

UNIVERSITY COLLEGE LONDON

University of London

EXAMINATION FOR INTERNAL STUDENTS

For The Following Qualification:-

B.Sc.

ES3116: Contract Administration and Law

COURSE CODE : **ENVS3116**

UNIT VALUE : **0.50**

DATE : **06-MAY-04**

TIME : **14.30**

TIME ALLOWED : **3 Hours**

TURN OVER

Answer **FOUR** questions.
All questions carry equal marks.

QUESTION 1

“Whether or not you get a fair deal in a dispute will ultimately come down to the strength of your case and whether you have the records to prove it.” Andrew Hemsley, Don't forget to write Building, 12/7/2002, page 52.

Discuss.

(25 marks)

QUESTION 2

a) Collateral warranties are designed to create contractual rights where otherwise only common law duties of care would exist.

Discuss.

(10 marks)

b) Advise a client on the relative merits of obtaining either a performance bond or a parent company guarantee from a design and build contractor on a major commercial development contract. The contractor is part of a large publicly quoted engineering group and the contract is expected to be in excess of £10M. Where appropriate, use case law to illustrate and support your answer.

(15 marks)

QUESTION 3

The duty of a Contracts Administrator is according to Sutcliffe v Thackrah [1974] AC 727 to “act fairly and impartially as between his client and the contractor”.

Discuss this duty to act fairly and impartially with reference to the certification process.

(25 marks)

QUESTION 4

The Public Works Contracts Regulations 1991, gave effect in the UK to the European Directives concerned with the award of public works contracts.

These regulations formed a central theme in the case of *Harmon CFEM Facades (UK) Ltd v The Corporate Officer of the House of Commons* [1998].

In the light of this case, and as Project Manager for a major public works contract, explain how you would ensure full, transparent and fair tendering and contract award procedures.

(25 marks)

QUESTION 5

A contract to build a mixed development consisting of warehousing and an office at ground floor level, two levels of office accommodation and residential accommodation at top level is let under the JCT Standard Form of Building Contract, 1998 Edition, Private with Quantities, has a number of Architect's Instructions requiring variations to the works.

Appraise the provisions of the contract indicating how the main contractor can recover the full value of the following changes:-

- a) delete all internal plastering to the internal blockwork to the warehouse area and substitute with fair faced blockwork.

(5 marks)

- b) omit hardwood joinery from, and add softwood joinery to the top floor apartments.

(5 marks)

- c) add a single storey entrance lobby to the ground floor office.

(8 marks)

- d) add a single storey detached 3 car garage block.

(7 marks)

CONTINUED

QUESTION 6

A dispute has arisen between a domestic sub-contractor and a main contractor over the construction of a structural steel frame on a commercial contract being undertaken under JCT Standard Form of Building Contract, 1998 Edition, Private Edition with Quantities and the associated sub-contract forms. The sub-contractor alleges that design changes to accommodate revised fire protection requirements have caused uneconomic working conditions and programme delays, and as a result, the sub-contractor has submitted a contract claim to the main contractor.

The main contractor states that the fire protection requirements were part of the sub-contractors work and in turn has responded with a LAD claim against the sub-contractor for his failure to complete the sub-contract works by the agreed contract completion date.

The contract allows for the Adjudication of disputes, but the sub-contractor being concerned about the costs, is wondering whether to pursue either Conciliation or Mediation as an alternative.

Critically appraise these dispute resolution methods relative to this dispute and advise the sub-contractor accordingly.

(25 marks)

END OF PAPER