nec3

Engineering and Construction Short Contract

The NEC3 Engineering and Construction Short Contract is an alternative to NEC3 Engineering and Construction Contract and is for use with contracts which do not require sophisticated management techniques, comprise straightforward work and impose only low risks on both the Employer and the Contractor

An NEC document

April 2013

Construction Clients' Board endorsement of NEC3

The Construction Clients' Board recommends that public sector organisations use the NEC3 contracts when procuring construction. Standardising use of this comprehensive suite of contracts should help to deliver efficiencies across the public sector and promote behaviours in line with the principles of *Achieving Excellence in Construction*.

Cabinet Office UK

nec3 Engineering and Construction

Short Contract

A contract between **Natural England**

of Foss House, Kings Pool, 1-2 Peasholme Green, YORK, YO1 7PX

and **C J THORNE & CO LIMITED,** [redacted]

for **Track repairs at Lullington Heath and Castle Hill National Nature Reserve, Sussex.**

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Notes about this contract are printed in boxes like this one. They are not part of the contract.

Contract Data

	The *Employer* is	
Name	Natural England	
Address	of Foss House, Kings Pool, 1-2 Peasholme Green, York, YO1 7PX	
The *works* are	To design, construct and repair two bridleway tracks (1) 900m and (2) 730m in length.	
The *site* is	Natural England's National Nature Reserves:- Site 1: Lullington Heath Site 2: Castle HIll	
The *starting date* is	[redacted]	
The *completion date* is	[redacted]	
The *period for reply* is	1	week.
The *defects date* is	52	weeks after Completion.
The *defect correction period* is	4	weeks.
The *delay damages* are	Nil	per day.
The *assessment day* is the	23rd	of each month.
The *retention* is	0	%.
Does the United Kingdom Housing Grants, Construction and Regeneration Act (1996) apply?		Yes
	The *Adjudicator* is	
Name	The Royal Institute of Chartered Surveyors	
Address	. . . . .	

Contract Data

Payment

• The assessment interval is monthly based on the schedule submitted as part of Option A.

• The period within which payments are made is 30 days from receipt of the Contractor's VAT invoice.

• The currency of this contract is pounds sterling (£).

• The interest rate is 2% per annum above the Bank of England Base Rate.

• There are no expenses stated by the Employer (expenses are deemed to be included in the lump sum prices for the activities).

• You must be in receipt of a valid PO Number before submitting an invoice, which will be sent to you.

• All invoices should be sent, quoting a valid purchase order number (PO Number) SSCL AP, Natural England, PO Box 790, Newport Gwent, NP10 8FZ

• Invoice submissions shall be sent with supporting documentation and evidence of the works completed under that payment application. Upon the acceptance of the payment application by the Employer's project manager, invoices will be paid.

• If you have a query regarding an outstanding payment please contact our Accounts Payable section either by email Accounts-Payable.neg@sscl.gse.gov.uk or SSCL AP, Natural England, PO Box 790, Newport Gwent, NP10 8FZ.be in receipt of a valid PO Number before submitting an invoice, which will be sent to you.

• All invoices should be sent, quoting a valid purchase order number (PO Number) to SSCL AP, Natural England, PO Box 790, Newport Gwent, NP10 8FZ

• Invoice submissions shall be sent with supporting documentation and evidence of the works completed

Contract Data

The interest rate on late payment is [redacted] per complete week of delay.

Insert a rate only if a rate less than [redacted] per week of delay has been agreed.

The *Contractor* is not liable to the *Employer* for loss of or damage to the *Employer*'s property in excess of five million pounds sterling (£5,000,000) for any one event.

The *Employer* provides this insurance

Only enter details here if the *Employer* is to provide insurance.

Not Applicable

The minimum amount of cover for Professional Indemnity insurance stated in the Insurance Table is five million pounds sterling (£5,000,000) in respect of each claim

The minimum amount of cover for Public Liability insurance stated in the Insurance Table is five million pounds sterling (£5,000,000) in respect of each claim

The minimum amount of cover for the Employers Liability insurance stated in the Insurance Table is five million pounds sterling (£5,000,000) in respect of each claim

The *Adjudicator nominating body* is The Royal Institute of Chartered Surveyors

The *tribunal* is The Courts of the United Kingdom.

If the *tribunal* is arbitration, the arbitration procedure is . . . . . .

The conditions of contract are the NEC3 Engineering and Construction Short Contract April 2013 and the following additional conditions

Only enter details here if additional conditions are required.

Option X7: Delay damages

Delay damages for Completion of the whole of the works are Nil.

Option X15: Limitation of the Contractor's liability for his design to reasonable skill and care

Applies

Option X16: Retention

The retention free amount is 0%. The retention percentage is 0%

	Option Z: Additional conditions of the Contract
Option Z	The additional conditions of contract are described below. Each Option Z provision will apply as set out below.
Option Z1	Option Z1: Amending the Interpretation Provisions
Option Z1.1	Delete existing clause 12.1 and replace with: "In this contract, except where the context shows otherwise · words in the singular also mean in the plural and the other way round, · words in the masculine also mean in the feminine and neuter and the other way round, · references to a document include any revision made to it in accordance with this contract, · references to a statute or statutory instrument include any amendment or re-enactment of it from time to time and any subordinate legislation or code of practice made under it and · references to a standard include any current relevant standard that replaces it."
Option Z2	Option Z2: Confidentiality
Option Z2.1	For the purpose of this contract, Personal Data is information collected by the Contractor on behalf of the Employer in relation to this contract, which relates to living individuals who can be identified: · from that information · from that information combined with other details in (or likely to come into) the possession of the Employer. The Contractor keeps (and ensures that its employees and Subcontractors keep) confidential and does not disclose to any person, including, without limitation, Others: · the terms of this contract and · any confidential or proprietary information (including Personal Data) provided to or acquired by the Contractor in the course of Providing the Works except that the Contractor may disclose information · to its legal or other professional advisers, · to its employees and Subcontractors as needed to enable the Contractor to Provide the Works,

	· where required to do so by law or by any professional or regulatory obligation or by order of any court or government agency, provided that (unless the Contractor is prohibited by law from doing so) prior to disclosure the Contractor consults the Project Manager and takes full account of the Employer's views about whether (and if so to what extent) the information should be disclosed, · which it receives from a third party who lawfully acquired it and who is under no obligation restricting its disclosure,	
Option Z2.2	· which is in the public domain at the time of disclosure other than due to the fault of the Contractor or with the consent of the Project Manager.	
Option Z2.3	The Contractor does not (and ensures that its employees and Subcontractors do not) use any confidential or proprietary information provided to or acquired by it for any purpose other than to Provide the Works.	
Option Z3	Option Z3: Security Without limiting this clause Z3, the Contractor fully complies with all security requirements stated in the Works Information.	
Option Z3.1	Site admittance	
Option Z3.1	The Contractor submits to the Project Manager details of people who are to be employed by it and its Subcontractors in connection with the works. The details include a list of names and addresses, the capacities in which they are employed, and other information required by the Project Manager.	
Option Z3.2	The Project Manager may instruct the Contractor to take measures to prevent unauthorised persons being admitted on to the Site. The instruction is a compensation event if the measures are additional to those required by the Works Information.	
	Passes	
Option Z3.3	Employees of the Contractor and its Subcontractors are to carry an Employer's pass whilst they are on the parts of the Site stated in the Contract Data.	
Option Z3.4	The Contractor submits to the Project Manager for acceptance a list of the names of the people for whom passes are required.	
	Photographs	
Option Z3.5	The Contractor does not take photographs of the Site or the works or any part of them unless he has obtained the acceptance of the Project Manager.	
Option Z3.6	The Contractor takes the measures needed to prevent its Subcontractors' people taking, publishing or otherwise circulating such photographs.	
Option Z4	Option Z4: Data Protection	

Option Z4.1	The Data Protection Acts are the Data Protection Act 1998 and any other laws or regulations relating to privacy or personal data.	
Option Z4.2	For the purposes of this contract and the Data Protection Acts · the Employer is the Data Controller and · the Contractor is the Data Processor.	
Option Z4.3	The Contractor processes the Personal Data in accordance with (and so as not to put the Employer in breach of) the Data Protection Acts and only to the extent necessary for the purpose of performing its obligations under this contract.	
Option Z4.4	The Contractor has in place and maintains until the defects date · appropriate technical and organisational measures (having regard to the nature of the Personal Data) to protect the Personal Data against accidental, unauthorised or unlawful processing, destruction, loss, damage, alteration or disclosure and · adequate security programmes and procedures to ensure that unauthorised persons do not have access to the Personal Data or to any equipment used to process Personal Data.	
Option Z4.5	The Contractor immediately notifies the Project Manager if it receives · a request from any person whose Personal Data it holds to access his Personal Data or · a complaint or request relating to the Employer's obligations under the Data Protection Acts.	
Option Z4.6	The Contractor assists and co-operates with the Project Manager in relation to any complaint or request received, including · providing full details of the complaint or request, · complying with the request within the time limits set out in the Data Protection Acts and in accordance with the instructions of the Project Manager and · promptly providing the Project Manager with any Personal Data and other information requested by him.	
Option Z4.7	The Contractor allows the Employer to conduct periodic audits of the Contractor's compliance with the Data Protection Acts. The Contractor complies with the instructions of the Project Manager to enable such audits to be carried out.	
Option Z4.8	The Contractor complies with the requirements of the Employer in relation to the storage, dispatch and disposal of the Personal Data in any form or medium.	

Option Z4.9	The Contractor immediately notifies the Project Manager on becoming aware of any breach of this clause or of the Data Protection Acts by the Contractor or any Subcontractor.	
Option Z4.10	The Contractor does not process the Personal Data outside the European Economic Area without the agreement of the Project Manager. Where the Project Manager agrees, the Contractor complies with the instructions of the Project Manager and provides an adequate level of protection to any Personal Data in accordance with the eighth data protection principle set out in Schedule 1 to the Data Protection Act 1998.	
Option Z5	Option Z5: Disclosure of Information	
	A Disclosure Request is a request for information relating to this contract received by the Employer pursuant to the Freedom of Information Act 2000, the Environmental Information Regulations 2004 or otherwise.	
Option Z5.1	The Contractor acknowledges that the Employer may receive Disclosure Requests and that the Employer may be obliged (subject to the application of any relevant exemption and, where applicable, the public interest test) to disclose information (including commercially sensitive information) pursuant to a Disclosure Request. Where practicable, the Employer consults with the Contractor before doing so in accordance with the relevant Code of Practice. The Contractor uses its best endeavours to respond to any such consultation promptly and within any deadline set by the Project Manager and acknowledges that it is for the Employer to determine whether or not such information should be disclosed.	
Option Z5.2	When requested to do so by the Project Manager, the Contractor promptly provides information in its possession relating to this contract and assists and co-operates with the Project Manager to enable the Employer to respond to a Disclosure Request within the time limit set out in the relevant legislation.	
Option Z5.3	The Contractor promptly passes any Disclosure Request which it receives to the Project Manager. The Contractor does not respond directly to a Disclosure Request unless instructed to do so by the Project Manager.	
Option Z6	Option Z6: Copyright	
	Material means all materials prepared by or on behalf of the Contractor for the works and all updates, additions and revisions to them and any designs or inventions incorporated in them.	
Option Z6.1	Permitted Uses means the design, construction, completion, reconstruction, modification, extension, refurbishment, maintenance, funding, disposal, letting, fitting-out, advertisement, demolition, reinstatement, building information, modelling and repair of the works.	

Option Z6.2	The Contractor grants to the Employer, with immediate effect, an irrevocable, non-exclusive, royalty-free licence to copy and make full use of the Material for any purpose, including without limitation any of the Permitted Uses.	
Option Z6.3	The Employer's licence carries the right to grant sub-licences and is transferable to third parties without the consent of the Contractor and survives termination (for any reason) of the Contractor's employment under this contract.	
Option Z6.4	The Contractor is not liable for use of the Material for any purpose other than that for which it was prepared or provided.	
Option Z7	Option Z7: Discrimination	
Option Z7.1	The Contractor does not discriminate directly or indirectly or by way of victimisation or harassment against any person contrary to the Race Relations Act 1976, the Sex Discrimination Act 1975, the Disability Discrimination Acts 1995 and 2005 or the Equality Act 2010 (the "Discrimination Acts"). Where possible in Providing the Works, the Contractor co-operates with and assists the Employer to satisfy its duty under the Discrimination Acts to eliminate unlawful discrimination and to promote equality of opportunity between persons of different racial groups and between disabled people and other people.	
Option Z7.2	Where an employee or Subcontractor employed by the Contractor is required to carry out any activity alongside the Employer's employees in any premises, the Contractor ensures that each such employee or Subcontractor complies with the Employer's employment policies and codes of practice relating to discrimination and equal opportunities.	
Option Z7.3	The Contractor notifies the Project Manager in writing as soon as he becomes aware of any investigation or proceedings brought against the Contractor under the Discrimination Acts in connection with this contract and	
Option Z7.4	· provides any information requested by the investigating body, court or tribunal in the timescale allotted, · attends (and permits a representative from the Employer to attend) any associated meetings, · promptly allows access to any relevant documents and information and · co-operates fully and promptly with the investigatory body, court or tribunal.	
Option Z7.5	The Contractor indemnifies the Employer against all costs, charges, expenses (including legal and administrative expenses) and payments made by the Employer arising out of or in connection with any investigation or proceedings under the Discrimination Acts resulting from any act or omission of the Contractor.	
Option Z7.6	The Contractor includes in the conditions of contract for each Subcontractor obligations substantially similar to those set out above.	

Option Z8	Option Z8: Quality Management and Audit	
Option Z8.1	The Contractor operates a quality management system for Providing the Works which: · complies with the relevant parts of ISO 9001:2015 and ISO 9001:2008/Core 1:2009, · incorporates an environmental management system consistent with ISO 14001:2004, · includes processes for delivering continual improvement following the guidance in ISO 9004:2009, · has third party certification from a UKAS approved accreditation body (or its equivalent) or is operating in preparation for accreditation within 12 months of the Contract Date · complies with good industry practice and · otherwise fully complies, and is consistent with the requirements set out in the Works Information.	
Option Z8.2	The Contractor provides to the Project Manager, within one week of the Contract Date, a quality policy statement and a quality plan for acceptance. The quality policy statement and quality plan comply with the requirements stated in the Works Information and are sufficiently detailed to demonstrate how the Contractor will Provide the Works in accordance with this contract.	
Option Z8.3	The Contractor keeps a controlled copy of the quality plan available for inspection by the Project Manager at all times.	
Option Z8.4	The Contractor complies with an instruction from the Project Manager to · change the quality plan so that it complies with the requirements of this contract or · correct a failure of the Contractor to comply with the quality plan.	
Option Z8.5	The Project Manager and other persons authorised by him may carry out periodic audits of the Contractor's quality management system as specified in the Works Information. The Contractor allows access to the Working Areas and other premises used by the Contractor to Provide the Works and provides all facilities and assistance necessary to enable such audits to be carried out.	
Option Z9	Option Z9: Compliance with Legislation	
Option Z9.1	The Contractor Provides the works: · in a proper and workmanlike manner, and · in compliance with	

	o all statutes, statutory instruments, regulations, rules and orders made under any statute or directive having the force of law which affect the works or performance of any obligations under this contract, and o any regulation, bye-law, permission or approval of any local authority or statutory undertaker having jurisdiction in relation to the works or with whose systems the works are, or are to be, connected.	
Option Z9.2	The Contractor is the principal contractor under the CDM Regulations in respect of the works and performs all the functions and obligations required to be performed by the principal contractor under the CDM Regulations.	
Option Z10	Option Z10: Fair Payment The Contractor assesses the amount due to a Subcontractor without taking into account the amount certified by the Project Manager.	
Option Z10.1	The Contractor includes in the contract with each Subcontractor	
Option Z10.2	· a period for payment of the amount due to the Subcontractor not greater than 19 days after the due date in this contract. The amount due includes, but is not limited to, payment for work which the Subcontractor has completed from the previous assessment date up to the current assessment date in this contract, · a provision requiring the Subcontractor to include in each subcontract the same requirement, except that the period for payment is to be not greater than 23 days after the due date in this contract and · a provision requiring the Subcontractor to assess the amount due to a subcontractor without taking into account the amount paid by the Contractor.	
Option Z10.3	The due date in this contract is the date on which the Project Manager certifies payment.	
Option Z10.4	The Contractor notifies non-compliance with the timescales for payment through the Efficiency and Reform Group Supplier Feedback Service. The Contractor includes this provision in each subcontract, and requires Subcontractors to include the same provision in each subcontract.	

Option Z11	Option Z11: Assignment
Option Z11.1	The Contractor does not assign its interest in or any rights arising under this contract without the consent of the Employer.
Option Z11.2	The Employer may assign, charge or transfer its interest in this contract or any rights arising under it at any time without the consent of the Contractor. The Employer notifies the Contractor of any such assignment, charge or transfer.
Option Z11.3	The Contractor does not (and ensures that its employees and Subcontractors do not) use any confidential or proprietary information provided to or acquired by it for any purpose other than to Provide the Works.
Option Z12	Option Z12: Contractor's Design Submission Procedure
Option Z12.1	Insert a new definition in clause 11.2: "Contractor's Design Documents are drawings, design details and specifications of work, Plant and Materials prepared by the Contractor for the works".
Option Z12.2	Delete clauses 21.2 and 21.3 and replace with the following: "21.2 The Contractor submits the Contractor's Documents to the Supervisor for acceptance at the times and in the manner and format stated in the Works Information. 21.3 The Supervisor returns each Contractor's Document to the Contractor marked either 'A' (accepted), 'B' (accepted with comments) or 'C' (rejected). If the Supervisor marks a Contractor's Document 'B' or 'C', he will state his reasons. A reason for not accepting a Contractor's Document is that it does not comply with: · the Works Information, · any previous Contractor's Document which: - the Supervisor has returned marked 'A', or - the Supervisor has returned marked 'B' and the Contractor has amended to incorporate the Supervisor's comments, · the applicable law or · any other provision of this contract. 21.4 If the Supervisor does not return a Contractor's Document within the period for reply, it is treated as having been returned marked 'A'. 21.5 Where a Contractor's Document is returned marked 'A', the Contractor proceeds with the relevant work in accordance with the Contractor's Design Document.

	21.6 Where a Contractor's Document is returned marked 'B', the Contractor · amends the Contractor's Document to incorporate the Supervisor's comments, · submits the Contractor's Document as so amended to the Supervisor and · proceeds with the relevant work in accordance the Contractor's Document as so amended. 21.7 Where a Contractor's Design Document is returned marked 'C', the Contractor · amends the Contractor's Document to incorporate the Supervisor's comments, · re-submits it to the Supervisor for acceptance and · does not proceed with the relevant work until the Supervisor has returned it marked 'A' or 'B' and, where it is marked 'B', it has complied with clause 21.6 21.8 If the Contractor disagrees with the comment of the Supervisor on a Contractor's Document marked 'B' or 'C', he notifies the Supervisor within one week of receipt stating his reasons and that in his opinion compliance with the comment will give rise to a change in the Works Information. The Supervisor replies within one week of receipt of the Contractor's notice either confirming or withdrawing his comment. A confirmation or withdrawal by the Supervisor is not an acceptance of the Contractor's opinion. 21.9 If the Contractor does not notify the Supervisor within one week that he disagrees with a comment of the Supervisor, compliance with the comment does not give rise to a change in the Works Information."	
Option Z14	Option Z14: New Clause 60.1 (20) 60.1 (20) Provisional Sums referred to in the Activity Schedule will be dealt with as a Compensation Event.	
Option Z15	Z15. Freedom of Information The Contractor acknowledges that the Customer is subject to the requirements of the FOIA and the Environmental Information Regulations 2004 and shall:	
Z15.1.1	provide all necessary assistance and cooperation as reasonably requested by the Employer to enable the Employer to comply with its obligations under the FOIA and the Environmental Information Regulations 2004;	
Z15.1.2	transfer to the Employer all Requests for Information relating to this Contract that it receives as soon as practicable and in any event within 2 Working Days of receipt;	

Z15.1.3	provide the Employer with a copy of all Information belonging to the Employer requested in the Request for Information which is in its possession or control in the form that the Employer requires within 5 Working Days (or such other period as the Employer may reasonably specify) of the Employer request for such Information; and
Z15.1.4	not respond directly to a Request for Information unless authorised in writing to do so by the Customer.
Z15.2	The Contractor acknowledges that the Employer may be required under the FOIA and the Environmental Information Regulations 2004 to disclose Information concerning the Contractor or the Services (including commercially sensitive information) without consulting or obtaining consent from the Contractor. In these circumstances the Employer shall, in accordance with any relevant guidance issued under the FOIA, take reasonable steps, where appropriate, to give the Contractor advance notice, or failing that, to draw the disclosure to the Contractor's attention after any such disclosure.
Z15.3	Notwithstanding any other provision in the Contract, the Employer shall be responsible for determining in its absolute discretion whether any Information relating to the Contractor or the Services is exempt from disclosure in accordance with the FOIA and/or the Environmental Information Regulations 2004.

Contract Data

The *Contractor*'s Offer

Name	C J THORNE & CO LIMITED
Address	[redacted]
E-mail address	info@thornegroupuk.com

The percentage for overheads and profit added to the Defined Cost for people is [redacted]

The percentage for overheads and profit added to other Defined Cost is [redacted]

The *Contractor* offers to Provide the Works in accordance with the *conditions of contract* for an amount to be determined in accordance with the *conditions of contract*.

The offered total of the Prices is £64,886.86

[redacted]

The *Employer*'s Acceptance

The *Employer* accepts the *Contractor*'s Offer to Provide the Works

Execution of this Contract is carried out in accordance with the 1999 EU Directive 99/93(Communication Framework for Electronic Signatures) and the UK Electronic Communications Act 2000. This Contract is formed on the date on which both the Authority and the Contractor have communicated acceptance of its terms on the Authority's e-tendering system ('Bravo').

4

Contract Data

Price List

Entries in the first four columns in this Price List are made either by the Employer or the tenderer.

If the Contractor is to be paid an amount for the item which is not adjusted if the quantity of work in the item changes, the tenderer enters the amount in the Price column only; the Unit, Quantity and Rate columns being left blank.

Contract Data

Works Information

The Works Information should be a complete and precise statement of the *Employer*'s requirements. If it is incomplete or imprecise there is a risk that the *Contractor* will interpret it differently from the *Employer*'s intention. Information provided by the *Contractor* should be listed in the Works Information only if the *Employer* is satisfied that it is required, is part of a complete statement of the *Employer*'s requirements and is consistent with the other parts of the Works Information.

1 Description of the *works*

Give a detailed description of what the *Contractor* is required to do and of any work the *Contractor* is to design.

To design, construct and repair existing bridleway tracks within Natural England's Lullington Heath (site 1) and Castle Hill (site 2) NNR, Sussex. . . . . .

The contractor will take on the role of Designer and Contractor under CDM Regs 2015

2 Drawings

List the drawings that apply to this contract.

Drawing number	Revision	Title

NE Sussex NNR Maps for sites (1 & 2) are included for each location, including hazard and emergency maps within:

See Appendix 1 - Works Information, in the Request for Quotation dated Sept 2018

Contract Data

Works Information

3 Specifications

List the specifications which apply to this contract.

Title	Date or revision	Tick if publicly available
Included within See Appendix 1 - Works Information, in the Request for Quotation dated Sept 2018		

4 Constraints on how the *Contractor* Provides the Works

State any constraints on the sequence and timing of work and on the methods and conduct of work including the requirements for any work by the *Employer*.

While on the Site, the Contractor complies with any Health and Safety measures implemented by the Employer in respect of Contractor's Personnel and other persons working on the Site.

While on site, the Contractor will promptly notify the Employer of any Health and Safety hazards which may arise in connection with the performance of the Contract.

Included within Appendix 1 - Works Information, in the Request for Quotation dated Sept 2018

Contract Data

Works Information

5 Requirements for the programme

State whether a programme is required and, if it is, state what form it is to be in, what information is to be shown on it, when it is to be submitted and when it is to be updated.

State what the use of the *works* is intended to be at their Completion as defined in clause 11.2(1).

The contractor will take on the role of Principle Designer and Contractor under the Construction Design & Management Regulations 2015.

The programme is to be refined in discussion with the Project Manager to take account of ground conditions and the impact of works on the environmental sensitivities of the site.
On completion of works the tracks will have been re-surfaced to the satisfaction of the Project Manager

6 Services and other things provided by the *Employer*

Describe what the *Employer* will provide, such as services (including water and electricity) and ''free issue'' Plant and Materials and equipment.

Item	Date by which it will be provided

Included within Appendix 1 Works Information, in the Request for Quotation dated Sept 2018

Contract Data

Site Information

Give information about the *site* such as the ground conditions and any other information which is likely to affect the *Contractor*'s work such as limitations on access and the position of adjacent structures.

Included within Appendix 1 Works Information, in the Request for Quotation dated Sept 2018

NE Sussex NNR Maps for sites (1 & 2) are included for each location, including hazard and emergency maps.

nec3 **Engineering and Construction Short Contract**

CONDITIONS OF CONTRACT

1 General

Actions **10**

10.1 The *Employer* and the *Contractor* shall act as stated in this contract and in a spirit of mutual trust and co-operation.

Identified and defined terms **11**

11.1 In the *conditions of contract*, terms identified in the Contract Data are in italics and defined terms have capital initials.

11.2 (1) Completion is when the *Contractor* has completed the *works* in accordance with the Works Information except for correcting notified Defects which do not prevent the *Employer* from using the *works* and others from doing their work.

(2) The Completion Date is the *completion date* unless later changed in accordance with this contract.

(3) A Defect is a part of the *works* which is not in accordance with the Works Information.

(4) The Defects Certificate is either a list of notified Defects which the *Contractor* has not corrected by the *defects date* or a statement that there are no such Defects.

(5) Defined Cost is the amount paid by the *Contractor* in Providing the Works (excluding any tax which the *Contractor* can recover) for

- people employed by the *Contractor*,
- Plant and Materials,
- work subcontracted by the *Contractor* and

- Equipment

The amount for Equipment includes amounts paid for hired Equipment and an amount for the use of Equipment owned by the *Contractor* which is the amount the *Contractor* would have paid if the Equipment had been hired.

(6) Equipment is items provided by the *Contractor*, used by him to Provide the Works and not included in the *works*.

(7) The Parties are the *Employer* and the *Contractor*.

(8) Plant and Materials are items intended to be included in the *works*.

(9) The Price for Work Done to Date is the total of

- the Price for each lump sum item in the Price List which the *Contractor* has completed and
- where a quantity is stated for an item in the Price List, an amount calculated by multiplying the quantity which the *Contractor* has completed by the rate.

(10) The Prices are the amounts stated in the Price column of the Price List. Where a quantity is stated for an item in the Price List, the Price is calculated by multiplying the quantity by the rate.

(11) To Provide the Works means to do the work necessary to complete the *works* in accordance with this contract and all incidental work, services and actions which this contract requires.

(12) Site Information is information which describes the *site* and its surroundings and is in the document called 'Site Information'.

(13) Works Information is information which either

- specifies and describes the *works* or
- states any constraints on how the *Contractor* Provides the Works

and is either

- in the document called 'Works Information' or
- in an instruction given in accordance with this contract.

Law **12**

12.1 In this contract, except where the context shows otherwise, words in the singular also mean in the plural and the other way round and words in the masculine also mean in the feminine and neuter.

12.2 This contract is governed by the law of the country where the *site* is.

12.3 No change to this contract, unless provided for by the *conditions of contract*, has effect unless it has been agreed, confirmed in writing and signed by the Parties.

12.4 This contract is the entire agreement between the Parties.

Communications **13**

13.1 Each communication which this contract requires has effect when it is received in writing at the last address notified by the recipient for receiving communications.

13.2 If this contract requires the *Employer* or the *Contractor* to reply to a communication, unless otherwise stated in this contract, he replies within the *period for reply*.

The *Employer*'s authority and delegation **14**

14.1 The *Contractor* obeys an instruction which is in accordance with this contract and is given to him by the *Employer*.

14.2 The *Employer* may give an instruction to the *Contractor* which changes the Works Information.

14.3 The *Employer*'s acceptance of a communication from the *Contractor* or of his work does not change the *Contractor*'s responsibility to Provide the Works or

his liability for his design.

14.4 The *Employer*, after notifying the *Contractor*, may delegate any of the *Employer*'s actions and may cancel any delegation. A reference to an action of the *Employer* in this contract includes an action by his delegate.

Access to the *site* and provision of services

15

15.1 The *Employer* allows access to and use of the *site* to the *Contractor* as necessary for the work included in this contract.

15.2 The *Employer* provides services and other things as stated in the Works Information.

Early warning

16

16.1 The *Contractor* and the *Employer* give an early warning by notifying the other as soon as either becomes aware of any matter which could

- increase the total of the Prices,
- delay Completion or
- impair the performance of the *works* in use.

The *Contractor* may give an early warning by notifying the *Employer* of any other matter which could increase his total cost. Early warning of a matter for which a compensation event has previously been notified is not required.

16.2 The *Contractor* and the *Employer* co-operate in making and considering proposals for how the effect of each matter which has been notified as an early warning can be avoided or reduced and deciding and recording actions to be taken.

2 The *Contractor*'s main responsibilities

Providing the Works

20

20.1 The *Contractor* Provides the Works in accordance with the Works Information.

20.2 The *Contractor* does not start work which the *Contractor* has designed until the *Employer* has accepted that the design complies with the Works Information.

Subcontracting and people

21

21.1 If the *Contractor* subcontracts work, he is responsible for Providing the Works as if he had not subcontracted.

21.2 contract applies as if a subcontractor's employees and equipment were the *Contractor*'s.

21.3 The *Employer* may, having stated reasons, instruct the *Contractor* to remove an employee. The *Contractor* then arranges that, after one day, the employee has no further connection with the work included in this contract.

Access for the *Employer*

22

22.1 The *Contractor* provides access for the *Employer* and others notified by the *Employer* to work being done for this contract and to stored Plant and Materials

3 Time

Starting and Completion **30**

30.1 The *Contractor* does not start work until the *starting date* and does the work so that Completion is on or before the Completion Date.

30.2 The *Contractor* submits a forecast of the date of Completion to the *Employer* each week from the *starting date* until Completion.

30.3 The *Employer* decides the date of Completion and certifies it to the *Contractor* within one week of the date.

30.4 The *Employer* may instruct the *Contractor* to stop or not to start any work and may later instruct him to re-start or start it.

The programme **31**

31.1 The *Contractor* submits programmes to the *Employer* as stated in the Works Information.

4 Defects

Searching for and notifying Defects

40

40.1 Until the *defects date*, the *Employer* may instruct the *Contractor* to search for a Defect.

40.2 The *Employer* may notify a Defect to the *Contractor* at any time before the *defects date*.

Correcting Defects

41

41.1 The *Contractor* corrects a Defect whether or not the *Employer* notifies him of it.

41.2 Before Completion, the *Contractor* corrects a notified Defect before it would prevent the *Employer* or others from doing their work.

41.3 After Completion, the *Contractor* corrects a notified Defect before the end of the *defect correction period*. This period begins at the later of Completion and when the Defect is notified.

41.4 The *Employer* issues the Defects Certificate to the *Contractor* at the later of the *defects date* and the end of the last *defect correction period*.

Uncorrected Defects

42

42.1 If the *Contractor* has not corrected a notified Defect within its *defect correction period*, the *Employer* assesses the cost of having the Defect corrected by other people and the *Contractor* pays this amount.

Repairs

43

43.1 Until the Defects Certificate has been issued and unless otherwise instructed by the *Employer*, the *Contractor* promptly replaces loss of and repairs damage to the *works*, Plant and Materials.

5 Payment

Assessing the amount due

50

50.1 The *Contractor* assesses the amount due and, by each *assessment day*, applies to the *Employer* for payment. There is an *assessment day* in each month from the *starting date* until the month after the Defects Certificate has been issued.

50.2 The *Contractor*'s application for payment includes details of how the amount has been assessed. The first application for payment is for the amount due. Other applications are for the change in the amount due since the previous payment

50.3 The amount due is

- the Price for Work Done to Date
- plus other amounts to be paid to the *Contractor* (including any tax which the law requires the *Employer* to pay to the *Contractor*)
- less amounts to be paid by or retained from the *Contractor*.

50.4 The *Employer* corrects any wrongly assessed amount due and notifies the *Contractor* of the correction before paying the *Contractor*.

50.5 The *Contractor* pays *delay damages* for each day from the Completion Date until Completion.

50.6 An amount is retained from the *Contractor* in the assessment of each amount due until Completion. This amount is the *retention* applied to the Price for Work Done to Date. The amount retained is halved in the first assessment made after Completion and remains at this amount until the *assessment day* after the Defects Certificate is issued. No amount is retained in the assessment made after the Defects Certificate has been issued.

50.7 If the *Employer* requires a programme to be submitted, one quarter of the Price for Work Done to Date is retained in assessments of the amount due until the *Contractor* has submitted a first programme to the *Employer* showing the information which the Works Information requires.

Payment **51**

51.1 Each payment is made within three weeks after the next *assessment day* which follows receipt of an application for payment by the *Contractor*.

51.2 Interest is paid if a payment is late or includes a correction of an earlier payment. Interest is assessed from the date by which the correct payment should have been made until the date when it is paid. Interest is calculated at the rate stated in the Contract Data or, if none is stated, at 0.5% of the delayed amount per complete week of delay.

6 Compensation events

Compensation events **60**

60.1 The following are compensation events.

(1) The *Employer* gives an instruction changing the Works Information unless the change is in order to make a Defect acceptable.

(2) The *Employer* does not allow access to and use of the *site* to the *Contractor* as necessary for the work included in this contract.

(3) The *Employer* does not provide something which he is to provide by the date for providing it stated in this contract.

(4) The *Employer* gives an instruction to stop or not to start any work.

(5) The *Employer* does not work within the conditions stated in the Works Information.

(6) The *Employer* does not reply to a communication from the *Contractor* within the period required by this contract.

(7) The *Employer* changes a decision which he has previously communicated to the *Contractor*.

(8) The *Employer* instructs the *Contractor* to search for a Defect and no Defect is found.

(9) The *Contractor* encounters physical conditions which

- are within the *site*,
- are not weather conditions and
- an experienced contractor would have judged, at the date of the *Contractor*'s Offer, to have such a small chance of occurring that it would have been unreasonable to have allowed for them.

Only the difference between the physical conditions encountered and those for which it would have been reasonable to have allowed is taken into account in

assessing a compensation event.

(10) The *Contractor* is prevented by weather from carrying out all work on the *site* for periods of time, each at least one full working day, which are in total more than one seventh of the total number of days between the *starting date* and the Completion Date. In assessing this event, only the working days which exceed this limit and on which work is prevented by no other cause are taken into account.

(11) The *Employer* notifies a correction to an assumption which he has stated about a compensation event.

(12) An event which

- stops the *Contractor* completing the *works* or
- stops the *Contractor* completing the *works* by the Completion Date

and which

- neither Party could prevent,
- an experienced contractor would have judged at the date of the *Contractor*'s Offer to have such a small chance of occurring that it would have been unreasonable for him to have allowed for it and
- is not one of the other compensation events stated in this contract.

(13) A difference between the final total quantity of work done and the quantity stated for an item in the Price List.

(14) A loss of or damage to the *works*, Plant and Materials which

- is not the fault or responsibility of the *Contractor* or
- could not have been prevented by any reasonable action of the *Contractor*.

60.2 In judging the physical conditions for the purposes of assessing any compensation event, the *Contractor* is assumed to have taken into account

- the Site Information,
- publicly available information referred to in the Site Information,
- information obtainable from a visual inspection of the *site* and
- other information which an experienced contractor could reasonably be expected to have or to obtain.

Notifying compensation events

61 The *Contractor* notifies the *Employer* of an event which has happened or which he expects to happen as a compensation event if

61.1

- the *Contractor* believes that the event is a compensation event and
- the *Employer* has not notified the event to the *Contractor*.

If the *Contractor* does not notify a compensation event within eight weeks of becoming aware of the event he is not entitled to a change in the Prices or Completion Date unless the event arises from an instruction of the *Employer*.

61.2 If the *Employer* decides that an event notified by the *Contractor*

- arises from a fault of the *Contractor*,
- has not happened and is not expected to happen,
- has no effect upon the Defined Cost or upon Completion or
- is not one of the compensation events stated in this contract,

he notifies the *Contractor* of his decision that the Prices and the Completion Date are not to be changed.

If the *Employer* decides otherwise, he instructs the *Contractor* to submit a quotation for the event. The *Employer* notifies the decision to the *Contractor* or instructs the *Contractor* to submit a quotation within one week of the *Contractor*'s notification to the *Employer* of the event.

61.3 If the *Employer* decides that the *Contractor* did not give an early warning of the event which the *Contractor* could have given, the *Employer* notifies that decision to the *Contractor* when instructing the *Contractor* to submit a

quotation.

61.4 If the *Employer* decides that the effects of a compensation event are too uncertain to be forecast reasonably, the *Employer* states assumptions about the event when instructing the *Contractor* to submit a quotation. Assessment of the event is based on these assumptions. If any of them is later found to have been wrong, the *Employer* notifies a correction.

61.5 A compensation event is not notified after the *defects date*.

Quotations for compensation events

62

62.1 A quotation for a compensation event comprises proposed changes to the Prices or rates and any delay to the Completion Date assessed by the *Contractor*. The *Contractor* submits details of his assessment with each quotation. The *Contractor* submits a quotation within two weeks of being instructed to do so by the *Employer* or, if no such instruction is received, within two weeks of the notification of a compensation event.

62.2 The *Employer* may instruct the *Contractor* to submit a quotation for a proposed instruction or a proposed changed decision. The *Contractor* does not put a proposed instruction or a proposed changed decision into effect.

62.3 If the *Contractor* does not provide a quotation for a compensation event within the time allowed, the *Employer* assesses the compensation event and notifies the *Contractor* of his assessment.

62.4 The *Employer* replies within two weeks of the *Contractor*'s submission.

For a proposed instruction or proposed changed decision, the *Employer*'s reply is

- notification that the proposed instruction will not be given or the proposed changed decision will not be made,
- notification of the instruction or changed decision as a compensation event and acceptance of the quotation or
- notification of the instruction or changed decision as a compensation event and notification that the *Employer* does not agree with the quotation.

For other compensation events, the *Employer*'s reply is

- acceptance of the quotation or
- notification that the *Employer* does not agree with the quotation.

62.5 If the *Employer* does not agree with the quotation, the *Contractor* may submit a revised quotation within two weeks of the *Employer*'s reply. If the *Employer* does not agree with the revised quotation or if none is received, the *Employer* assesses the compensation event and notifies the assessment.

62.6 After discussing with the *Contractor* different ways of dealing with the compensation event which are practicable, the *Employer* may instruct the *Contractor* to submit alternative quotations for a compensation event.

Assessing compensation events

63

63.1 For a compensation event which only affects the quantities of work shown in the Price List, the change to the Prices is assessed by multiplying the changed quantities of work by the appropriate rates in the Price List.

63.2 For other compensation events, the changes to the Prices are assessed by forecasting the effect of a compensation event upon the Defined Cost or, if the compensation event has already occurred, the assessment is based upon the Defined Cost due to the event which the *Contractor* has incurred. Effects on Defined Cost are assessed separately for

- people employed by the *Contractor*,
- Plant and Materials,
- work subcontracted by the *Contractor* and
- Equipment.

The *Contractor* shows how each of these effects is built up in each quotation

for a compensation event. The percentages for overheads and profit stated in the *Contractor*'s Offer are applied to the assessed effect of the event on the Defined Cost.

63.3 The effects of compensation events upon the Defined Cost are assessed at open market or competitively tendered prices with deductions for all discounts, rebates and taxes which can be recovered. The following are deducted from the Defined Cost for the assessment of compensation events

- the cost of events for which this contract requires the *Contractor* to insure and
- other costs paid to the *Contractor* by insurers.

63.4 A delay to the Completion Date is assessed as the length of time that, due to the compensation event, Completion is forecast to be delayed.

63.5 If the *Employer* has decided and notified the *Contractor* that the *Contractor* did not give an early warning of a compensation event which an experienced contractor could have given, the event is assessed as if the *Contractor* had given early warning

63.6 Assessment of the effect of a compensation event includes risk allowances for cost and time for matters which are at the *Contractor*'s risk under this contract. The cost of preparing quotations for compensation events is not included in the assessment of compensation events.

63.7 Assessments are based on the assumptions that the *Contractor* reacts competently and promptly to the compensation event and that any additional cost and time due to the event are reasonably incurred.

63.8 A compensation event which is an instruction to change the Works Information in order to resolve an ambiguity or inconsistency is assessed as if the Prices and the Completion Date were for the interpretation most favourable to the Party which did not provide the Works Information.

63.9 Assessments for changed Prices for compensation events are in the form of changes to the Price List.

63.10 The assessment of a compensation event is not revised if a forecast upon which it is based is shown by later recorded information to have been wrong.

7 Title

Objects and materials within the *site*

70

70.1 The *Contractor* has no title to an object of value or of historical or other interest within the *site*. The *Contractor* does not move such an object unless instructed to do so by the *Employer*.

70.2 The *Contractor* has title to materials from excavation and demolition only as stated in the Works Information.

8 Indemnity, insurance and liability

Limitation of liability

80

For any one event, the liability of the *Contractor* to the *Employer* for loss of or

80.1 damage to the *Employer*'s property is limited to the amount stated in the Contract Data. The *Contractor* is not liable to the *Employer* for the *Employer*'s indirect or consequential loss except as provided for in the *conditions of contract*. Exclusion or limitation of liability applies in contract, tort or delict and otherwise and to the maximum extent permitted in law.

Indemnities

81

81.1 The *Employer* indemnifies the *Contractor* against claims, proceedings, compensation and costs payable which are the unavoidable result of the *works* or of Providing the Works or which arise from

- fault,
- negligence,
- breach of statutory duty,
- infringement of an intellectual property or
- interference with a legal right

by the *Employer* or by a person employed by or contracted to the *Employer* except the *Contractor*.

81.2 The *Contractor* indemnifies the *Employer* against other

- losses and claims in respect of
  - death of or injury to a person and
  - loss of and damage to property (other than the *works*, Plant and Materials) and
- claims, proceedings, compensation and costs payable arising from or in connection with the *Contractor*'s Providing the Works.

81.3 The liability of one Party to indemnify the other is reduced to the extent that events which are the other Party's responsibility contributed to the losses, claims, proceedings, compensation and costs.

Insurance cover

82

82.1 The *Contractor* provides, in the joint names of the Parties and from the *starting date*, the insurances stated in the Insurance Table. The *Contractor* does not provide an insurance which the *Employer* is to provide as stated in the Contract Data.

INSURANCE TABLE

Insurance against	**Minimum amount of cover or minimum limit of indemnity**	**Cover provided until**
Loss of or damage to the *works*	The replacement cost	The *Employer*'s certificate of Completion has been issued
Loss of or damage to Equipment, Plant and Materials	The replacement cost	The Defects Certificate has been issued
The *Contractor*'s liability for loss of or damage to property (except the *works*, Plant and Materials and Equipment) and for bodily injury to or death of a person (not an employee of the *Contractor*) arising from or in connection with the *Contractor*'s Providing the Works	The amount stated in the Contract Data for any one event with cross liability so that the insurance applies to the Parties separately	
Liability for death of or bodily injury to employees of the *Contractor* arising out of and in the course of their employment in connection with this contract	The greater of the amount required by the applicable law and the amount stated in the Contract	

	Data for any one event	

9 Termination and dispute resolution

Termination and reasons for termination

90

90.1 If either Party wishes to terminate the *Contractor*'s obligation to Provide the Works, he notifies the other Party giving details of his reason for terminating. The *Employer* issues a termination certificate promptly if the reason complies with this contract. After a termination certificate has been issued, the *Contractor* does no further work necessary to Provide the Works.

90.2 Either Party may terminate if the other Party has become insolvent or its equivalent (Reason 1).

90.3 The *Employer* may terminate if the *Employer* has notified the *Contractor* that the *Contractor* has defaulted in one of the following ways and the *Contractor* has not stopped defaulting within two weeks of the notification.

- Substantially failed to comply with this contract (Reason 2).
- Substantially hindered the *Employer* (Reason 3).
- Substantially broken a health or safety regulation (Reason4).

The *Employer* may terminate for any other reason (Reason 5).

90.4 The *Contractor* may terminate if

- the *Employer* has not paid an amount due under the contract within ten weeks of the *assessment day* which followed receipt of the *Contractor*'s application for it (Reason 6) or
- the *Employer* has instructed the *Contractor* to stop or not to start any substantial work or all work for a reason which is not the *Contractor*'s fault and an instruction allowing the work to re-start or start has not been given within eight weeks (Reason 7).

90.5 The *Employer* may terminate if an event which the Parties could not reasonably prevent has substantially affected the *Contractor*'s work for a continuous period of more than thirteen weeks (Reason 8).

Procedures on termination

91

91.1 On termination, the *Employer* may complete the *works* himself or employ other people to do so. The *Contractor* leaves the *site* and removes the Equipment.

Payment on termination

92

92.1 The amount due on termination includes

- an amount due assessed as for normal payments,
- the cost of Plant and Materials provided by the *Contractor* which are on the *site* or of which the *Contractor* has to accept delivery and
- any amounts retained by the *Employer*.

92.2 If the *Employer* terminates for Reason 1, 2, 3 or 4, the amount due on termination also includes a deduction of the forecast additional cost to the *Employer* of completing the *works*.

92.3 If the *Contractor* terminates for Reason 1, 6 or 7 or if the *Employer* terminates for Reason 5, the amount due on termination also includes 5% of any excess of a forecast of the amount due at Completion had there been no termination over the amount due on termination assessed as for normal payments.

Dispute resolution

93

93.1 A dispute arising under or in connection with this contract is referred to and decided by the *Adjudicator*.

The *Adjudicator*

93.2 (1) The Parties appoint the *Adjudicator* under the NEC Adjudicator's Contract current at the *starting date*. The *Adjudicator* acts impartially and decides the dispute as an independent adjudicator and not as an arbitrator.

(2) If the *Adjudicator* is not identified in the Contract Data or if the *Adjudicator* resigns or is unable to act, the Parties choose a new adjudicator jointly. If the Parties have not chosen an adjudicator, either Party may ask the *Adjudicator nominating body* to choose one. The *Adjudicator nominating body* chooses an adjudicator within four days of the request. The chosen adjudicator becomes the *Adjudicator*.

(3) The *Adjudicator*, his employees and agents are not liable to the Parties for any action or failure to take action in an adjudication unless the action or failure to take action was in bad faith.

The adjudication 93.3 (1) A Party may refer a dispute to the *Adjudicator* if

- the Party notified the other Party of the dispute within four weeks of becoming aware of it and
- between two and four further weeks have passed since the notification.

If a disputed matter is not notified and referred within the times set out in this contract, neither Party may subsequently refer it to the *Adjudicator* or the *tribunal*.

(2) The Party referring the dispute to the *Adjudicator* includes with his referral information to be considered by the *Adjudicator*. Any more information is provided within two weeks of the referral. This period may be extended if the *Adjudicator* and the Parties agree.

(3) The *Adjudicator* may take the initiative in ascertaining the facts and the law related to the dispute. He may instruct a Party to take any other action which he considers necessary to reach his decision and to do so within a stated time.

(4) A communication between a Party and the *Adjudicator* is communicated to the other Party at the same time.

(5) If the *Adjudicator*'s decision includes assessment of additional cost or delay caused to the *Contractor,* he makes his assessment in the same way as a compensation event is assessed.

(6) The *Adjudicator* decides the dispute and notifies the Parties of his decision and his reasons within four weeks of the referral. This period may be extended by up to two weeks with the consent of the referring Party, or by any period agreed by the Parties.

If the *Adjudicator* does not notify his decision within the time allowed, either Party may act as if the *Adjudicator* has resigned.

(7) Unless and until the *Adjudicator* has notified the Parties of his decision, the Parties proceed as if the matter disputed was not disputed.

(8) The *Adjudicator*'s decision is binding on the Parties unless and until revised by the *tribunal* and is enforceable as a matter of contractual obligation between the Parties and not as an arbitral award. The *Adjudicator*'s decision is final and binding if neither Party has notified the other within the times required by this contract that he intends to refer the matter to the *tribunal*.

Review by the *tribunal* 93.4 A Party may refer a dispute to the *tribunal* if

- the Party is dissatisfied with the *Adjudicator*'s decision or
- the *Adjudicator* did not notify a decision within the time allowed and a new adjudicator has not been chosen,

except that neither Party may refer a dispute to the *tribunal* unless they have notified the other Party of their intention to do so not more than four weeks after the end of the time allowed for the *Adjudicator*'s decision.

If the United Kingdom Housing Grants, Construction and Regeneration Act 1996 as amended by the Local Democracy, Economic Development and Construction Act 2009 (the Act) applies to this contract, the following additional conditions apply.

Definitions

1.1 (1) The payment due date for an application for payment by the *Contractor* is the *assessment* day which follows receipt of that application.

(2) The final date for payment is three weeks after the payment due date.

Assessing the amount due

1.2 The *Contractor*'s application for payment is the notice of payment specifying the sum that the *Contractor* considers to be due at the payment due date (the notified sum). The *Contractor*'s application states the basis on which the amount is calculated and includes details of the calculation.

1.3 The following replaces clause 50.4

If the *Employer* intends to pay less than the notified sum, he notifies the *Contractor* of the amount which the *Employer* considers to be due not later than seven days (the prescribed period) before the final date for payment. The *Employer*'s notification states the basis on which the amount is calculated and includes details of the calculation. A Party pays the notified sum unless he has notified his intention to pay less than the notified sum.

Compensation event

1.4 If the *Contractor* exercises his right under the Act to suspend performance, it is a compensation event.

The adjudication

1.5 The following replaces clause 93.3(1)

A Party may issue to the other Party a notice of his intention to refer a dispute to adjudication at any time. He refers the dispute to the *Adjudicator* within one week of the notice.

1.6 The *Adjudicator* may in his decision allocate his fees and expenses between the Parties.

1.7 The *Adjudicator* may, within five days of giving his decision to the Parties, correct the decision to remove a clerical or typographical error arising by accident or omission.

1.8 If the *Adjudicator*'s decision changes an amount notified as due, payment of the sum decided by the *Adjudicator* is due not later than seven days from the date of the decision or the final date for payment of the notified amount, whichever is the later.

nec®3 Engineering and Construction Short Contract

Index by clause numbers (main clause heads indicated by bold numbers). Terms in *italics* are identified in the Contract Data, and defined terms have capital initial letters.

Works Information 11.2(1)(13), 14.2, 20.1–2, 31.1, 60.1(1)(5), 63.8