

## MULTIPLE CONTRACTS AND 'WORK BY OTHERS'

This TECHnote provides information on the use of NATSPEC for projects where the procurement method involves multiple-prime contracts, also known as trade package contracts or separate contracts.

### SINGLE PRIME CONTRACTS

For simplicity, NATSPEC assumes that the work will be let as a single prime contract. That is, the principal will have a contractual relationship with only one contractor, who will be responsible for all the work, usually through a number of subcontracts. It is the contractor who breaks up the work into subcontracts and coordinates the interfaces between them. Consequently NATSPEC, generally used in this manner, does not address subcontract interfaces.

### MULTIPLE PRIME CONTRACTS

When a project involves multiple prime contracts, the documentation for each package contract must be self-contained, comprising the relevant specification material, and defining the boundaries of the contract and the interfaces with other parties involved in the project.

The principal, or project or construction manager acting for the principal, decides how the work is to be packaged and puts the work out to tender.

### COORDINATION OF PACKAGES

As there is no main building contractor to coordinate the multiple contracts, the interface of each prime contract with the other contracts must be described in the contract documents for each package. This has been done in the past by a note on the drawing (e.g. Lifting beam over, by others) or through a list of work by others. In multiple prime contracts, work by others must be included in other contract packages. NATSPEC worksection *0138 Multiple contracts*, provides a framework for coordinating multiple prime contracts by scheduling the boundaries of responsibility between the contractor and the principal or other contractors, on behalf of the principal.

### PACKAGE SPECIFICATION

Each package specification might include the following NATSPEC worksections:

- *0131 Preliminaries.*
- *0160 Quality.*
- *0171 General requirements.*
- *0138 Multiple contracts [Package name].*
- Relevant common requirements worksections (e.g. *0182 Fire-stopping*).
- Cross referenced worksections (e.g. *0223 Service trenching*).
- Technical worksections specific to the trade or subcontract.

Some of these worksections may be pre-edited and included in all the packages, with or without further customisation. This ensures that standard requirements apply uniformly across the project.

The *0138 Multiple contracts* worksection and the technical worksections will require customising for each separate contract package.

### CONTRACT INTERFACES

The interfaces between the various parties in multiple prime contracts occur at both physical and the administrative levels.

The physical level (who-does-what) has traditionally been covered by scope of work and work by others clauses.

The administrative level covers preliminaries and site condition; time programming; cost control and progress payments; contract administration; physical and construction coordination; and reporting. Some of these functions may be undertaken by:

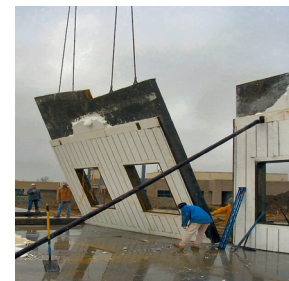
- The principal.
  - The contract administrator.
  - The project manager.
  - The construction manager.
  - One or more prime contractors.
- If an interface involves the contractor responsible for a particular package, you must detail the interface, who is responsible, to whom, when, and so on within the *Multiple contracts* worksection.

Third parties, responsible for work excluded from a package, may be identified for information purposes only, as they are outside the particular package contract.

### Other applications for the *0138 Multiple contracts* worksection



*0138 Multiple contracts* can be used to clarify the relationship between a single prime contract and other separate contracts which may be on-site simultaneously (such as demolition or swimming pool construction).



It has become common practice for services specifiers to provide a scope of works statement, describing associated work by others, with the technical specification in single prime contract documentation. Services specifiers can include this worksection as part of the tendering material, designated *For information only*.