Claiming From Cost

The head contract claim cost driver — Cost %, cost-based prefill, and position flags

Deep Space Horizon · Commercial · September 2026

1. Why this exists

Under-claiming is the quietest cash leak on a project: the programme says 40%, the feel says “about a third”, and the money you actually spent this month says more than both. Horizon now derives an earned-value **Cost %** for every head-contract SoV line and can prefill your progress claim from it — so you claim what the project has actually earned, not what a percentage feel suggests.

> Under the NZ Construction Contracts Act and the Australian security of payment acts, a payment claim must show how the amount was calculated. “This line claims the gap between certified subcontract value over forecast final cost and what we’ve claimed to date” — recorded line by line on the claim itself — is a materially stronger position than a percentage estimate.

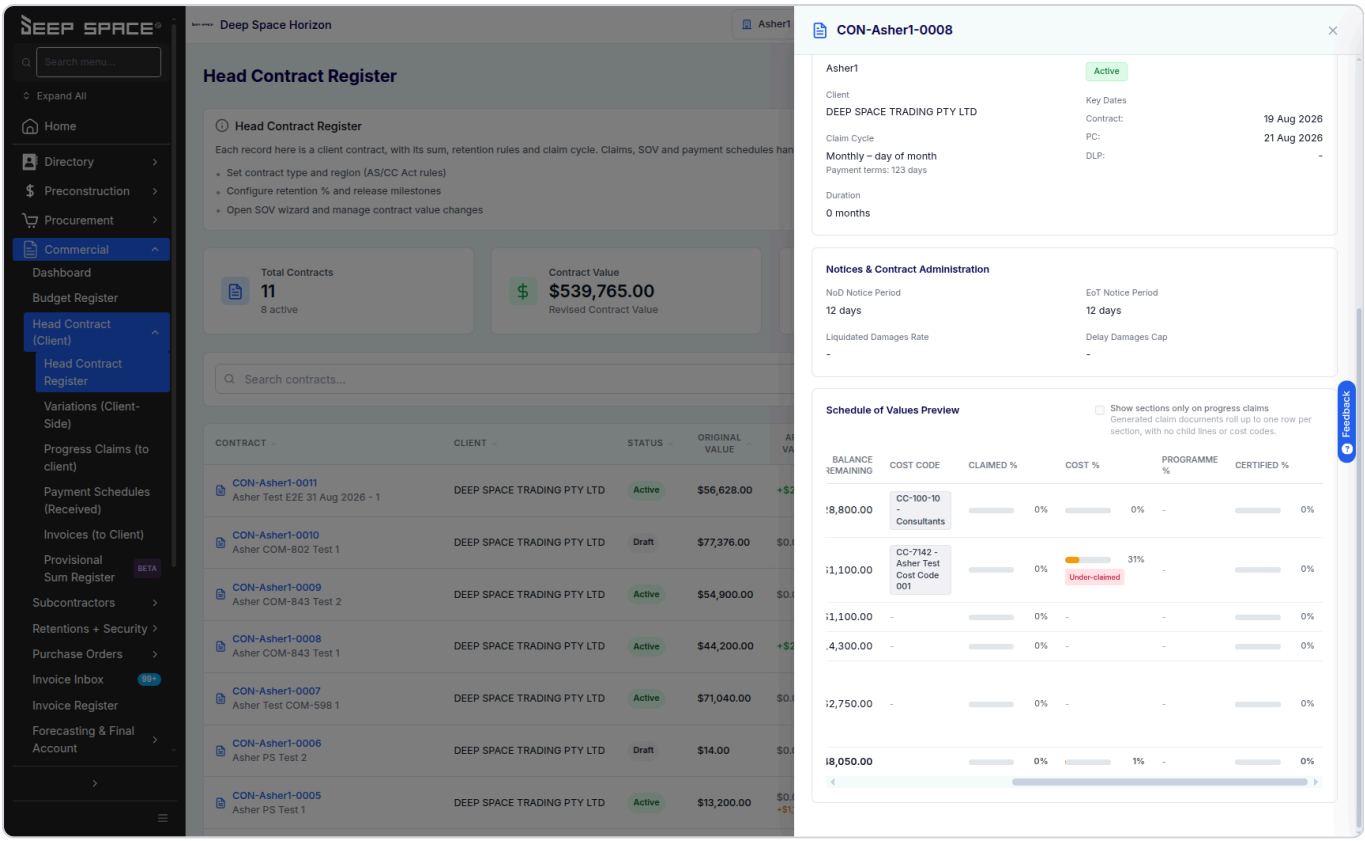
2. What Cost % means

Cost % = work in place ÷ forecast final cost (EAC), per SoV line

Both sides come from the cost codes linked to the SoV line:

- **Work in place** counts your **assessed (certified) subcontract claims** — the same certified value that feeds Actuals to Date. It is live: certify a subcontract claim and the next register load reflects it. Supplier invoices are **excluded by default** — an invoice for materials proves delivery, not work in place. Under AS 4000 / NZS 3910, unfixed materials are only claimable under conditions, and a driver that counted them would inflate claims your client can reject. (Workspaces whose supplier invoices genuinely represent work in place can opt in — see section 7.)
- **Forecast final cost** is the cost code’s EAC — your monthly forecast when one has been pushed, otherwise the same default a freshly seeded forecast would show (budget and committed based). It reads from the Budget Register; hover the bar to see the dollars and the register’s as-at date.

A line whose codes have **no forward view at all shows “-”** — Horizon never invents a figure. A bar over 100% means cost has passed the forecast final: an overrun signal worth a look before you claim.



Head Contract Register → contract → Schedule of Values Preview. The amber Cost % column sits between Claimed % and Programme %; this line has $6,100 of certified subcontract work against a $19,800 forecast final cost (31%), nothing claimed yet — so it wears the Under-claimed flag.

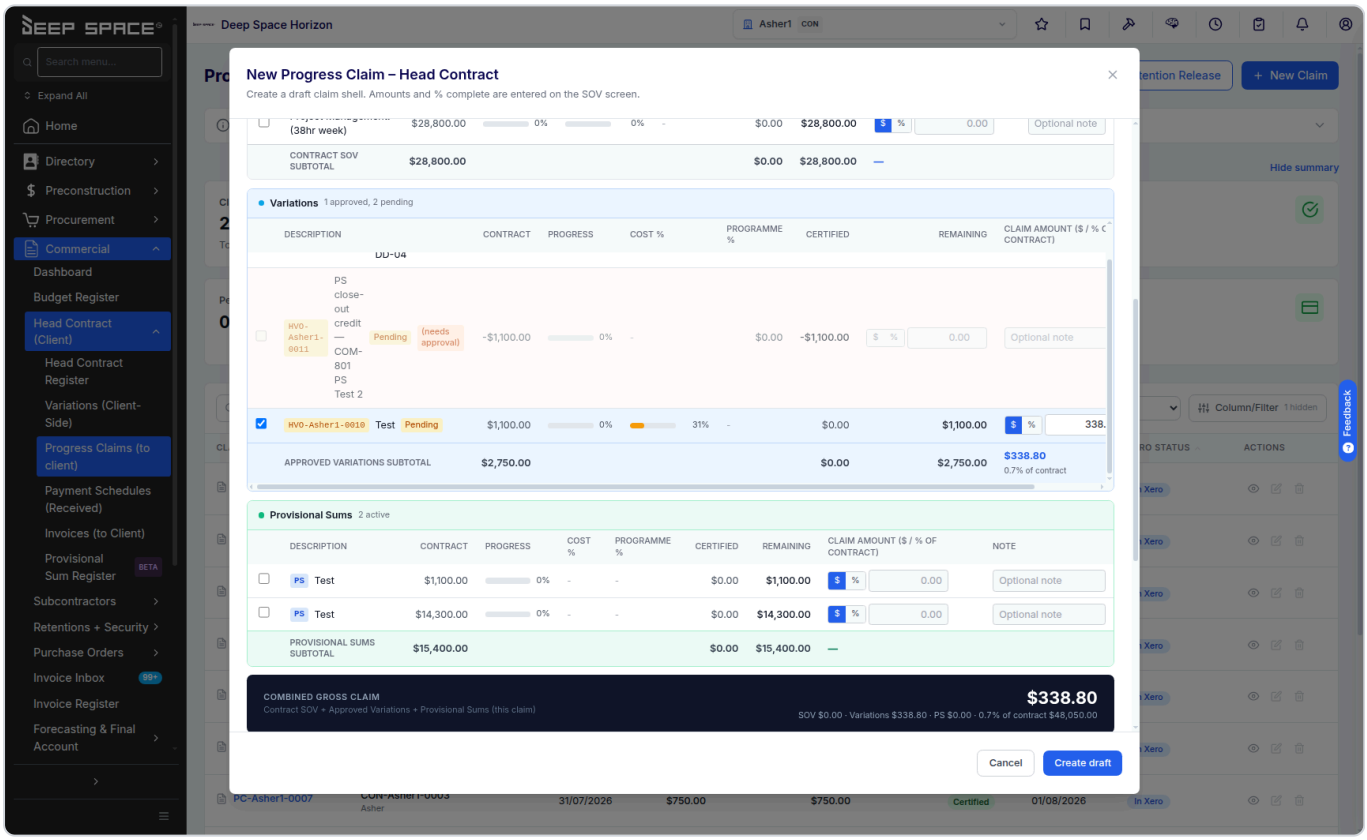
3. Prefilling a claim from cost

In **Progress Claims (to client)** → **New Claim**, the Schedule of Values section header has a **Prefill from: Programme | Cost** toggle. Your last choice is remembered per project; the default is Programme.

In **Cost** mode, ticking a line suggests:

> **(Cost % − claimed to date %) × the line's sell value**

- The dollar is always **sell**. Cost only ever sets the percentage — this is earned value, not cost-plus-margin, so your margin stays intact and invisible to the number.
- Suggestions clamp at zero when cost sits below what you've already claimed, cap at the certified-based remaining, and **never overwrite anything you've typed**.
- A line with no Cost % simply gets no suggestion — it never silently falls back to programme.
- The claim records which source you prefilled from, and the claim detail shows it.



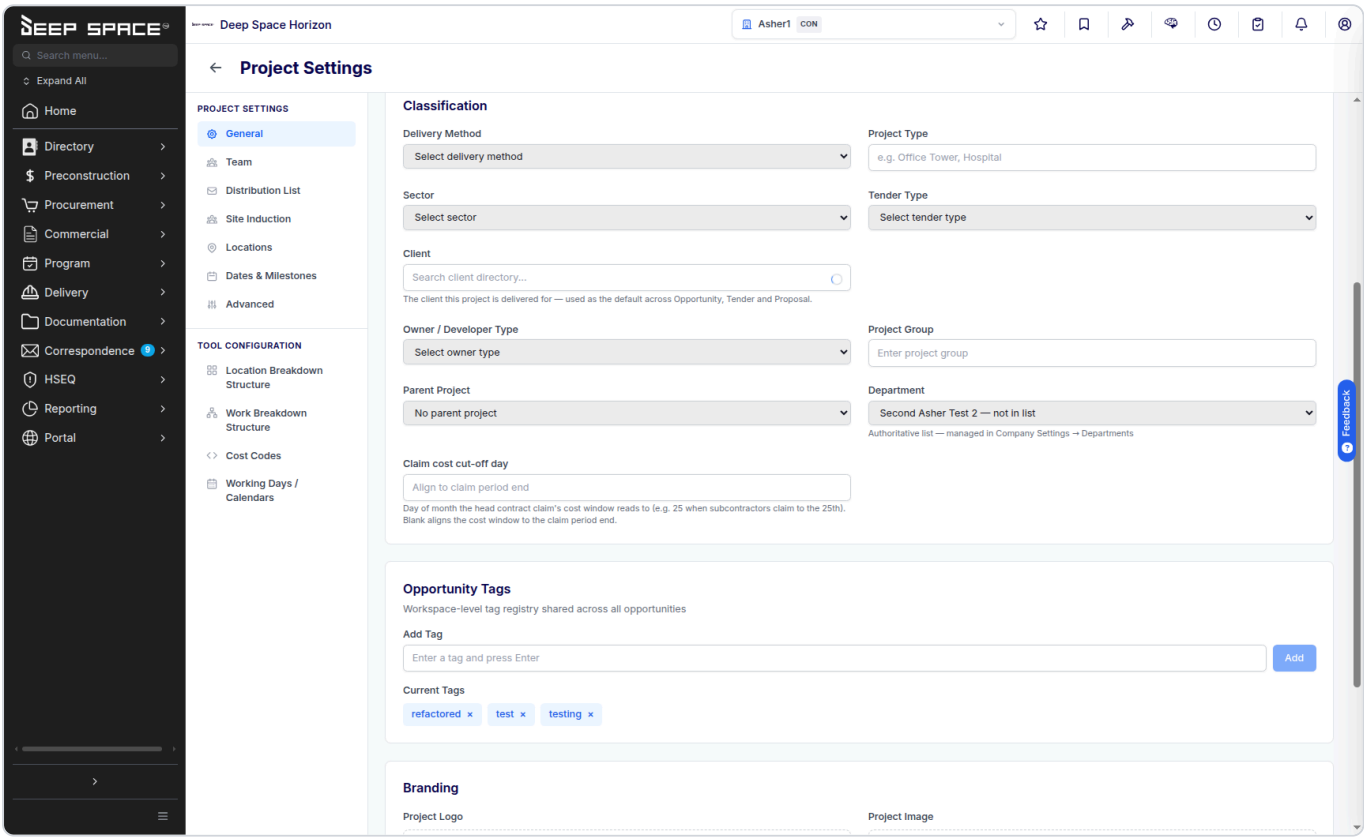
Cost mode (amber) on the New Progress Claim modal. Ticking the 31% line prefilled $338.80 — exactly (31% − 0% claimed) × the $1,100 sell value — flowing through the section subtotal and the combined gross claim. Every figure stays editable.

4. The cost cut-off date

Subcontractors typically claim to the 25th; your head contract claim runs to month end. The claim's **Cost cut-off** date (under the claim period) tells the driver which window to read: cost dated after the cut-off doesn't move the recommendation.

Set the house rule once in **Project Settings → General → Claim cost cut-off day** (e.g. 25). Each new claim defaults its cut-off from that day within the claim month — never after the claim period end — and stays editable per claim. Leave it blank to align the cost window to the claim period end.

When the claim is written, the cost position is **frozen onto the claim lines** — later certifications never change a served document.



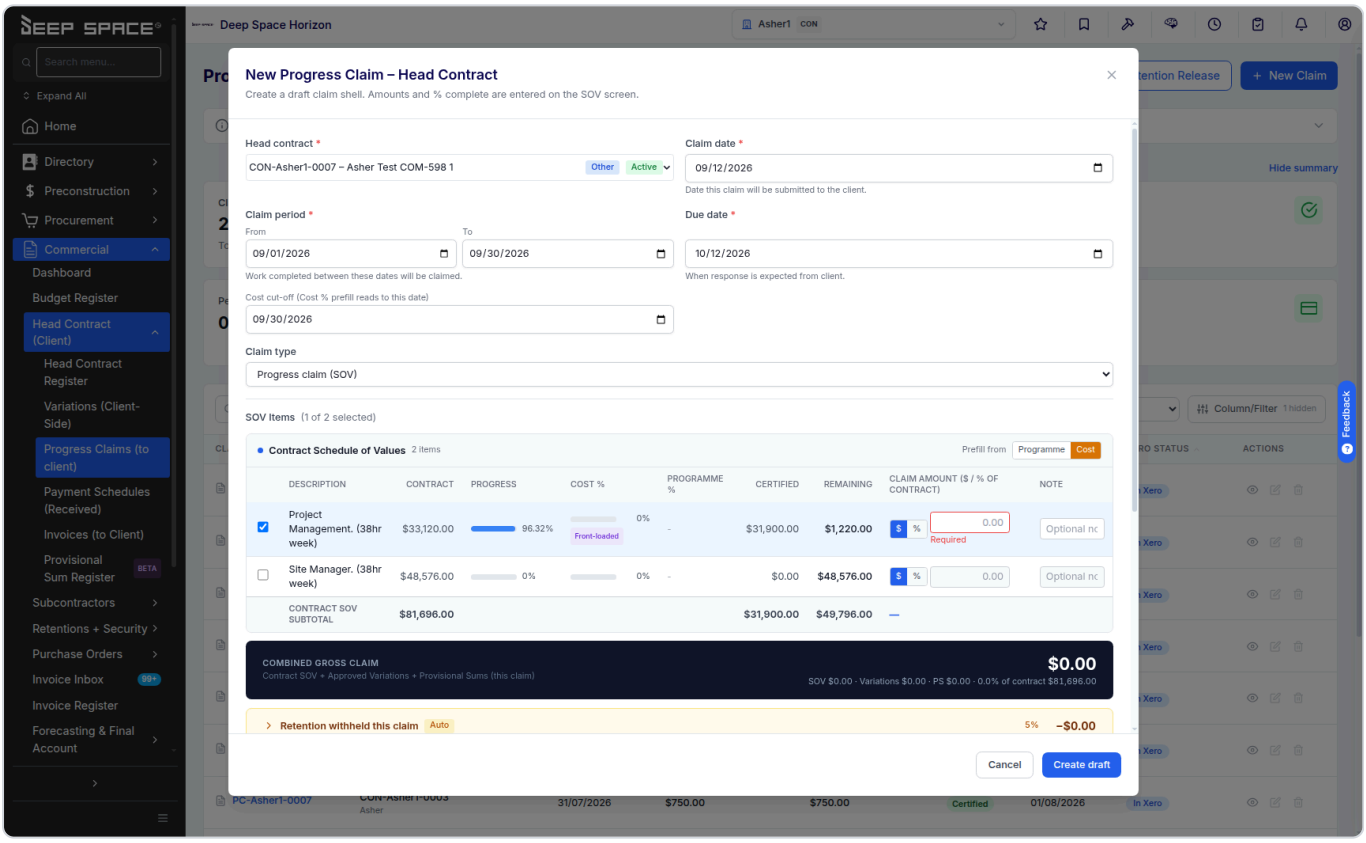
Project Settings → General. The cut-off day drives each new claim's default cost window.

5. Under-claimed and front-loaded flags

Where cost and claim drift apart, SoV lines wear an advisory chip — on the SoV preview and in the Create Claim modal:

Flag	What it means
Under-claimed	Cost incurred is materially ahead of what you've claimed — likely money on the table this cycle.
Front-loaded	Claimed is materially ahead of cost — a position you'll have to defend at final account, and a distorted margin read.

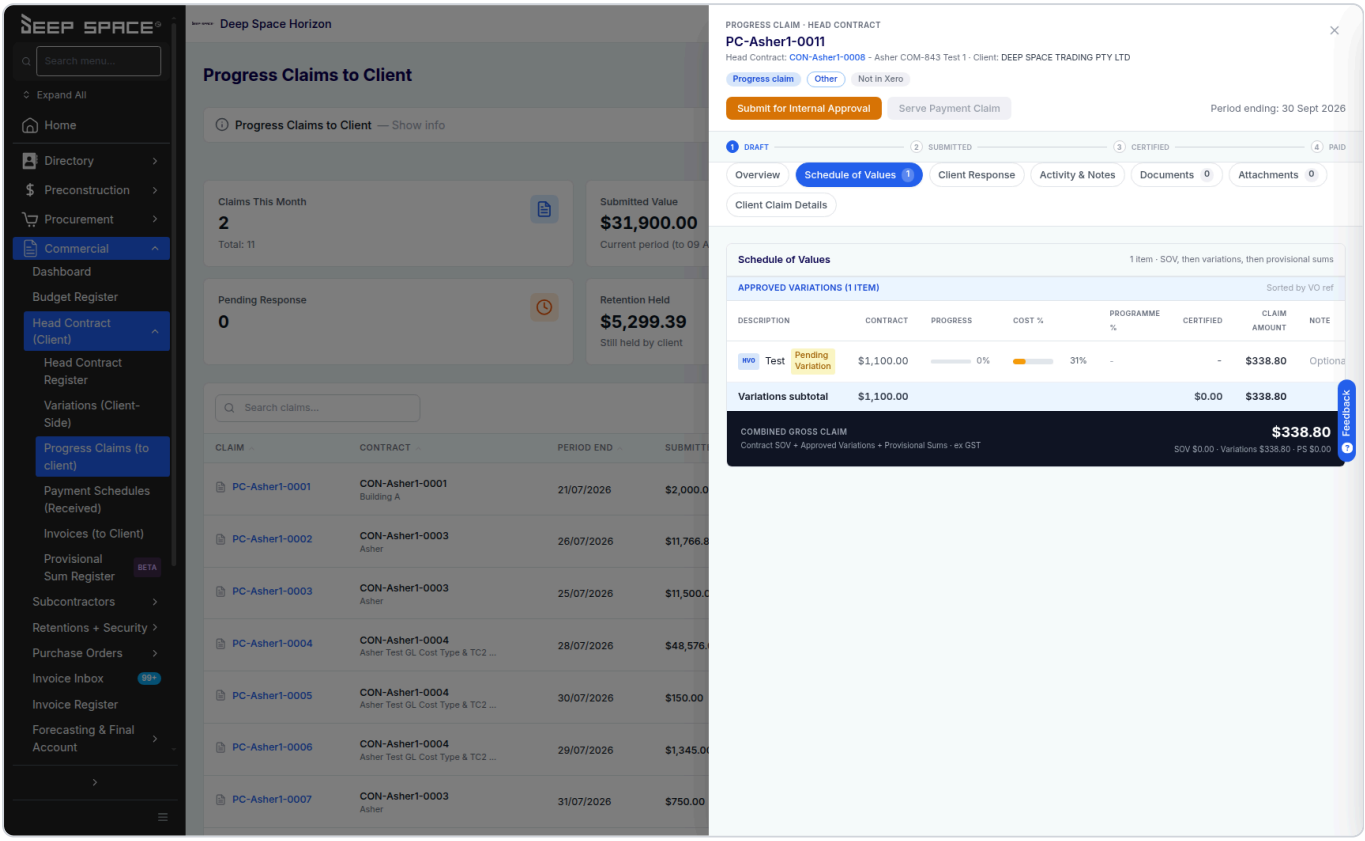
The threshold (default 10 percentage points) is configurable in Company Settings. Flags never block anything.



A line claimed to ~96% with 0% cost incurred wears the Front-loaded chip in the Create Claim modal.

6. What the claim keeps

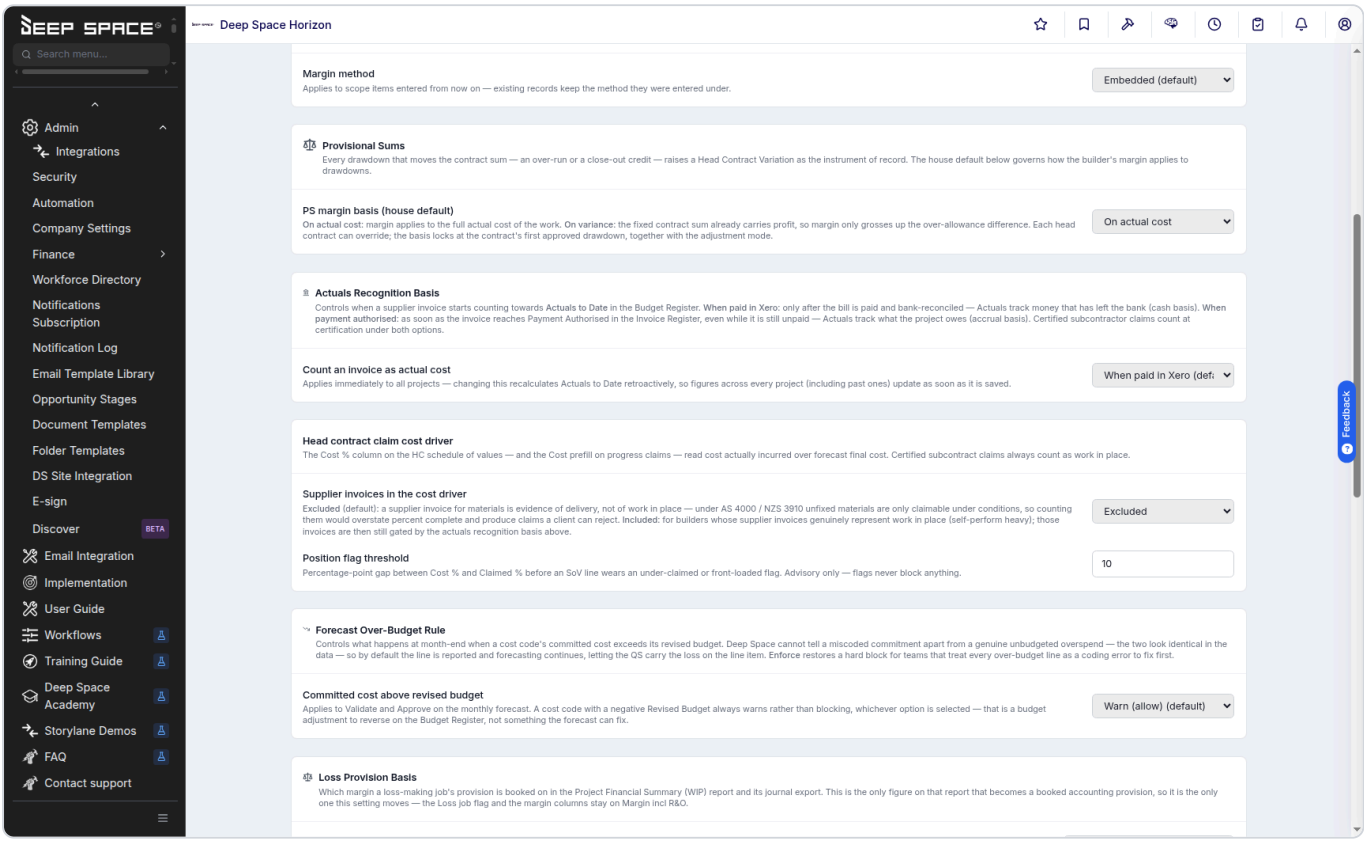
Every claim line written carries a point-in-time snapshot of its cost position — the Cost %, the work in place and EAC dollars behind it, and the register's as-at date — alongside the programme snapshot. The claim header records the cost cut-off and which source prefilled it. Claims from before this feature simply show "-".



The claim detail's Schedule of Values tab: the frozen 31% cost position on the claimed line. Hover shows "Snapshot when this line was written — $6,100.00 work in place / $19,800.00 EAC".

7. Settings reference

Setting	Where	Default
Supplier invoices in the cost driver	Company Settings → Commercial → Head contract claim cost driver	**Excluded** — include only if your supplier invoices genuinely represent work in place (self-perform heavy); included invoices still follow your actuals recognition basis
Position flag threshold	Company Settings → Commercial → Head contract claim cost driver	10 percentage points
Claim cost cut-off day	Project Settings → General	Blank — cost window aligns to the claim period end



Company Settings → Commercial: the claim cost driver card, beneath the Actuals Recognition Basis it works with.
