

CLA 50 The “3 months rule” and extrapolation

DECISION NUMBER:	CLA50
DATE:	13 February 2009

POINT OF PRINCIPLE

The application of the “3 month rule” in Clause B.11 and B.12 of the General Civil Contract Schedule is a penalty for late submission and not an assessment decision. Accordingly, deductions made under the rule should not be extrapolated over a file sample under Rule 2.15 of the General Civil Contract Specification.

Guidance

The rule for assessment is set out in General Civil Contact Specification Rule 2.14, which provides that you may only claim for work that has been actually and reasonable done and supported by evidence on the file. The findings of overclaiming and lack of reasonableness of costs claimed are then extrapolated/applied across a range of files, which is to reflect the level of overclaiming identified in the audit.

The “3 month rule” is not an assessment of costs to which extrapolation can be made but a penalty for late submission.