# Standard Conditions (Tier 3) v3.1

#### 1. The Contract and Definitions

- 1.1. In the Contract, the following words shall be given the meanings set out below:
  - 1.1.1. "CCCL" means C. C. Contracting Limited a company registered in England & Wales with company number 02691252.
  - 1.1.2. "Client" means the client for whom the Contractor is carrying out the Project (if any).
  - 1.1.3. "Contractor" means the other party to the Contract identified in the Contract Documents.
  - 1.1.4. "Days" shall mean calendar days. Where an act is required to be done within a specified period or from a specified date, the period begins immediately after that date.
  - 1.1.5. "Price" means the sum payable to CCCL by the Contractor for performing the Works, as set out in the Contract Documents, including any adjustment to the Price in accordance with these Standard Conditions. Unless stated otherwise, the Price is exclusive of VAT, which shall be paid in addition in accordance with statute.
  - 1.1.6. "Project" means the project which the Contractor is carrying out (whether for a Client or on its own account), of which the Works form a part.
  - 1.1.7. "Variation" means (i) any addition to, omission from, substitution of, or other change to the Works; (ii) any change to the method or sequence of the Works as described in the Contract Documents; (iii) any amendment to or addition of constraints to the Works, such as alterations to site access or working hours; (iv) any instruction for the expenditure of a provisional sum.
  - 1.1.8. "Works" means the works which CCCL is to perform as identified and described within the Contract Documents, including any changes to those works made in accordance with the Contract.
- 1.2. The Contractor engages CCCL to carry out the Works in accordance with the Contract for the Price.
- 1.3. The Contract is comprised of the following documents (together, the "Contract Documents"):
  - 1.3.1. These Standard Conditions;
  - 1.3.2. CCCL's Order Acknowledgment for the Works (if any);
  - 1.3.3. CCCL's Quotation for the Works;

- 1.3.4. The Contractor's Purchase Order (if any), Invitation to Tender and/or Enquiry documents, but excluding any standard conditions of contract included or referred to therein.
- 1.4. The Contract Documents are to be read together and as a whole. If there is any discrepancy between the Contract Documents, then the order of priority is as they are listed at **clause 1.3**, in descending order.

#### 2. The Works

- 2.1. CCCL shall:
  - 2.1.1. carry out and complete the Works in a proper and workmanlike manner in accordance with the Contract Documents; and
  - 2.1.2. comply with any reasonable instructions given by the Contractor in relation to the carrying out of the Works, including (subject to clause 3 below) any instructions which vary the Works.
- 2.2. This **clause 2.2** applies if the Contract states that CCCL is to carry out the design of all or part of the Works. In carrying out its design, CCCL shall:
  - 2.2.1. exercise all the reasonable skill, care and diligence that would be expected from an appropriately qualified professional designer carrying out the design of works similar to the Works;
  - 2.2.2. comply with the Contractor's reasonable instructions for the integration of its design into the design of the Project as a whole;
  - 2.2.3. upon request, provide a reasonable number of copies of its design drawings and calculations to the Contractor, for the Contractor's use in carrying out the Project.
- 2.3. All instructions shall be given by the Contractor in writing. If CCCL receives an instruction other than in writing, then CCCL may confirm that instruction to the Contractor in writing within a reasonable time. If the Contractor does not object within 2 Days of receiving the confirmation of instruction from CCCL, then from that time it shall be treated as an instruction in writing from the Contractor.
- 2.4. Both parties agree that they will comply with their obligations under the Construction (Design and Management) Regulations 2015. Prior to CCCL starting work on site, the Contractor shall notify CCCL of the identity of the Principal Designer and the Principal Contractor and shall provide an up to date

- copy of the Construction Phase Plan prepared for the Project.
- 2.5. The Contractor shall, in good time to enable CCCL to progress the design and construction of the Works, provide:
  - 2.5.1. all attendances and other items necessary for the performance of the Works which are not identified in the Contract Documents as being provided by CCCL;
  - 2.5.2. any design document, information, instruction and/or decision required by CCCL from the Contractor in respect of the Works.
- 2.6. Following the completion of the Works, for the period of the defects liability period set out in the Contract Documents (or, if there is no defects liability period, for 12 months following completion), the Contractor shall notify CCCL if any defects appear in the Works and will afford CCCL a reasonable opportunity to make good those defects. "Defects" in this context means any defect, fault, shrinkage or other damage caused by CCCL's breach of its obligations under the Contract.

#### 3. Variations

- 3.1. If the Contractor instructs CCCL to carry out a Variation (a "Variation Instruction"), then (unless clause 3.3 below applies) CCCL shall not immediately comply with the Variation Instruction but shall provide a quotation to the Contractor. The quotation shall set out the adjustment to the Price which CCCL would require for carrying out the Variation, including any adjustment to CCCL's preliminaries costs.
- 3.2. On receiving the quotation, the Contractor may:
  - 3.2.1. accept the quotation, in which case CCCL shall then comply with the Variation Instruction;
  - 3.2.2. reject the quotation and withdraw the Variation Instruction; or
  - 3.2.3. reject the quotation and request CCCL to carry out the Variation without an agreed quotation in place. If CCCL agrees then clause 3.3 below shall apply.
- 3.3. CCCL may at any time agree to carry out a Variation without an agreed quotation, in which case CCCL shall comply with the Variation Instruction. The adjustment to the Price for the Variation shall be agreed between the parties or otherwise shall be valued on a fair and reasonable basis, having due regard to (a) any rates or prices contained within the Contract Documents and (b) any changes to the circumstances under which the Works are being performed.

## 4. Time for Performance

4.1. Unless it is stated expressly in the Contract Documents that this clause 4.1 does not apply, all periods or dates for completion are target dates only.

- CCCL's only responsibility is to carry out and complete the Works within a reasonable time.
- 4.2. Any programmes or periods for completion shall be extended to make allowance for any public holidays and for a two-week shutdown over the Christmas and New Year period.
- 4.3. If CCCL is delayed in the performance of the Works by any matter which is beyond the reasonable control of CCCL (including but not limited to any Variation or any action or inaction of the Contractor, the Client, or any person for whom the Contractor or the Client is responsible), then CCCL shall be entitled to a fair and reasonable adjustment to any date or period for completion of the Works to reflect that delay.
- 4.4. CCCL shall make the Contractor aware of any delay or disruption to the Works as soon as reasonably possible.
- 4.5. If CCCL is delayed by any matter which is within the control of the Contractor (including any Variation or any action or inaction of the Contractor, the Client, or any person for whom the Contractor or the Client is responsible) then in addition to an extension to any dates or periods for completion of the Works, CCCL will also be entitled to a reasonable adjustment to the Price to reflect its additional preliminaries costs for the period of delay.

## 5. Payment

- 5.1. If the Works are proposed to be carried out within a period of six weeks or less, then CCCL shall be entitled to apply for payment of the Price on completion of the Works (or following the date on which CCCL left site, if earlier). The application for payment shall set out the sum which CCCL considers is due and the basis on which that sum was calculated. The due date for payment shall be the date on which the Contractor received the application.
- 5.2. If the Works are proposed to be carried out within a period longer than 6 weeks, or if as a result of additional works instructed by the Contractor, the period for carrying out the Works becomes longer than 6 weeks, then CCCL shall be entitled to be paid the Price in monthly instalments, as follows:
  - 5.2.1. The amount of each monthly instalment shall be the total of:
    - (i) a reasonable proportion of the Price which is commensurate with the proportion of the Works (including any variations and adjustments for provisional sums) which has been carried out by CCCL up to the date of the application for payment;
    - (ii) the value of any materials which are stored on site for incorporation into the Works;and

(iii) any other sums which are payable to CCCL under the Contract;

LESS

- (iv) any previous payments made by the Contractor to CCCL.
- 5.2.2. The due date shall be the final Day of each month in which CCCL has carried out any part of the Works.
- 5.2.3. Not later than five Days after the due date, CCCL shall issue an application for payment to the Contractor, setting out the sum which CCCL considers to be due to it and the basis on which that sum was calculated.
- 5.2.4. Following the completion of the Works, CCCL may make further applications for payment to the Contractor for any remaining amounts which are payable under this Contract, which will become due on the date the application is received by the Contractor.
- 5.3. If the Contract Documents provide that the Contractor is entitled to deduct a retention from the sums payable to CCCL, then the following provisions shall apply:
  - 5.3.1. Until the completion of the Works, the Contractor may deduct and retain a percentage of the Price then payable to CCCL. That percentage shall be the percentage set out in the Contract Documents. If no percentage is set out in the Contract Documents, then the percentage is 0%.
  - 5.3.2. The retention shall be released in two equal shares.
  - 5.3.3. CCCL shall be entitled to make an application for the release of the first half of the retention on or after the date on which the Works were completed (or the date on which CCCL left site, if earlier).
  - 5.3.4. CCCL shall be entitled to make an application for the release of the second half of the retention on or after the date on which the defects liability period stated in the Contract Documents ends. If no defects liability period is stated in the Contract Documents, then the period is 12 months from the date referred to in clause 5.3.3 above.
  - 5.3.5. The application for payment shall set out the sum due to CCCL and the basis on which that sum was calculated. The due date for release of the retention shall be the date on which the application for payment was received by the Contractor.
- 5.4. The final date for payment in respect of any sum which becomes due to CCCL under this Contract shall be thirty Days after the due date.

- 5.5. Not later than five Days before the final date for payment, the Contractor may give notice of its intention to pay less than the sum set out in the application for payment to CCCL. The pay less notice shall set out the sum which the Contractor considers is due on the date the pay less notice is served, and the basis on which that sum is calculated.
- 5.6. On or before the final date for payment, the Contractor shall pay to CCCL:
  - 5.6.1. the sum stated in the pay less notice (if any); or otherwise
  - 5.6.2. the sum stated in CCCL's payment application.
- 5.7. If the Contract Documents set out that an advance payment is to be made to CCCL, then the payment of that advance payment to CCCL by the Contractor is a condition precedent to CCCL's obligation to (or, as the case may be, to continue to) carry out and complete the Works. The amount of the advance payment shall be held by CCCL on account of its costs and expenses in performing the Works and shall, following completion of the Works, be set off against any further sums which may then be payable to CCCL (and the remaining balance (if any) will then be refunded to the Contractor).

### 6. Insurances and Liability

- 6.1. CCCL shall maintain the following insurances while carrying out the Works:
  - 6.1.1. Public liability insurance with a limit of indemnity not less than £5,000,000 (five million pounds) in respect of any one event or all events of a series consequent on or attributable to one original cause; except for in relation to pollution or contamination where the limit of indemnity shall be calculated in aggregate.
  - 6.1.2. Employer's liability insurance in accordance with United Kingdom statutory requirements.
- 6.2. The Contractor shall take out or shall ensure that its Client takes out policies of insurance in respect of (a) the carrying out of the work comprising the Project and all materials at the site of the Project and (b) existing structures (if any) at the site of the Project. The Contractor warrants that CCCL is recognised as an insured under those policies and/or that insurers under those policies have waived any rights of subrogation which they might otherwise have against CCCL. CCCL shall have no liability to the Contractor in respect of any matter which is covered or intended to be covered by those policies of insurance.
- 6.3. If CCCL is carrying out design, then the following provisions shall apply:
  - 6.3.1. The Contractor acknowledges that CCCL does not maintain professional indemnity insurance.

- 6.3.2. CCCL's liability in connection with clause 2.2 (Design) (including any liability for breach of the obligations set out in clause 2.2 and any liability (other than for death or personal injury) resulting from CCCL's negligence in performing its obligations under clause 2.2) shall not exceed the sum of £50,000 for any one claim or series of claims.
- 6.3.3. Where CCCL has used a professional designer in order to carry out any design work, then CCCL will if requested procure a collateral warranty in favour of the Contractor from the professional designer. The terms of that collateral warranty shall be based upon the Construction Industry Council Collateral Warranty Consultant-Employer Third Edition (CIC/ConsWa/E Third Edition 2018) with clause 2(a) deleted.
- 6.4. If CCCL fails to comply with its obligation (if any) under clause 4 (Time for Performance) to complete the Works within a specific period, then CCCL shall be liable to the Contractor for any direct loss or expense which is incurred by the Contractor as a direct result of CCCL's failure. Provided always that, unless agreed otherwise and recorded in the Contract Documents, CCCL's liability for such loss and expense shall be limited to an amount which is no greater than (i) £5,000 per week of delay; and (ii) £100,000 in total. This clause 6.4 sets out the entirety of the Contractor's remedies in relation to any delay to the Works caused by CCCL or failure by CCCL to complete the Works within any specific period.
- 7. Termination, Law, Dispute Resolution and Other
- 7.1. Either party may terminate CCCL's engagement under the Contract immediately by notice if:
  - 7.1.1. the other party becomes insolvent. For the purposes of this clause, "becomes insolvent" shall have the meaning stated in section 113 of the Housing Grants, Construction and Regeneration Act 1996 (as amended);
  - 7.1.2. the other party has materially breached the terms of the Contract and has not remedied the breach within thirty Days of receiving a notice in writing from the non-defaulting party which specifies the breach and requires it to be remedied; or
  - 7.1.3. the Contractor's own engagement under its contract with the Client for the Project has been terminated.
- 7.2. In the event of termination:
  - 7.2.1. CCCL shall be entitled to be paid for the Works properly carried out up to the date of termination;

- 7.2.2. If CCCL terminated its engagement, or the termination was under clause 7.1.3, then CCCL shall also be reimbursed:
  - (i) its reasonable additional costs and expenses arising out of the termination; and
  - (ii) any costs incurred by CCCL in contemplation of carrying out the Works for which CCCL would not otherwise be compensated, including the costs of any goods or materials which were properly ordered by CCCL prior to the date of termination for which CCCL has paid or is legally bound to pay.
- 7.3. Any communication or notice given under this Contract shall be in writing and, except as otherwise set out in this clause, may be sent by any effective means (including to any email address notified by a party as its address for receiving communications). Notices and other communications sent by email to CCCL shall be copied to office@cccontracting.co.uk. Any notice under clause 7.1, any notice of adjudication issued pursuant to clause 7.10, and/or any notice of arbitration issued pursuant to clause 7.11, shall be issued by recorded, special or courier delivery to the relevant party's registered address and, if different, to its address recorded in the Contract Documents.
- 7.4. Neither party may assign its rights or any benefit under this Contract without the consent of the other party (which may be withheld at that party's reasonable discretion).
- 7.5. Nothing in the Contract is intended to confer any right or benefit on any person other than the parties, whether under the Contracts (Rights of Third Parties) Act 1999 or otherwise.
- 7.6. Section headings in these Standard Conditions are for convenience only and do not affect the interpretation of the individual provisions.
- 7.7. Should any part of these Standard Conditions be found to be illegal, unenforceable and/or otherwise invalid, that part shall be severed and deleted from the remaining part of these Standard Conditions and treated as if it had never been incorporated into the Contract, and the remainder of the Contract shall remain in full force and effect.
- 7.8. Any delay by either party in exercising any of its rights shall not be treated as a waiver of those rights. Any failure to exercise rights on any given occasion shall not prevent a party from exercising those or any other rights on any future occasion.
- 7.9. The law of the Contract is the law of England and Wales.

- 7.10. Either party may refer any dispute or difference arising under or in connection with the Contract to adjudication in accordance with Part I of the Scheme for Construction Contracts (England and Wales) Regulations 1998 (as amended). The Adjudicator Nominating Body is the Royal Institution of Chartered Surveyors.
- 7.11. Any dispute or difference arising under or in connection with the Contract shall be referred to arbitration by a single arbitrator. The seat of the arbitration shall be London and the Construction Industry Model Arbitration Rules (CIMAR) current at the date the Contract is made shall apply to the arbitration. If the identity of the arbitrator is not agreed between the parties, then either party may apply to the president or a vice president for the time being of the Royal Institution of Chartered Surveyors for the appointment of an arbitrator.
- 7.12. All information and documents provided in adjudication or arbitration are to be treated as confidential by the parties and the tribunal.