

# Hinkley PSG Case Study

## Advising steelwork sub-contractor on NEC3

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### OVERVIEW

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Client:	Steelwork Sub-Contractor
PSG Member Instructed:	Ashfords LLP
Service Provided:	Advice on NEC3 contract

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### CLIENTS INVOLVEMENT IN HPC

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Responsible for provision of steelwork operatives and equipment for the steelwork structure for the dome for the HPC reactor.

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### ASHFORDS' ROLE

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Ashfords LLP have advised a supply chain sub-contractor providing steelwork services at HPC3. Our client was asked to enter into an amended NEC3 Engineering and Construction Short Contract with Z clauses (flowed down from the main contract).

Our advice consisted of an initial contract review, flagging certain key provisions, following which we prepared a mark-up of the proposed draft contract for our client (with margin commentary to assist with understanding) to negotiate with the contractor.

The work included consideration of the overarching project industrial relations contractual agreement and drafting an innovative pricing mechanism (entitling the client to adjust labour and equipment rates if the number of hours fell below certain thresholds).

As part of our role, we sought to ensure that our client had a good understanding of its contractual responsibilities and the contractual risks and to ensure potential legal pitfalls. We also flagged up particular areas of liability to allow the client to liaise with its insurance brokers.

Our extensive experience of NEC3 contracts enables us to advise clients as to the most appropriate form of NEC contract, address client or project specific priorities and ultimately assist clients in seeking a balanced and acceptable risk allocation within the sub-contract.

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## FURTHER INFORMATION

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