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CONSTRUCTION AGREEMENT
(PAYMENT ON COMPLETION OF WORK, DAILY RATES, NO RETENTION)

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THIS AGREEMENT is made the

BETWEEN:

- (1) <<Name of Contractor>> a <<Country of Registration>> under number <<Company Registration Number>> whose registered office is at <<Registered office>> (the "Contractor")
- (2) <<Name of Sub-Contractor>> ("Sub-Contractor")

IT IS AGREED as follows:

1. DEFINITIONS

- 1.1 In this Agreement the following terms shall have the following meanings unless otherwise requires the following

'Confidential Information' means information which is disclosed to the Contractor pursuant to or in connection with this Agreement in writing or any other medium, and which is expressly stated to be confidential or marked as such;

'Main Contract' means the contract <<Date>> between (1) <<Name of Employer>> and (2) <<Name of Contractor>> for the carrying out of the Main Contract Works;

'Main Contract Works' means the works <<Main Contract Works>>;

'Works' means the works <<Works>> in Part 1 of the Schedule.

2. ENGAGEMENT OF SUB-CONTRACTOR

- 2.1 The Contractor hereby engages the Sub-Contractor to carry out the Works in accordance with the terms of this Agreement.
- 2.2 It is understood and agreed that the Sub-Contractor's activities and those of its employees and workers engaged by it shall be under the exclusive direction and control of the Contractor.
- 2.3 The Sub-Contractor shall be registered with HMRC's Construction Industry Scheme and shall provide evidence of his registration to the Contractor.
- 2.4 Any obligation of the Sub-Contractor to make payment under this Agreement is subject to the provisions of the Construction Industry Scheme.
- 2.5 The Sub-Contractor shall not subcontract any of the Works without the prior written consent of the Contractor.
- 2.6 Neither party to this Agreement shall be entitled to claim the benefit of this Agreement or to enforce it without the other's prior written consent.
- 2.7 The grant and acceptance of this Agreement do not create any mutual obligations between the parties (save as expressly stated in this Agreement).

obligations on the
accept any further a
created or implied.

or the Sub-Contractor to offer or
nuing relationship shall hereby be

3. TIMING

3.1 The Sub-Contractor
<<Date>> and <<Date>>
instruction to comm

works [on <<Date>>] **OR** [between
days of the Contractor's written

3.2 The Sub-Contractor
<<Number>> week
timescale:

urs to complete the Works [within
nt] **OR** [according to the following

<<Insert timetable,
ates>>.

3.3 The Contractor sha
Works are practical

tor in writing of the date when the

3.4 The Sub-Contractor
of time rectify any d
within 3 months from

se and within a reasonable period
s notified to him by the Contractor
mpletion of the Works.

4. SUB-CONTRACTOR'S OBLIGATIONS

4.1 The Sub-Contractor
carry out the Works
and workmanlike m

killed and experienced workers to
e Works are carried out in a good

4.2 The Sub-Contractor
the Contractor in b
brought to the Sub-

ks in a manner that does not put
f the Main Contract that has been

4.3 The Sub-Contractor

4.3.1 the goods an

d in Part 2 of the Schedule; and

4.3.2 all other goo
for those (if a

ed to complete the Works except
e Schedule

and all goods and m

satisfactory quality.

4.4 The Sub-Contractor
equipment and pro
those items (if any)

ls, plant and machinery, safety
to carry out the Works except for
chedule.

4.5 The Sub-Contractor
carrying out of the V

site all wasted created during the

4.6 The Sub-Contractor
Works are done, an
that due account is
activities of the Con
Contractor.

nising how and in what order the
ntractor's representative to ensure
the timing of the Works upon the
b-contractors also engaged by the

4.7 The Sub-Contractor
Works.

ws and regulations relating to the

4.8 The Sub-Contractor
Contractor relating t

asonable regulations made by the

5. CONTRACTOR'S OBLIGATIONS

5.1 The Contractor sha

contractor has sufficient access to

- the site to perform the Works in accordance with the instructions under this Agreement.
- 5.2 The Contractor shall supply all the materials (if any) listed in Part 3 of the Schedule and all such materials shall be of a satisfactory quality.
- 5.3 The Contractor shall supply all tools, equipment and machinery, safety equipment and protective clothing and the materials listed in Part 4 of the Schedule.
- 5.4 The Contractor shall comply with the Construction (Design and Management) Regulations 2015 and the site.
6. **LIABILITY, INDEMNITY AND INSURANCE**
- 6.1 The Sub-Contractor shall indemnify the Contractor in respect of all proceedings in respect of the Works arising out of the carrying out of the Works; and
- 6.1.1 arises out of the carrying out of the Works; and
- 6.1.2 is due to the negligence, omission or default of the Sub-Contractor or agents or any person for whom the Sub-Contractor is responsible.
- 6.2 The Sub-Contractor shall indemnify the Contractor in respect of all proceedings in respect of the Works arising out of the carrying out of the Works; and
- 6.2.1 arises out of the carrying out of the Works; and
- 6.2.2 is due to the negligence, omission or default of the Sub-Contractor or agents or any person for whom the Sub-Contractor is responsible.
- 6.3 [The total liability of the Sub-Contractor under clauses 6.1 and 6.2 shall be limited to £<<sum>>]
- 6.4 The Sub-Contractor shall maintain liability insurance cover for all or any part of the Works and shall provide evidence of the insurance cover to the Contractor.
7. **PAYMENTS TO THE SUB-CONTRACTOR**
- 7.1 The Sub-Contractor shall be paid for his time and at the rate of £<<sum>> per day for his own time and for other staff.
- 7.2 [The Sub-Contractor shall be paid for goods and materials provided for the Works in connection with the Works and other expenses provided that such expenses have been approved in writing prior approval of the Contractor]
- OR
- [No further payment shall be made to the Sub-Contractor for the Works over and above the cost of the Works and without limitation no payment will be made to the Sub-Contractor in respect of any goods, materials or other expenses incurred by the Sub-Contractor in carrying out the Works.]
- 7.3 Payment will be made to the Sub-Contractor following practical completion of the Works.

- 7.4 After practical completion the Contractor shall submit an invoice to the Contractor. The invoice shall:
- 7.4.1 specify the value of the work done out; and
 - 7.4.2 contain a breakdown of the amount payable by the Sub-Contractor and any other workers.
- 7.5 [The invoice must also state the value of the goods and materials provided by the Sub-Contractor and the amount claimed by the Sub-Contractor pursuant to clause 7.4.]
- 7.6 The Contractor shall pay the amount due in the invoice within 14 days of receipt of the invoice.
- 7.7 All payments made by the Contractor shall be expressed exclusive of any Value Added Tax charged.
- 7.8 If the Contractor has not paid the amount due by the due date the Contractor shall pay the Sub-Contractor interest on the amount due at the rate of 5% per annum above the base rate of Barclays Bank plc from the due date until the payment is received.
8. **NON-COMPETITION AND RESTRICTIONS ON EMPLOYMENT**
- 8.1 [The Sub-Contractor shall not, for a period of <<insert period>> after the termination or expiry of this Agreement, provide services to any competitor of the Contractor [within <<insert radius>> miles of the Contractor's premises]. [The Contractor may waive this restriction entirely or on a per-client basis upon receipt of a written request from the Sub-Contractor.]
- 8.2 [The Sub-Contractor shall not, for a period of <<insert period>> after the termination or expiry of this Agreement, solicit and/or employ persons and/or employees with which the Contractor has dealt in the <<insert time period>> prior to the date of termination or expiry of this Agreement, other clients of which the Sub-Contractor has employed. [The Contractor may waive this restriction entirely or on a per-client basis upon receipt of a written request from the Sub-Contractor.] No waiver may be given if it shall violate any prior agreement between the Contractor and the client in question as to the sharing of the client's confidential information.]
9. **DATA PROTECTION [.] [SCHEDULE 1] [PROCESSING]**
- 9.1 In this Clause 9:
- 9.1.1 "Data Protection Legislation" means the Data Protection Act 1998 (as amended) and any secondary legislation made under it; and
 - 9.1.2 "GDPR" means the General Data Protection Regulation (EU) 2016/679 General Data Protection Regulation; and
 - 9.1.3 "personal data" means personal data as defined in the Data Protection Legislation; and
 - 9.1.4 "First Party" means the Contractor or the Sub-Contractor, whichever one of the parties to this Agreement is the controller of the personal data; and
 - 9.1.5 "Other Party" means any third party, other than the Contractor or the Sub-Contractor, whichever one of the parties to this Agreement is the controller of the personal data.

- parties is not
- 9.2 All personal data that will be collected, processed, and held by that First Party shall be in accordance with the provisions of Data Protection Legislation and the Data Protection Legislation of the Other Party.
- 9.3 For complete details of the collection, processing, storage, and retention of personal data, not limited to, the purpose(s) for which personal data is collected, or bases for using it, details of the Other Party's (and its subsidiaries) rights and how to exercise them, and personal data shared with the Other Party should refer to the Privacy Notice of the Other Party.
- 9.4 For the purpose of this Agreement, if a Notice of a First Party is available to the Other Party, the First Party shall make it available to the Other Party.
- 9.5 [All personal data to be shared with the Other Party under this Agreement shall be shared in accordance with the terms of the Data Sharing Agreement entered into on <<insert date>> pursuant to this Agreement.]
- 9.6 ¹[All personal data to be shared with the Other Party under this Agreement shall be shared in accordance with the terms of the Data Processing Agreement entered into on <<insert date>> pursuant to this Agreement.]
10. **CONFIDENTIALITY**
- 10.1 Except as provided in this Agreement, each party shall keep confidential and [for <<insert period>>] the Confidential Information of the other party, and shall not disclose, use, or make available in any way or part with possession of the Confidential Information of the other party, except as authorised in writing by the other party, and shall ensure that its officers, employees, agents, sub-contractors, and subcontractors, which, if done by that party, would be a breach of the Confidential Information of the other party, shall be bound by the terms of this Agreement.
- 10.1.1 keep confidential the Confidential Information;
- 10.1.2 not disclose the Confidential Information to any other party;
- 10.1.3 not use any Confidential Information for any purpose other than as contemplated by the terms of this Agreement;
- 10.1.4 not make any Confidential Information available in any way or part with possession of the Confidential Information of the other party;
- 10.1.5 ensure that its officers, employees, agents, sub-contractors, and subcontractors, which, if done by that party, would be a breach of the Confidential Information of the other party, shall be bound by the terms of this Agreement.
- 10.2 Either party may:
- 10.2.1 disclose any Confidential Information to:
- a) any subsidiary of that party;
 - b) any government authority or regulatory body; or
 - c) any other person, if that party or of any of the bodies or bodies;
- provided that the disclosure is for the purposes contemplated by this Agreement, and is limited to, the carrying out of the Confidential Information in such case that party shall first inform the other party that the Confidential Information is confidential and that the disclosure is to any such body or officer of any such body) under clause 10.1.1 to 10.1.4 above.

¹ See the notes about Clause 9 in the information pack.

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undertaking
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Confidential
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party a written confidentiality
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of this clause 10, to keep the
and to use it only for the purposes

10.2.2 use any Cor
other person
or at any tim
fault of that p
disclose any
knowledge.

any purpose, or disclose it to any
it is at the date of this Agreement,
nes, public knowledge through no
e or disclosure, that party must not
al Information which is not public

10.3 The provisions of t
their terms, notwiths

continue in force in accordance with
of this Agreement for any reason.

11. FORCE MAJEURE

11.1 No party to this Ag
their obligations wh
beyond the reasona
limited to: power fa
unrest, fire, flood,
governmental action
in question.

any failure or delay in performing
ay results from any cause that is
Such causes include, but are not
vider failure, industrial action, civil
acts of terrorism, acts of war,
is beyond the control of the party

11.2 [In the event that a
hereunder as a res
period>>, the other
written notice at the
parties shall agree
completed up to the
any prior contractua
of this Agreement.]

t cannot perform their obligations
r a continuous period of <<insert
tion terminate this Agreement by
the event of such termination, the
sonable payment for all Works
ch payment shall take into account
nto in reliance on the performance

12. TERMINATION

12.1 This Agreement ma
with immediate effe
Party") if:

er party (the "Terminating Party")
ce to the other party (the "Other

12.1.1 the Other Pa
of this Agre
remedied wi
Terminating

ply with the terms and obligations
e, if capable of remedy, is not
en notice of such failure from the

12.1.2 the Other Pa
compulsory
reconstruction
of the whole

y or liquidation either voluntary or
oses of bona fide corporate
a receiver is appointed in respect

12.2 If the Main Contract

12.2.1 this Agreem

atically;

12.2.2 the Contract
termination;

notify the Sub-Contractor of the

12.2.3 the Sub-Con

leave the site.

12.3 [This Agreement m
giving any reason f

her party at any time and without
giving 28 days' notice in writing to

- the other party.]
- 12.4 The termination of which have already
13. **DISPUTE RESOLUTION**
- 13.1 If a dispute arises negotiations between
- 13.1.1 the parties s other party t
- 13.1.2 either party Scheme for 1998;
- 13.1.3 either party Arbitration A parties. In arbitrator(s) written notice President for the appointn rules that ma
14. **MISCELLANEOUS**
- 14.1 This Agreement co and the Contractor between the partie cancelled as from the claim against the ot
- 14.2 Any notice to be se prepaid recorded o Agreement or to su writing taking effect deemed received 48
- 14.3 The headings in thi be incorporated into
- 14.4 In this agreement, u include the plural a gender, and a refer and to an unincorpor
- 14.5 The parties agree t right arising solely b to enforce any term
15. **GOVERNING LAW AND J**
- 15.1 This Agreement sha dispute concerning jurisdiction.

IN WITNESS WHEREOF this Ag before written

executed the day and year first

SIGNED by

<<Name and Title of person signing
for and on behalf of <<Contractor's

In the presence of
<<Name & Address of Witness>>

SIGNED by

<<Name and Title of person signing
for and on behalf of <<Sub-Contractor's

In the presence of
<<Name & Address of Witness>>

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Part 1 – Description of the Works

<<Insert detailed description of Works and reference to the relevant document, e.g. a tender>>

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Part 2 – List of goods and materials to be supplied by Sub-Contractor

<<Insert list>>

M

Part 3 – List of goods and materials to be supplied by Contractor

<<Insert list>>

P

Part 4 – List of tools, plant and machinery to be supplied by the Contractor and protective clothing to be supplied by the Contractor

<<Insert list>>

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