Defects Risk

Metric	How to Measure	Your Score	Risk Indicator
<b>Defect Callbacks per Job</b>	Avg defects logged		● >3
<b>Post-Completion Claims</b>	Call backs after CCC		● >0
<b>Waterproofing Sign-off Rate</b>	Independent sign-offs		● <100%
<b>E2 / E3 Checklist Usage</b>	Yes / No		● No
<b>Photo QA Records</b>	Jobs with staged photos		● <90%
<b>High-Risk Details Used</b>	Flat roofs, parapets, monolithic		● Yes w/o detail

## Regulatory & Compliance Risk

Metric	How to Measure	Your Score	Risk Indicator
<b>LBP Coverage (%)</b>	Restricted work done by LBPs		● <100%
<b>CCC Achievement Rate</b>	CCCs issued ÷ projects		● <100%
<b>Council RFIs/Inspection Fails per Job</b>	Avg RFIs/Fails		● >5
<b>Producer Statements Used</b>	PS3/PS4 where required		● No
<b>Record Retention (10 yrs)</b>	Yes / No		● No
<b>Building Act Breaches</b>	Notices / fines		● ≥1

## Subcontractor & Supply Chain Risk

Metric	How to Measure	Your Score	Risk Indicator
<b>Written Subcontracts (%)</b>	Subbies under contract		● <100%
<b>Subbies' Insurance Verified (%)</b>	Insurance certificates on file		● <100%
<b>Repeat Subbie Use (%)</b>	Known subbies vs new		● <70%
<b>Subbie Defect Attribution</b>	Clear responsibility		● Unclear
<b>Supply Delays per Job</b>	Avg delays		● >2
<b>Single-Supplier Reliance</b>	% materials		● >50%

## People, Health & Safety Risk

Metric	How to Measure	Your Score	Risk Indicator
<b>H&amp;S Plan in Place</b>	Yes / No		● No
<b>Toolbox Talks (per month)</b>	Count		● <2
<b>Notifiable Events (12m)</b>	WorkSafe notifications		● ≥1
<b>Near-Miss Reporting Rate</b>	Logged incidents		● Zero
<b>Staff Turnover (%)</b>	Annual		● >25%
<b>Training Hours / FTE</b>	Annual		● <10 hrs

## Insurance & Risk Transfer Adequacy

Metric	How to Measure	Your Score	Risk Indicator
<b>Public Liability Limit</b>	\$5m / \$10m+		● <Contract requires
<b>Contract Works Cover</b>	Annual vs project		● Inadequate
<b>Defective Workmanship Cover</b>	Yes / No		● No
<b>Subcontractor Liability Gaps</b>	Yes / No		● Yes
<b>Policy Conditions Understood</b>	Yes / No		● No
<b>Claims in Last 5 Years</b>	Count & type		● Repeated