

NEC Core Clauses

The clauses within the NEC contract can be split into the following categories: Core Clauses - which make up the main body of the contract - a chosen Main Option Clause which determines how work is paid, and a selection of optional bolt-on clauses known as Secondary Option Clauses X Y or Z.

In this document we will be exploring the core clauses, what they are and what their purpose is in an agreed contract.

The Core Clauses under the NEC are split into the following 9 categories:

- 1 **General** – This details the defined terms within the contract. Defined terms can be identified as the capitalised terms you see when reading contract clauses. This section also addresses, communications and notices like Early Warnings.
- 2 **The Contractor's main responsibilities** – This lists out the Contractor's responsibilities within the construction project. Covering design, providing works and working with others
- 3 **Time** – This addresses the Starting, Completion and Key Dates. Programme Revision. Programme Acceleration and Access to Site.
- 4 **Quality management, known as Testing and Defects in NEC3** – This details the contractors obligations to ensure appropriate testing and inspections are carried out and how to deal with defects.
- 5 **Payment** – This covers application for payment, assessing payment, payment date and final assessment
- 6 **Compensation events** – This identifies what is considered a Compensation Event and how they should be appropriately administered.
- 7 **Titles** – This details entitlement to use plant and materials (for example, contractor using client materials)
- 8 **Liabilities and insurance, known as Risks and insurance in NEC3** – This lists the Contractor's liabilities, the Client's liabilities and details the insurance requirements of both parties
- 9 **Termination** – This covers procedures to be followed if either party wishes to terminate the Contractor's obligation to Provide the Works. This section also covers payment due on termination