# MEDIUM TERM STRATEGY FOR THE AMENDMENT OF THE PUBLIC WORKS CONTRACTS

# SECTIONS

# 1. Introduction

In December 2014, the Office of Government Procurement published the Report on the Review of the Performance of the Public Works Contract, which set out interim recommendations for amendments to the Public Works Contracts and a Medium Term Strategy for the development, procurement and administration of projects under the Exchequer Capital Programme.

This document proposed a range of interim measures which were intended to leave the core contract intact, but rebalance the level of risk transferred whilst also providing greater visibility of the price make up of a construction project. Primary amongst the measures proposed were:

- Reducing the level of risk being transferred by making the bill of quantities the primary reference document for tender purposes on employer-designed contracts;
- Direct tendering of specialist works packages where specialist works make up a significant proportion of the overall project value or where they have a significant impact on the long-term performance of the project;
- In awarding works projects, a greater concentration on quality criteria that are directly linked to the project in order to deter unsustainable pricing, and;
- The inclusion of informal dispute resolution methods to reduce the volume of disputes that are currently being referred to the formal procedures described in the contract.

These measures, with the exception of that referring to a greater concentration on quality criteria, were introduced by the Office of Government Procurement in January 2016 with the publication of Circular 01/16. Once these important measures had come into effect, the CIF began to look to the Medium Term Strategy issues to develop a submission. In considering the important issues for this submission, the CIF looked at those changes implemented under Circular 01/16 and the improvements that could be made; the issues set out in the Report as being for consideration under a Medium Term Strategy; and those issues of importance to the CIF which were raised in its original submission on the Review of the Public Works Contract, but not addressed in the Report. This submission sets out the views of the CIF in relation to each.

# 2. Executive Summary

In developing its submission on the Medium Term Strategy for the Review of the Public Works Contracts, the CIF considered three main areas:

1. The interim recommendations of the Report on the Review of the Performance of the Public Works Contracts, including those changes implemented under Circular 01/16 as well as the yet to be implemented MEAT Award Criteria recommendation
2. The issues set out in the Report as being for consideration under a Medium Term Strategy
3. Those issues of importance to the CIF which were raised in the original submission on the Review of the Public Works Contract but not addressed in the Report, as well as issues that have arisen in the intervening period.

## 1. Interim Recommendations in Circular 01/16

### Selection of Specialists

In relation to the Selection of Specialists, the CIF welcomes the introduction of the Reserved Specialist and looks forward to seeing how the process will operate. Some concerns remain regarding future issues where main contractors or sub-contractors have an objection to a contractor with whom they are required to work, although time will tell if this becomes a problem.

The CIF NN Sub-Contract, used for reserved specialists, originally contained a payment guarantee which was removed upon agreement to consider the inclusion of an insolvency guarantee at a later date, and it is the view of the CIF that this matter should now be addressed. The CIF is also of the view that the CIF Domestic Sub-Contract should be used un-amended for all domestic sub-contract works on public sector projects.

### Dispute Management Procedure

The view of the CIF is that while the new procedure is welcomed, it should be extended to PW-CF5 and its jurisdiction should be widened to address issues other than Employer's determinations in order to ensure the most effective use of the procedure.

## Interim Recommendations not yet implemented

### MEAT Award Criteria

The CIF supports the recommendation for the introduction of MEAT Award Criteria on all contracts above €2million in value, as it will assist in addressing concerns relating to tender assessment. Caution is advised, however, as it will be of paramount importance to ensure that there is consistency of approach across contracting authorities and as such it is vital that detailed guidance and training be provided as to the manner in which assessments are to be carried out.

It has long been widely recognised that the best value approach to risk allocation is achieved where a risk is owned by the party best able to manage it

## 2. Issues for consideration under Medium Term Strategy

### Risk Management

The proposal to develop risk templates and ratings is welcomed by the CIF, as it has long been widely recognised that the best value approach to risk allocation is achieved where a risk is owned by the party best able to manage it. This submission outlines the contract clauses in the GCCC forms which continue to transfer unmanageable risk to the Contractor including:

- Clause 1.10 Background Information
- Clause 8.1 Standards of Workmanship and Work Items
- Clause 9.3 Delays and Extensions of Time
- Clause 9.4 Programme Contingency
- Clause 10.6 Adjustments to the Contract Sum
- Clause 10.7 Delay Cost
- Clause 10.8 Price Variation
- Clause 11.3 Retention
- Clause 12.5 & 12.6 Termination at the Employer's Election

Many of these clauses impose unfair risks on the Contractor which would be better managed by the Employer, or shared in such a manner that each party becomes liable for the risks which are within their control.

### Encouraging Co-Operative Behaviour

In order to assist in identifying the areas of the contract which seek to encourage co-operative behaviour, the CIF identified contract clauses requiring the Employer to perform duties in a reasonable and/or co-operative manner which may have unreasonable consequences if not fulfilled properly, including:

- Clause 4.1 Co-operation
- Clause 4.5 Instructions
- Clause 4.7 Contractor Submissions
- Clause 4.11 Time for Employer's Obligations
- Clause 5.3 Pay and Conditions of Employment
- Clause 5.5 Collateral Warranties
- Clause 10.4 Proposed Instructions
- Clause 10.5 ER's Determination
- Clause 10.9 Employer's Claims
- Clause 11.6 Time for Payment

The CIF has also set out here how co-operation between the parties can be encouraged and facilitated through the use of Early Contractor Involvement, which is already available under the suite of GCCC Contracts although not utilised.

### Introduction of Performance Evaluation

The CIF supports the use of performance monitoring arrangements and had in fact suggested in its original submission to the Review that evidence be provided to Contractors on the use of the GCCC Contracts on a number of indicators, in order to establish appropriate performance mechanisms to allow reliable comparisons and benchmarks to be produced.

The proposal put forward by the Report indicates that performance evaluation will be introduced for all those involved in the delivery of a project, including both contractors and clients/employers. This will likely necessitate the use of two distinct categories of Key Performance Indicator measurements, as some of the examples used in other jurisdictions would not be appropriate. Clear guidance will need to be provided as to who will carry out evaluations, and how issues such as difficult relationships between parties will be dealt with.

The CIF NN Sub-Contract originally contained a payment guarantee which was removed upon agreement to consider the inclusion of an insolvency guarantee at a later date - this matter should now be addressed.

**Alternative Forms of Contract**

The CIF has set out its views in relation to the potential use of alternative forms of contract under two separate headings:

Internationally Recognised forms of contract

In its original submission the CIF highlighted the benefits of using internationally recognised forms of contract and addressed the various suites of contract available including NEC3, FIDIC, and JCT. These forms are developed by industry, professional and legal experts engaged in the delivery of construction projects, with assistance and guidance available to those using the contracts. The forms also take account of technological advancements such as Building Information Modelling and Lean Construction Principles, which are not currently provided for under the GCCC Contracts. Furthermore, case law is available from other jurisdictions on the interpretation of the contracts. The CIF has recommended that a number of pilot schemes be carried out using these forms and that discussions should be held with bodies outside of the Office of Government Procurement which are currently using alternative forms of contract, such as Irish Water and Transport Infrastructure Ireland.

Separate Form of Contract for Heritage Works

The need for a separate form of contract for Heritage works owing to the unique skills needed and the sensitivities involved in such projects by comparison to greenfield development or capital infrastructure projects was well outlined in the original CIF submission and is re-iterated in this document. The recent use of a special form of contract under license for the works carried out on Leinster House is welcomed, and it is understood that it is intended that this form will be introduced on all heritage and refurbishment projects carried out by the Office of Public Works. This contract has two main changes – a provisional sum of 15% for unforeseen works during the project, and the setting up of a continuous open framework panel of specialist areas. It is hoped that these changes will assist with the role of the contractor in bringing forward solutions and will also speed up delays in regards to specialist contractors, and the CIF looks forward to engagement on this matter.

## 3. Other issues requiring consideration

**Prequalification**

The view of the CIF is that it is not possible to carry out a meaningful review of the contract without consideration of aspects of the procurement system, and in this regard this submission discusses a number of areas where changes would be welcomed.

- Widening of timeframe for past projects
- Marks for past performance, which would tie in with the introduction of performance evaluations
- Marks for certified quality and environmental management systems
- Graded marking system for safety systems
- Assessment of financial capacity to be carried out by qualified persons
- Loading mechanism for specialist applicants with direct employees

It is vital that the Office of Government Procurement ensures that public procurement processes are compliant with Circular 10/14 and the EU Procurement Directives which provide for the facilitation of SME access to the marketplace. This is of particular importance in the regions, where small local contractors are struggling against excessive turnover requirements, onerous prequalification criteria and the creation of frameworks and bundles which eliminate them from competition.

**Dispute Resolution**

In regards to the final dispute resolution process, the CIF continues to seek the removal of the wording in the Form of Tender which requires that Contractors accept liability for their own costs should a dispute go to Arbitration. This is absolutely unacceptable and constitutes a breach of the fundamental right of access to justice.

**Changes in respect of CCA 2013**

Following the changes introduced to the Public Works Forms of Contract to provide for the implementation of the Construction Contracts Act 2013, the CIF has made a submission in respect of those changes and their impact for main contractors and sub-contractors alike. It is the view of the CIF that Adjudication should be available for all disputes under the contract, and that it is vital that the payment terms in the forms of contract enable main contractors to comply with their statutory obligations under the Act.

# 3. Issues regarding changes under Circular 01/16

**Selection of Specialists**

The Selection of Specialists was originally identified in the CIF Submission to the Government Construction Contracts Committee on the GCCC Forms of Contract as one of the areas of significant concern, with widespread dissatisfaction and concern in all sectors of the industry regarding the selection and procurement of specialist contractors.

The introduction of reserved specialists has been broadly welcomed, and it is hoped that this method of selection will be used widely. Some concerns do remain in regards to the process itself, with the possibility of issues arising in the future where main contractors or specialist contractors wish to object to a contractor with whom they are being asked to contract. It remains to be seen how any such difficulties may be dealt with in practice and the CIF will welcome engagement with the GCCC where any such issues arise.

At the time when the CIF NN Sub-Contract was under consideration to be used for Reserved Specialists, the existing payment guarantee was removed and provision for an insolvency guarantee was discussed. This was not included at the time, but it was agreed that it would be re-visited and inserted at a later date. The CIF is of the view that this is of paramount importance and should be addressed as soon as possible.

One of the issues identified in the original submission concerned the need for standardised conditions of sub-contracts on public sector works, and while the GCCC has mandated the use of the CIF NN Sub-Contract on sub-contracts where the specialist is reserved, concern remains relating to the engagement of domestic sub-contractors. The CIF has also developed the CIF Domestic Sub-Contract for use with the Public Works Contracts and would propose that this form be used un-amended across all public sector domestic sub-contracts.

**Dispute Management Procedure**

The changes to the Dispute Resolution Procedures implemented in Circular 01/16 have been welcomed by the CIF and it is hoped that they will go a long way to assist in dispute avoidance. It is suggested however that these amendments should be extended to PW-CF5 to provide for the same dispute avoidance mechanisms in the Minor Works Form of Contract, under which a large proportion of public works projects are carried out.

Furthermore, the CIF is of the view that the jurisdiction of the Project Board should be extended to address issues other than Employer's determinations, which is currently the only issue that can be dealt with. This would further facilitate early stage dispute avoidance on the many issues arising under contracts that do not fall under an Employer's determination. Where Reserved Specialists are used, the Reserved Specialist should have a right to request access to the Project Board for issues relating to the Reserved Specialist package.

The view of the CIF is that while the new dispute management procedure is welcomed, it should be extended to PW-CF5 and its jurisdiction should be widened to address issues other than Employer's determinations in order to ensure the most effective use of the procedure.

# 4. MEAT Award Criteria

The recommendation in the Report on the Review of the Performance of the Public Works Contracts that MEAT award criteria be introduced for use on all contracts above €2m has been welcomed by the CIF as it will address concerns raised in relation to tender assessment. The use of MEAT award criteria is also addressed in the new European Union (Award of Public Authority Contracts) Regulations 2016 which came into force on 18th April 2016. The Regulations require that contracting authorities must base the award of public contracts on the most economically advantageous tender. The most economically advantageous tender is to be identified *"on the basis of price or cost, using a cost-effectiveness approach, including life-cycle costing … and may include the best price-quality ratio, which shall be assessed on the basis of criteria, including qualitative, environmental or social aspects"*.

The reference in the Report to a proposal to develop detailed guidance that will assist contracting authorities in developing robust award criteria that are both objective and linked to the subject matter of the contract is welcome. While it is clear that the use of MEAT award criteria may help the market move away from the problem of below cost tenders, in order for the use of qualitative assessment to be fair and transparent there needs to be consistency of approach across contracting authorities, which will be facilitated by the use of objective criteria. It is also essential to ensure that the criteria used do not confer an advantage on larger contractors and cause a detrimental impact on SMEs. Assessments must be carried out in such a way that there is no subjectivity, and which allows unsuccessful contractors to understand the reasons that they were not successful.

The CIF concerns in relation to MEAT award criteria stem from the fact that insofar as qualitative assessment is used currently, the industry does not have confidence that it is a real exercise. Tenderers are required to provide large volumes of detailed information for qualitative assessments, the scores for which are unlikely have an impact on the tender competition. CIF believes that where information of this nature is sought, it should be a real exercise which has an influence on the tender competition. The proper use of qualitative assessment should be encouraged.

As such it will be necessary for the guidance that is to be developed to set out clearly the criteria and formulae to be used in the assessment of qualitative criteria. One example of a formula used for the assessment of Price/Quality is that used by Irish Water, set out below and previously provided to the OGP as part of the stakeholder engagement. The use of a formula allows tenderers to clearly understand how the overall scores will be calculated and awarded.

Reference has also been made to the use of Life Cycle Costing for assessments, which was discussed by the CIF in its original submission. The Report on the Review of the Performance of the Public Works Contracts indicates that it is intended to implement the use of MEAT award criteria by selecting particular items for which additional marks are available for products or materials whose specification exceeds the minimum set out by the contracting authority. This will use pre-determined sub-criteria such as minimum life guarantee, parts warranty, energy consumption, maintenance, technical support etc. with marks to be awarded up to a stated maximum. Tenderers will be required to name the product/material and give supporting evidence of performance using data

## Sample Formula:

**Total Score = Total Quality Score + Total Value Score**

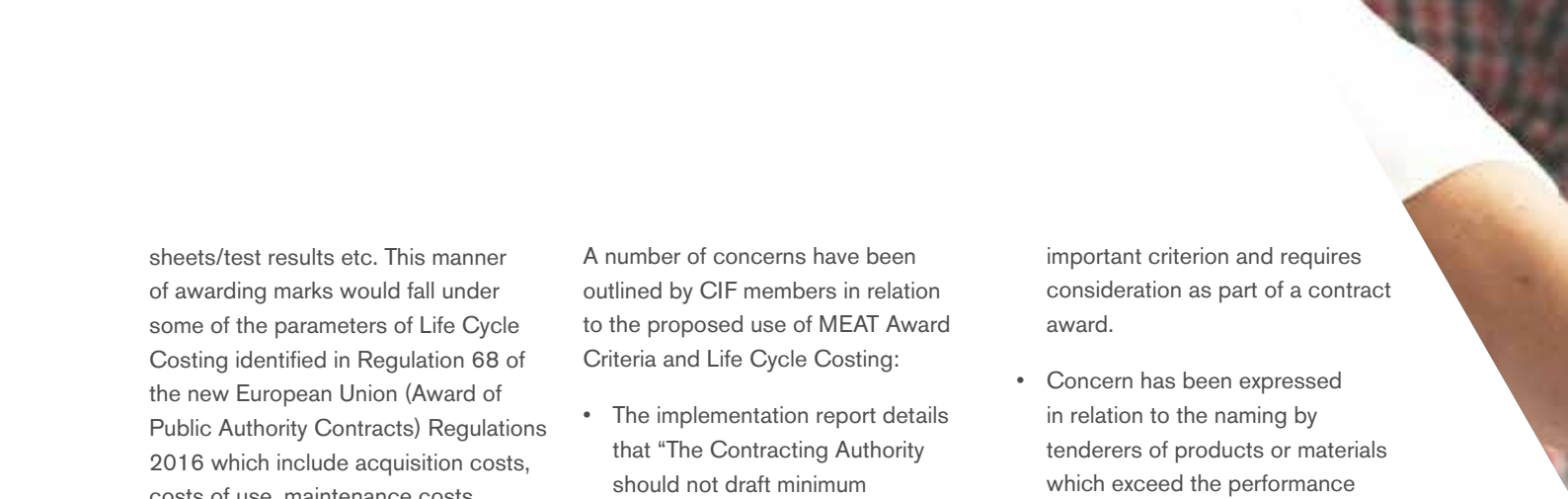
The **Maximum Quality Score** available is [**20**] out of a total **100** marks

And

***Total Value Score***

$$= \left( \frac{\text{Total Quality Score}}{\text{Maximum Quality Score}} \right) \times \left( \frac{\text{Lowest Compliment Price Received}}{\text{Price Offered}} \right) \times \text{Maximum Pricing Score}$$

The **Maximum Pricing Score** available is [**80**] out of a total **100** marks



sheets/test results etc. This manner of awarding marks would fall under some of the parameters of Life Cycle Costing identified in Regulation 68 of the new European Union (Award of Public Authority Contracts) Regulations 2016 which include acquisition costs, costs of use, maintenance costs, end of life costs, and costs imputed to environmental externalities e.g. emissions costs.

While the process of whole life cycle costing is already provided for in the capital works management framework, no basis for assessment exists as of yet and any such assessment would need to be set out clearly and developed in a manner that ensures consistency of approach. The Society of Chartered Surveyors Ireland, in conjunction with Kerrigan Sheanon Newman and Dublin Institute of Technology, has produced a Guide to Life Cycle Costing which provides useful guidance and explanations in this area. This Guide explains Whole Life Cycle costing as being:

*"An economic evaluation in which all costs arising from owning operating and maintaining a building over a certain study period or building life cycle are considered to be potentially important in option appraisal, design decisions, and cashflow forecasting".*

It is vital to ensure that plans relating to the use of MEAT award criteria and Life Cycle Costing are supported by training and guidance, primarily for contracting authorities, but also for tenderers. This is because the use of such criteria will require additional skills, and inevitably result in more time and resources having to be put into the preparation of tender documents and assessment of tenders but also the preparation of tenders by contractors.

A number of concerns have been outlined by CIF members in relation to the proposed use of MEAT Award Criteria and Life Cycle Costing:

- The implementation report details that "The Contracting Authority should not draft minimum performance criteria so as to close the specification to a single available product/supplier in the market". It is suggested that this should be "shall not" as if the criteria is closed to a single product or supplier this will defeat the purpose of allowing additional marks for that element. It is recognised that product specification is an issue of serious concern to both sides and the CIF looks forward to seeing how this will be addressed.
- The intended requirement for the completion of a matrix of products and materials as a precursor to the introduction of the full MEAT evaluation may present a difficulty for contractors who are completing tenders, as it appears from the report that no marks will be attributable to the completion of this matrix. Where matrices such as this are currently used, contractors have reported difficulties in finding the time and resources to complete them given the volume of detailed information sought. Guidance will need to be given to contracting authorities who intend to use such matrices to ensure that it is not an overly exhaustive list which deters contractors from tendering.
- The report refers to the current use of methodology as an award criterion, stating that all too often it results in very similar scores and does not easily allow for separation of tenders on the basis of a MEAT Award. It is submitted that methodology remains an important criterion and requires consideration as part of a contract award.
- Concern has been expressed in relation to the naming by tenderers of products or materials which exceed the performance specifications set by the Contracting Authority, as this may bring an element of design into the tender. This is in addition to the design responsibilities for products which has been transferred to contractors by the Building Control (Amendment) Regulations 2014. The logic of using life-cycle costing on employer designed projects has been called into question as it may be difficult to assess without introducing an element of design for contractors.
- CIF is also concerned that it is not possible for tenderers to offer alternative designs or products that may be more cost effective in the completion of a project. Tenderers are prohibited from qualifying their tenders in any way, for example by stating that their price would reduce by X amount if they could do/use Y. Such a facility, if provided, would enable contractors to suggest more economic alternatives to employers under the GCCC forms of contract.
- It is the understanding of the CIF that a working group was established to look at the implementation of MEAT Award criteria during the course of the development of Circular 01/16, and the outcome of its efforts is looked forward to.
- The use of this type of criteria does not necessarily provide a solution for civil engineering contracts and further development in this area will be required.

It is vital to ensure that plans relating to the use of MEAT award criteria and Life Cycle Costing are supported by training and guidance, primarily for contracting authorities, but also for tenderers.

# 5. Risk Management

The GCCC in the Report on the Review of the Performance of the Public Works Contracts acknowledged the importance of proper risk management to the successful delivery of building projects, and proposed to develop a comprehensive suite of guidance for contracting authorities to refer to when commissioning construction projects. It also proposed the development of a risk template that may be used throughout the development process, from site appraisal through to engagement of consultants and onward, to inform the tender process for works contractors and thereafter for the building manager to inform the operation and maintenance of the facility. The risk template is intended to become the core management tool for decision making on a project's development at all stages up to tender.

It is also proposed to develop a risk rating for the project which will inform the tendering and contracting strategy to be adopted. This process will require the contracting authority and, where applicable, their design team to consider risk and, where it is proposed to transfer a risk, to provide adequate information to permit tenderers to price that risk. Where appropriate, tenderers' prices and methodologies for dealing with a particular risk may be taken into account in evaluating the tenders and only where it meets a pre-determined value will they be included in the eventual contract awarded.

The risk template will inform not only the procurement procedure but also which form of contract should ideally be used to deliver the project, depending on such factors as project definition and risk profile. This is to be welcomed, as on many occasions, Employers have adopted the PW-CF3 form of contract instead of the PW-CF5 where values are significantly less than €5m. This transfers greater risk onto Contractors and should only be permitted in very limited circumstances.

The GCCC has also indicated that Building Information Modelling (BIM) should be considered a powerful risk management tool and consideration must be given to making its use mandatory for projects of a certain scale and complexity. It is intended to develop BIM protocols for inclusion in public works contracts. It is noted that any intention to require BIM for projects must be dealt with carefully so as to ensure not to eliminate SMEs from competing, as BIM has not been widely used in Ireland to date and has only been operated on a small minority of projects.

The proposal to develop risk templates and ratings is welcomed by the CIF, as it has long been widely recognised that the best value approach to risk allocation is achieved where a risk is owned by the party best able to manage it. This is particularly the case in relation to legislative enactments, which are currently at the risk of the Contractor whereas it is clearly the public sector contracting authority who would be better placed to manage that risk. It is also suggested that consideration should be given to the introduction of a cap on liability for contractors on public sector projects. This type of cap is already in use across the UK and the EU and allows for the appropriate allocation of risk to a realistic exposure level.

**Numerous contract clauses in the GCCC forms continue to transfer risk to the Contractor which they are not in the best position to manage, as outlined below:**

## Clause 1.10 – Background Information

With the Employer holding no liability for any background information made available to the Contractor which is not included in the contract, tenderers are required at tender stage to make a judgment on the reliability of any information provided. A contract could be won simply because a tenderer was willing to accept that the information was correct and ignore any deficiencies without pricing the risk. This is considered to be unfair on tenderers, and is not a sustainable position where the risks are underestimated.

It is the view of the CIF that as background information is likely to have been produced by professional consultants or surveyors, there should be sufficient confidence for it to be relied upon, particularly given the longer period of time allowed to consultants to consider these documents than is allowed to tendering contractors. As the Employer is providing the information, where they consider it to be reasonably robust it is considered that the Employer should take the risk for background information. This would be fairer and would result in more consistency in tender prices.

The fairest solution would be to revise the contractual provisions to allow for fair and reasonable reimbursement for delay costs based on demonstrable actual costs with incentives to minimize costs.

Alternatively the risk to the Contractor relating to the reliability of the Background Information could be capped by making provision for a compensation event when conditions vary beyond defined circumstances. The latter approach has been used successfully elsewhere, including the current Crossrail project in London, and would provide a more equitable position between the tenderers.

Another manner in which the issue of background information may be addressed is through the involvement of a Contractor in the project from an early stage through Early Contractor Involvement, which facilitates contractor-led resolution of issues. Early Contractor Involvement is discussed in more detail at Section 6 of this submission. The CIF is aware that difficulties for design teams are resulting in problems with design that could be more easily rectified by having a Contractor involved in the process from an early stage.

In general, CIF considers that it should be possible for Employers to set out which aspects of the Background Information Tenderers can rely on and identify any aspects where information is not fully robust and the risk lies with the Contractor. This would make the Employer's contract compilers understand the risks more fully and allow Tenderers to assess the risks more reliably.

## Clause 8.1 – Standards of Workmanship and Work Items

This clause places a fitness for purpose obligation on the Contractor for goods, materials, and any items designed by the Contractor. In the view of the CIF, this requirement is unreasonable and unfair and is in fact an uninsurable risk. It is further noted that this is inconsistent with the GCCC forms of Contract for design, being a higher standard than that of reasonable skill and care as required of design professionals.

It is pointed out that in reality it would be difficult for an Employer to pursue a claim based on fitness for purpose because fitness of purpose is linked to the standards and specifications set out by the Employer. If a design or a product meets the required standards then it could be considered to be fit for the intended purpose. Claims brought against contractors under this clause would inevitably be strongly contested if a contractor could not obtain insurance. It would not be in either party's best interests for there to be costly legal proceedings arising from a clause which is clearly unreasonable.

It is therefore suggested that the clause should be revised so that the standard applied to contractors is the same as that applied to design professionals, which will also allow contractors to obtain the correct insurances.

## Clause 10.7 – Delay Cost

The Employer bears no liability for any losses or expenses from delays caused by the Employer or others, or by acceleration required by the Employer. This is of very high risk to the Contractor and is completely outside of his control, therefore is considered to be an unreasonable and unmanageable risk which should not be borne by the Contractor.

In practice, the Contractor is responsible for liaising with other parties to progress the works and clearly where a delay results from a failure to properly carry out this obligation, the Contractor should be liable. However, the Employer will equally have a role in supporting liaison with other parties for approvals etc. and the Contractor should not be held liable for any failure on the part of the Employer in this regard.

CIF considers that the best and fairest solution to this issue would be to delete sub-clause 10.7.4. Failing that, CIF considers that Employers would get better value tenders by revising the clause so that the Contractor would get compensation for losses due to delay outside his control, but no compensation for losses where he is responsible for ensuring that others support the works programme. This would then become a more manageable risk.

It is particularly inequitable that the Employer could require acceleration without paying appropriate compensation. This specific concern could be addressed by including acceleration requirements as a compensation event.

**The CIF has also identified a number of clauses in the contracts which have potentially undesirable effects in the area of risk management relating to the adequacy of contract prices, as outlined below:**

## Clause 9.3 – Delays and Extensions of Time

The difficulty which arises in relation to this clause is that delay costs must be bid at tender stage. This causes a two-fold problem – firstly, there is a focus on lowest tender price for the award of contract, which is the primary concern of the contractor at tender stage. Secondly, the circumstances of any delay cannot be known at this stage and therefore the cost cannot be accurately priced. Delay thresholds are frequently excessive and the overall consequence is for delay costs to be underestimated by Tenderers, who submit low rates which do not adequately reflect the actual costs in order to win contracts. This is another example of the encouragement of unsustainable low pricing which is not in the interests of any of the parties over an extended period of time.

The use of inadequate rates will have undesirable consequences as the Contractor seeks to recover their costs. This may be in the form of reduced quality, claims, disputes and seeking to use other opportunities to maximize their returns. These factors could clearly undermine the desired cooperative relationships.

Improvements in tender documents which would not require significant change during the course of the contract would go a long way to addressing this problem, as currently delays resulting from the high risk of change make these provisions and arrangements unfair and unsustainable. In addition, employers could review delay costs proposals to ensure that they are reasonably sufficient and should consider rejecting bids in accordance with the abnormally low provisions of the Procurement Regulations.

CIF considers that the fairest solution would be to revise the contractual provisions to allow for fair and reasonable reimbursement for delay costs based on demonstrable actual costs with incentives to minimize costs. Employers should be required to demonstrate the basis for delay, and should be able to substantiate the reasoning for it using historical data. Delay costs should be calculated on the basis of a fair formula. A suggestion put forward by the CIF in the original submission was as follows:

- Comparative Costs Delays: Delay costs can only be priced correctly by Contractors to reflect the likely outturn value of the contract where the duration given for delay cost calculations in excess of the threshold is realistic and reasonable. Pending review of historical data, when available, CIF considers a maximum of 5% reasonable, to be reviewed as more data becomes available.
- Comparative Costs Labour and Plant: If the quantities/amounts given do not reflect the size of the contract as may arise in tender documents, disproportionate and inaccurate pricing will result giving rise to potential conflict during the contract. Concern in this regard may be lessened where a fully developed Bill of Quantities is prepared in line with Circular 01/16, however this should still be borne in mind.

## Clause 9.4 Programme Contingency

The complex provisions included in the programme contingency clause are used to determine entitlement in relation to the thresholds. CIF members report that this complex and unusual approach continues to cause much confusion for tenderers. In general, it is found that there is little correlation between periods specified for the first and second contingency thresholds and the actual level of delay likely on a project. The lack of reasonable and proportionate periods provided by Employers suggests that Employers' personnel are also confused by the provisions.

The aim of the clause appears to be to bring a greater degree of certainty to costs associated with delay, however the approach is likely to be inequitable as Tenderers will interpret the risk in different ways and Employers are likely to apply it in different ways.

In practice, as with delay costs, tenderers are tempted by the use of lowest price tendering to ignore or make a very low provision for programme contingency which is unsustainable over an extended period of time. Again, the lack of detailed design information at tender stage makes it even more difficult for tenderers to accurately make allowance for a programme contingency.

CIF considers that this approach is unnecessarily complex and is not adequately understood by Contractors or Employers. There are other clearer ways of achieving greater price certainty which should be considered, but at the very least guidance needs to be issued so that Employers apply the provisions in a consistent way and tenderers can also assess the risks on a consistent basis.

In addition, Contractors should be entitled to full recovery of costs for delay after the expiry of the contingency period. There should be more realistic durations for contingency periods which should be of relevance to the contract period. Pending review of historical data when available, a maximum of 5% of the contract duration is considered reasonable, to be reviewed periodically as more data becomes available.

## Clause 10.6 Adjustments to the Contract Sum

This clause provides a framework for the adjustment of the Contract Sum arising from a Compensation Event. There are a number of alternative approaches to the valuation of additional, substituted and omitted work. The difficulty arises in relation to the fourth valuation method, which is considered to be potentially unfair because it is linked back to tender rates which could be artificially low driven by the lowest price award criterion. CIF believes that there is evidence of tenderers submitting labour rates significantly below their legal and contractual obligations, and material and plant rates below actual cost. Employers appear to be accepting these rates without challenge even though they must be aware that they are not consistent with the contractual obligations for minimum levels of pay. This is unfair on tenderers who are committed to meeting their obligations.

Employers should accept that they should pay a fair price for compensation events for which the Contractor is entitled to compensation under the contract.

In practice Employers should accept that they should pay a fair price for compensation events for which the Contractor is entitled to compensation under the contract. This should fairly reflect the actual cost consequences of the cause of the compensation event otherwise the known problems of unsustainable pricing will impact undesirably on the delivery of the contract.

The provisions of Clause 10.6.4 are fundamentally flawed and should be deleted from the contract. The provisions of Clauses 10.6.1, 10.6.2, and 10.6.3 provide the ER with sufficient options to be able to make a fair assessment of the adjustments for compensation events.

## Clause 10.8 Price Variation

The price variation clause requires that the Schedule select either PV1 (proven cost method) or PV2 (formula fluctuations method) for price variations arising during the operation of the contract. Members report significant difficulty with the use of these options which place huge risks on the Contractor, who is not in the best position to manage this risk. Cognisance needs to taken of the fact that in the current fluid market, costs are increasing rapidly and this is a risk that should not be placed on the contractor. A more realistic and workable price variation formula should be provided to allow for increased costs with material and labour of particular importance.

## Clause 11.3 Retention

The retention percentages deducted have been reported to sometimes be as high as 10% which is well above normal practice elsewhere and is a figure which CIF considers to be unjustifiable. The retention of money has a considerable impact on the Contractor's and supply chain's cash flow and it is inevitable that allowance is made in tender prices for the Contractor's financing requirements.

It is the view of the CIF that the practice of retention should be done away with completely as is the case in other jurisdictions such as the United Kingdom, as there is little evidence to show that retention helps to avoid defects. There are other ways of providing protection such as performance bonds, parent company guarantees and provisions for defects.

Alternatively, if retention is to be used then it is desirable for Employers to adopt a standard and reasonable percentage, and should ensure that it is released promptly when requirements have been fulfilled. CIF members have reported instances of retention monies being improperly disbursed, and as such it is suggested that any monies held in retention must be kept in a trust account for the benefit of the Contractor to ensure that they are available at the end of the defects liability period and cannot be utilised for any other purpose. It is also suggested that retention bonds should be used, and that these should be performance based rather than on demand, a change which it has been recently agreed to implement for RIAI Forms of Contract. Furthermore, consideration should be given to having retention bonds active from the outset rather than only for the second moiety of retention following the release of the first moiety at practical completion. It would also be sensible to do a value for money review to see if a better value approach could be adopted to achieve efficiencies.

## Clauses 12.5 & 12.6 Termination at the Employer's Election

Termination in the circumstances provided for is likely to be very rare but the provisions do not compensate for financial loss which is clearly unfair. It could become a significant deterrent to the appetite of contractors to bid for contracts on this basis and therefore the reasonableness of the provisions should be reviewed.

# 6. Encouraging Co-Operative Behaviour

**The following was outlined in the Report on the Review of the Performance of the Public Works Contracts:**

*Whilst co-operation is a requirement of the public works contract, it is acknowledged that in the circumstances of an unsustainable price that the opposite can often arise – an adversarial position may be adopted which can compromise the successful outcome of the project. The period of engagement between industry and the GCCC will be used to explore how co-operation measures can be better integrated into contracts and parties incentivised to ensure a better outcome for the project.*

The CIF has identified a number of contract clauses requiring the Employer to perform duties in a reasonable and/or co-operative manner which may have unreasonable consequences if not fulfilled properly. Co-operation between Contractor and Employer is essential in order for a contract to be successfully delivered and those contract clauses which may act as an impediment to this are outlined below.

## Clause 4.1 – Cooperation

The reciprocal co-operation requirements set out under this clause are fully supported by the CIF and it is considered that co-operative or collaborative working is an approach that should deliver benefits to both parties where it can be achieved. It is recognised that co-operative working does not relieve either party of their obligations under the contract, however it is viewed as important that the Employer sets out their intent that a co-operative culture should be applied to the management and delivery of the contract, supported by co-operative behaviours.

The problem identified by CIF is that there are few contracts where fully collaborative working has been achieved and in many cases the Employer's Personnel show little evidence of being aware of this intended approach under the contract.

Co-operation may be perceived as being difficult to measure but partnering arrangements are now commonplace around the world and the most successful ones are supported by performance measurement arrangements which are overseen by senior managers from the parties. Experience elsewhere has shown that collaborative working arrangements in the delivery of construction contracts have produced substantial benefits, particularly through the earlier identification of risks and more effective risk mitigation. Benefits from collaborative working have been achieved in other countries where the contracting background was very confrontational relationships between contractors and clients and where little trust existed between the parties.

In the UK, two highly influential government reports on the construction industry were prepared in the 1990's, which came to be known as the Latham Report and the Egan Report. Both of these reports identified the detrimental effect on the industry of its adversarial and confrontational nature, and recommended the implementation of collaborative working practices.

The implementation of collaborative working practices in the UK has been identified subsequently by a number of organisations as resulting in benefits and improvements. For example, a report called "*The Business Case for Integrated Collaborative Working: benefits for both clients and contractors*" carried out by an organisation called Constructing Excellence in 2007 indicated that the adoption of new relationships based on the principles of the Latham and Egan reports had led to significant improvements directly benefitting clients. This report referenced statistics collated by the National Audit Office in 2005 on an analysis of government projects in that year compared with 1999, which found that collaboration had resulted in an increase in projects delivered on budget from 25% to 55%, and an increase in projects delivered on time from 34% to 63%. Further information on performance improvement in the industry is also set out in the 2009 report by the same organisation called *"Never Waste a Good Crisis: A review of Progress since Rethinking Construction and Thoughts for Our Future"*.

Other countries which have identified benefits from the adoption of collaborative approaches to construction procurement and delivery include South Africa, Australia, New Zealand and Hong Kong.

Clause 4.1 should be revised to include a requirement for senior managers of both parties to meet to monitor the success of the co-operative working arrangements and to be required to agree remedial actions where necessary. This input from the leaders from each party would send a strong message to the team members and would help to maintain the cooperative approach. This may also form part of the key performance measurement section which is to be introduced.

## Clause 4.5 – Instructions

The difficulty which arises in relation to this clause is that the Employer's Representative (ER) *may* issue instructions to the Contractor but is not obligated to do so. This allows the ER a discretion which in practice may not be exercised properly or appropriately.

CIF considers that it is clearly in the Employer's interest that when an instruction is required in order for the contract to proceed efficiently and without delay, the ER should have an obligation to issue an instruction promptly, which will facilitate better co-operation and a better working relationship between the parties to the contract. In order to ensure that an ER does not use discretion as a reason for delaying an instruction it would be better to revise the Clause accordingly and to set out the required timescale in Clause 4.11.

## Clause 4.7 – Contractor Submissions

This clause allows the ER a period of 10 working days from when he has received enough information to make a purposeful review of a Contractors' submission. The difficulty which arises in relation this provision is that in practice, ERs are often taking longer to process approvals than provided for in the contract, and are using the provision to seek additional information as a delaying tactic. This type of inappropriate action inevitably creates considerable inefficiency and it is clearly not in accordance with the aim of co-operative working set out in Clause 4.1.

It is vital for the efficient progress of the work that the Contractor can rely on the contractual provisions for responses in programming and delivering the works. CIF considers that the ER's entitlement to ask for more information should be restricted to only that which is reasonable and essential for the purposes of taking a decision on the proposal. It would also be desirable to cross-refer to Clause 4.1 to make it clear that the ER should use reasonable endeavours to progress the processing of the submission as quickly as possible within the permitted timescale, and to allow for the Contractor to call a meeting of the parties to discuss the submission and seek to agree any issues that need further consideration.

## Clause 4.11 – Time for Employer's Obligations

Under this clause, there is an obligation on the Contractor to give the ER at least 10 working days' notice of the date by which the ER is required to give an instruction or anything else required under the contract, and sets out four possible ways of establishing the latest date by which the ER must meet his obligations.

In the view of the CIF, 10 working days' notice is too long and acts as an unnecessary constraint on the efficient progress of the works. There are regularly opportunities on complex building or construction contracts to find more efficient ways of delivering contract requirements but this clause can present a barrier to achieving those efficiencies.

CIF considers that the wording of the clause does not support co-operative working and is therefore, in conflict with Clause 4.1. CIF's review has indicated that it is common for ERs to fail to meet obligations and this can seriously undermine relationships and the desired cooperative working culture. There is no set timeframe within which the ER must give information to the Contractor.

Providing four options under the contract for determining the latest response date is unnecessarily complex and inefficient. It is the view of the CIF that this does not encourage ERs to give early responses which would support more efficient programming and working. Any information to be given to the Contractor by the ER should be so given immediately or at the earliest possible time.

## Clause 5.3 – Pay and Conditions of Employment

Obligations are imposed on the Contractor under this clause to ensure that minimum pay and conditions of employment are achieved during the delivery of the contract. Minimum pay obligations are not always met in practice and Employers are not making appropriate checks to monitor the position. Failure to meet these obligations provides a clear unfair advantage to the Contractor over Tenderers who would have met the obligations. In order to discourage the approach of the attempted avoidance of meeting obligations as to minimum pay and to ensure that these obligations are delivered, the Employer should be obliged to monitor the Contractor's performance. The Contractor should be required to submit regular reports and provide the Employer with access to all records.

To support this Clause 5.3.5 should be strengthened to place an obligation on the ER to seek information for the purposes of ensuring that obligations are fulfilled rather than the current discretionary provisions.

## Clause 5.5 – Collateral Warranties

An issue which arises with this clause is the provision which requires the Contractor to give the Employer a collateral warranty from any specialist before the date stated in the Schedule. In practice, Employers are sometimes requiring a collateral warranty to be in place in advance of the contract. It is difficult to understand why this would be required and would appear to be meaningless if the main contract is not in place. There are no envisaged risk circumstances where a collateral warranty would be of any benefit to the Employer in advance of the contract.

If the intention of Employers is to ensure that the warranty is in place at the start of the contract then this can be achieved through the contract execution arrangements. This may not, however, be sufficient to prevent an Employer seeking to obtain a warranty in advance of the contract and so the clause should be revised to state that a collateral warranty, where required, should be in place before the first payment becomes due to the subcontractor.

## Clause 10.4 – Proposed Instructions

The provision for the ER to require the contractor to submit proposals for a proposed instruction is beneficial in principal in that is allows for proposals to be properly considered before decisions are taken. Issues arise however where proposals are developed incurring substantial cost, but are not subsequently taken forward and there is no provision for the Contractor's costs to be reimbursed. In such circumstances there is a clear risk that some ERs may be tempted to ask the Contractor to review options which are very unlikely to be acted upon.

Collaborative working arrangements in the delivery of construction contracts have produced substantial benefits particularly through the earlier identification of risks and more effective risk mitigation.

The primary aim of procurement strategies should be to promote collaboration and cooperation between all of the parties responsible for project delivery

CIF consider it would be more equitable for the clause to be amended to include a provision for the Contractor's demonstrable costs to be reimbursed when the proposal is not implemented by the ER. If the proposal is taken forward it should be stated that the preparation costs are covered by the implementation costs. This would help ensure that ERs act appropriately in exercising the provisions of this clause and would facilitate a more co-operative relationship.

## Clause 10.5 – ER's Determination

Under this clause, if the ER fails to take any action within the time stated, it will be deemed that the Contractor has no entitlement to compensation or extension of time. It is the view of the CIF that this clause is one of the most unfair and unreasonable clauses in the contract, as it allows the Contractor to effectively be penalised for the ER's inaction. This is clearly not in accordance with the aim of co-operation set out in Clause 4.1 and should be addressed in the Medium Term Strategy by revising it so that the ER is required and incentivised to manage the contract in a fair and efficient manner and to take the necessary action within the timescale. This would be best achieved by revising sub-clause 10.5.3 so that failure by the ER to take action results in an entitlement to the Contractor to an adjustment to the contract sum, programme contingency and an extension of time.

## Clause 10.9 – Employer's Claims

This clause sets out provisions for Employers to make claims to reduce the Contract Sum. In principle CIF considers the clause to be reasonable and appropriate. It is considered, however, that the detailed provisions are inequitable because the same notice periods for Contractor's claims are not applied to Employer's claims. This is another example of where the detailed procedures are inconsistent and are not aligned with the intended cooperative nature of the contract set out in Clause 4.1. The notice periods for Employer's claims should be revised to be consistent with those applicable to Contractor's claims.

## Clause 11.6 – Time for Payment

This clause stipulates that where no time for payment is stated, the amount due shall be paid within 30 days of receipt of a demand for payment. It also sets out provision for the payment of interest on late payments.

The reference to "where no time for payment is stated" appears to conflict with the payment provisions established under Clause 11.1. This 30 day payment period complies with the Schedule to the Construction Contracts Act 2013, whereby if no time for payment is stipulated in a construction contract, payments shall be made within 30 days. Clause 11.1 however, envisages a payment period of a minimum of 35 days from the date of the payment claim notice. The difficulties this will cause for Contractors are outlined in more detail at Section 9 of this submission, where it is highlighted that the current payment provisions in Clause 11.1 do not allow Contractors to comply with their statutory obligation to pay sub-contractors within 30 days under the Construction Contracts Act, which is likely to have a negative impact on co-operation between the parties.

In relation to the payment of interest, CIF members have found that Employers are very reluctant to pay interest and they normally seek to negotiate out of this obligation. This puts Contractors under unfair pressure. The Government should take the lead in ensuring fair and prompt payment and Employers should be obliged to pay interest in accordance with the contract provisions. If they are not going to do this the Tenderers should be told so that they can make allowance in their tender prices. It would be preferable however, to strengthen the wording of the clause to state that interest must always be payable on late payment.

## Early Contractor Involvement

In line with the reasoning set out by the GCCC in the Report on the Review of the Performance of the Public Works Contracts, the CIF considers that the primary aim of procurement strategies should be to promote collaboration and cooperation between all of the parties responsible for project delivery. This approach is very much in line with what is recognised as best practice in many

other countries. It is widely recognized that maximum benefits of collaboration are achieved where the parties are brought together in integrated delivery teams as early as possible in the development of a project. The potential benefits of Early Contractor Involvement (ECI) include:

- Better value solutions;
- Improved buildability;
- More scope for innovation;
- Better H&S planning & risk management;
- Better cost estimating & budgeting;
- Better resource planning; and
- Greater certainty of outcomes.

Early Contractor Involvement (ECI) is not a new concept although the term itself has only been around for approximately 15 years. Multinationals have been using an ECI model in Ireland for over three decades. ECI is about bringing the Employer, the Designer and the Contractor together early in the project lifecycle to develop the most efficient scheme and to speed up delivery. Collaboration between all the parties is key to the success of an ECI project and it is therefore ideal for use on appropriate public sector projects in order to achieve the objectives of the GCCC set out in the review.

ECI has in fact already been used on public sector projects in Ireland, with the Cashel to Mitchelstown Motorway having been procured with ECI strategy. This project was delivered earlier than the challenging timescales in the scheme objectives and the EIS was praised by the Inspector at the Oral Hearing for the specific information provided by the Contractor.

ECI is also widely operated across the United Kingdom, with Transport Northern Ireland using an ECI strategy for several road schemes. The Welsh Government's preferred procurement route for road projects is ECI and their particular model is widely regarded as the best procurement strategy of all used in Scotland, England, Wales and Ireland. Up to now they have used a 70% Quality and 30% Commercial evaluation, which is generally considered to give the best balance. The rules around the commercial evaluation puts the emphasis on getting the price right and the rules around the quality evaluation are such that a Contractor must propose an 'A' team to be successful. The Welsh Government are very mindful of the Welsh £ being spent in Wales and during the construction stage they monitor the local spend on their projects which is very important for SMEs.

The GCCC has already developed a form of contract to be used for specifically this type of early engagement, PW-CF9 "Public Works Contract for Early Collaboration". The Employer's Note which accompanies this document outlines its use as follows:

*"This form of contract is intended for use on large projects (e.g. over €100 million), or technically complex projects on which Contractor input is required at an early stage.* ***In any event a Contracting Authority must get prior approval from the Government Contracts Committee for Construction for its use.*** *The Contract requires the Contractor to be appointed for a Project's Early Services, who may also be appointed for one or more Tasks. In a simple case, the Early Services is design development and obtaining planning consents, and the Task is the physical works. If there is more than one Task, they would normally be different phases of physical works."*

The GCCC has therefore already envisaged the necessity for, and indeed the benefits of early collaboration between contractor and Client. The CIF is not aware, however, of this form of contract having been used to date. In other jurisdictions and in the private sector, the form of Contract normally used with an ECI strategy is the NEC Option C (Target Cost) Contract for the construction stage and the NEC Professional Services Contract for the scheme development phase. These contracts are discussed in further detail under Section 8 of this document.

It is the view of the CIF that the GCCC should give in depth consideration to the use of ECI strategy in order to foster co-operation between the parties to the contract. If ECI strategy is to be used, it will be vital to ensure that there is a rigid framework for design development, particularly in relation to building projects.

# 7. Introduction of Performance Evaluation

In the Report on the Review of the Performance of the Public Works Contracts, the GCCC indicated their intention to introduce performance evaluation, not only for building contractors but for all those involved in the delivery of a project including the Client/Employer. It was proposed that this be implemented by way of milestone evaluations under the contract where an evaluation of the performance of the contractor and of the contracting authority is to be carried out and should be objective, clear and simple to administer. Ongoing evaluations will allow for improvements in performance during the term of the contract. It is intended that final evaluations will be included in references sought on any future pre-qualifications.

The CIF is in support of the use of performance monitoring arrangements and indeed had sought the introduction of same under its original submission to the review, suggesting that reports be published on the use of the GCCC contracts in terms of indicators such as:

- Cost overruns;
- Time overruns;
- Value for money;
- Claims and disputes;
- Quality of works;
- Supply chain profitability and sustainability;
- Health and safety;
- Strength of competition;
- Adequacy of tender prices; and
- Reputational issues

The availability of this type of information would make it possible to establish appropriate performance mechanisms to allow reliable comparisons and benchmarks to be produced. It is in the Government's interests to be in a position to understand how its contracts are performing and to have performance data available which could be used to drive continual improvement.

In considering the possible introduction of performance evaluation of contractors, clients and design teams, the CIF looked to the Key Performance Indicator format utilised in Northern Ireland, which is set out on the next page for information.

The concerns expressed by members in relation to the type of KPIs used above related to the fact that many of the results on many of those indicators will be due to client variations which fall outside of the control of contractors. As such, it will likely be necessary to have separate categories of KPIs for the client, design team and for the contractor, which relate only to items within their control.

Further concerns have been expressed by members about the potential impact of difficult relationships with clients on performance evaluation. It is unclear from the report who is intended to carry out the milestone and final evaluations and how in fact performance will be assessed.

| Key Performance Indicator | Objective |
|---|---|
| Client Satisfaction – Product | To determine the overall level of client satisfaction with the completed project |
| Client Satisfaction – Service | To determine the overall level of client satisfaction with the service of the consultant and the main contractor during the project |
| Defects | To assess the impact on the client of any defects at the point of hand-over |
| Predictability – Cost | To measure the reliability of cost estimates |
| Predictability – Time | To measure the reliability of time estimates |
| Construction Cost | To measure the change in the cost of construction |
| Construction Time | To measure the change in construction time |
| Safety | To measure the number of reportable accidents |
| Environmental Impact – Product (Sustainability) | To determine the extent to which environment impacts (energy use, CO2 emissions, materials from non-renewable resources) were taken into account in the finished product |
| Environmental Impact – Process (Sustainability) | To determine the extent to which environmental impacts (waste, noise and dust) were taken into account during the construction process |

# 8. Alternative Forms of Contract

There are two primary areas for discussion under the heading of Alternative Forms of Contract – firstly, the potential for the use of internationally recognised forms of contract in Ireland, and secondly the need for a separate form of contract for use on Heritage Works.

## Internationally Recognised Forms of Contract

In relation to the use of internationally recognised forms of contract, the review document issued by the GCCC highlights the advantages of using such documents as follows:

- They are developed by industry, professional and legal experts engaged in the delivery of construction projects;
- There is assistance and guidance available to those using the contracts;
- There is a certain degree of case law in other, common law jurisdictions available on many of the forms to inform both parties to the contract as to the intent of particular clauses

This reasoning follows that outlined by the CIF in its original submission to the review, and the CIF continues to support the consideration of the use of alternative forms of contract for the construction industry. It is the view of the CIF that a number of pilot schemes should be carried out using these alternative forms, and that discussions should be held with bodies outside of the Office of Government Procurement who are currently using alternative forms of contract, such as Irish Water. Additionally, consideration should be given to the likely changes needed to the GCCC forms of contract for technological advancements in the industry including Building Information Modelling and Lean Construction principles. Alternative forms of contract may be of benefit to the GCCC in determining what changes may need to be made and what lessons can be learned from experience elsewhere.

It is also noted that the European Commission's strategy for the Construction sector and its enterprises focuses on five key objectives, including strengthening the internal market for construction. As part of this objective the Commission has highlighted the need to have a clear and predictable legal framework and proportionate administrative costs. A review of regulations and administrative provisions is hoped to assist with the convergence of different regulatory approaches across the EU. The use of a standard internationally recognised form of contract in Ireland would be beneficial in this aim.

The various suites of internationally recognised forms of contract which should be taken into consideration are set out below:

## NEC3

*The NEC3 suite of contracts were considered in the development of the GCCC forms of contract and as such are the closest to what the Irish industry is currently using. The PWC1 Form has been likened to the NEC3 Option A form, and the PWC5 Form has been likened to the NEC3 Option B form however there are a wide range of options available under NEC3 which are not currently part of the PWC suite.*

NEC3 has always been a forward thinking contract. Its collaborative, straightforward approach – which has resulted in well documented time and money saved on some of the biggest projects around the world-has won praise and support from across the spectrum of public and private sectors.

NEC3 is possibly the only form of contract to offer an integrated and complete procurement package, whether you are involved in works, services, supply or a mixture of the three.

In the UK The Construction Clients Board [formerly Public Sector Clients Forum] recommends that public sector organisations use the NEC3 contracts when procuring construction.

The main forms of NEC3 Contracts are listed below and give the procurer a tailor made solution to the various types of procurement and contract they wish to employ.

1. NEC3 Engineering and Construction Contract [ECC]
2. NEC3 Option A [Priced Contract with activity schedule]
3. NEC3 Option B [Priced Contract with BOQ]
4. NEC3 Option C [Target Contract with activity schedule]
5. NEC3 Option D [Target Contract with BOQ]
6. NEC3 Option E [Cost Reimbursable Contract]
7. NEC3 Option F [Management Contract]
8. NEC3 Subcontract
9. NEC3 Short Contract
10. NEC3 Short Subcontract
11. NEC3 Framework Contract

Furthermore there is an appetite for the use of NEC3 contracts as evidenced by the advertisement for an NEC3 Contract Advisor on the Luas Cross City Works. In addition, it is worthy of note that the vast majority of public sector works in Northern Ireland, that is to say all save Health Estates projects, are procured on NEC3 Forms of Contract.

Alternative forms of contract may be of benefit to the GCCC in determining what changes may need to be made and what lessons can be learned from experience elsewhere.

## JCT

JCT has always been a forward thinking contract. Its collaborative, straightforward approach – which has resulted in well documented time and money saved on some of the biggest projects around the world-has won praise and support from across the spectrum of public and private sectors.

JCT is possibly the only form of contract to offer an integrated and complete procurement package, whether you are involved in works, services, supply or a mixture of the three.

This form of contract is extensively used in Public Sector contracting in the UK.

The main forms of JCT Contracts are listed below and give the procurer a tailor made solution to the various types of procurement and contract they wish to employ there are a number of other more specific forms of documentation available under the JCT suite.

1. JCT Design & Build 2011
2. JCT Intermediate Building Contract 2011
3. JCT Intermediate Building Contract with Contractors Design 2011
4. JCT Minor Works Building Contract 2011
5. JCT Minor Works Building Contract with Contractors Design 2011
6. JCT Standard Building Contract with Quantities 2011
7. JCT Standard Building Contract With Approximate Quantities 2011
8. JCT Standard Building Contract Without Quantities 2011
9. JCT Construction Excellence Contract 2011
10. JCT Construction Management Trade Contract 2011
11. JCT Sub-Contract 2011
12. JCT Short Form of Sub-Contract
13. JCT Major Project Construction Contract 2011
14. JCT Major Project Construction Sub-Contract
15. JCT Prime Cost Building Contract 2011
16. JCT Tendering Practice Note 2012

## FIDIC

The FIDIC forms of contract have long been renowned for use between employers and contractors on international construction projects, with the following suite of contracts:

- Conditions of Contract for Construction for Building and Engineering Works Designed by the Employer: The Construction Contract
- Conditions of Contract for Construction for Building and Engineering Works Designed by the Employer (MDB Harmonised Edition) - for bank financed projects only: The MDB Construction Contract
- Conditions of Contract for Plant and Design-Build for Electrical and Mechanical Plant and for Building and Engineering Works Designed by the Contractor: The Plant and Design-Build Contract
- Conditions of Contract for EPC/Turnkey Projects: The EPC/Turnkey Contract
- Short Form of Contract: The Short Form
- Dredgers Contract (based on the Short Form of Contract): Dredgers Contract - See more at: http://fidic.org/node/149#sthash.18EKGQ30.dpuf

It is not unusual for projects for the Design, Build and Operation of Water Treatment Plants to use FIDIC forms of Contract.

Given the fact that Ireland is subject to the EU Procurement Directives and is part of the EU market, with many contractors operating across the EU, it is logical to consider the use of an accepted international contract in this jurisdiction.

**Separate Form of Contract for Heritage Works**

It is understood that the GCCC has agreed to introduce a special form of contract under license for all heritage and refurbishment projects carried out by the Office of Public Works. This contract has two main changes – a provisional sum of 15% for unforeseen works during the project, and the setting up of a continuous open framework panel of specialist areas. It is hoped that these changes will assist with the role of the contractor in bringing forward solutions and will also speed up delays in regards to specialist contractors, and the CIF looks forward to engagement on this matter. Until such time as this contract is made available for all heritage(conservation and restoration) works, however, the concerns expressed by the CIF in the original submission to the GCCC remain valid, and are set out below.

The use of the GCCC forms of contract in the public procurement of heritage works fails to recognise the level of skills needed and the sensitivities involved in such projects by comparison to Greenfield development or capital infrastructure projects.

All stakeholders working within the conservation fraternity agree that the current GCCC forms of construction contract are ill-suited to heritage projects. The principal concerns and current difficulties experienced within the heritage contracting sector began immediately following the introduction of the GCCC forms of contract in 2007. Their introduction aimed to reform public procurement and fix problems which had never actually existed in heritage contracting to begin with.

At present, public expenditure on construction works for heritage projects is subject to the same constraints as expenditure for works on a Greenfield site, and rather than a dedicated contract for heritage projects the procurement system has adopted a two-contract heritage strategy.

The strategy involves the use of two public works contracts: an investigation contract to inform the design and tender documentation prior to tendering the main works package using an employer-designed fixed price lump sum contract. This strategy was introduced with the objective of achieving greater cost certainty at the tender stage. The GCCC forms of contract approach to heritage projects results in a separation of the design from the construction function. Heritage contractors, who are conservation experts, are largely excluded from the design process with the result that more innovative, reserved or sustainable solutions may be overlooked. The strategy results in a loss of continuity (and therefore knowledge of the building on both the part of the contractor and professionals) between investigative contract and main contract as the client is obliged to tender again. Ironically this loss comes at a cost: the money and time involved in engaging in two tender processes.

Heritage contractors appreciate that public bodies are concerned with issues such as value for money, greater cost certainty at tender stage and more efficient delivery of projects. However, to ensure greater cost certainty at tender stage is achieved on heritage projects, which by their nature involve working with existing structures where the type and quantum of work is difficult to define in advance, it is recommended that the GCCC review and replace the current 'heritage contract strategy' with a solution that is specifically designed to cater for the unique characteristics and sensitivities of heritage projects.

## THE PROBLEMS

i. The risk transfer to the contractor using the current GCCC forms of contract is too onerous for heritage (conservation and restoration) projects and does deter competent heritage contractors from tendering.

ii. The cost involved in preparing the voluminous tender documentation is onerous on small scale contractors and specialists; if these skilled contractors cannot afford to tender the advantage is given to large commercial operators, some of whom may not have the necessary level of specialist traditional building skills in-house.

iii. Successful, good value heritage projects are by nature achieved collaboratively and are dependent on good client, contractor and professional relations, which is not engendered through the GCCC forms of contract.

iv. The use of provisional sums to cover unforeseen issues that arise on practically all heritage projects is excluded from the GCCC forms of contract. Claims for alterations and variations can typically mount up in projects dealing with existing buildings, especially heritage projects, increasing the final project costs (when the aim of the GCCC forms of contract was certainly concerned with determining the final cost of all projects in advance).

v. The current GCCC forms of contract prevent any discussion taking place with contractors following receipt of tender. The client and the professional team should be in a position to sit down with the contractor and review the specifications, methodologies, etc., which would in turn help to ensure better quality outcomes and respect for the authenticity and integrity of historic buildings at less cost.

vi. The current GCCC forms of contract have resulted in a more adversarial and rigid working environment for the heritage contractor, the professionals and the client; which was never the case prior to their introduction in 2007. Successful heritage projects are by their very nature highly collaborative and require careful research and preparation for conservation works; an understanding of the value of materials being conserved; an understanding of the conservation principle of minimum intervention; competence in the technical execution of works; a capacity to collaborate to devise appropriate works, capacity to collaborate with relevant specialist heritage sub-contractors; capacity to accept or propose changes of methodology required to minimise intervention due to unanticipated site conditions and capacity to do things more than one way.

## THE EXAMPLES

i. Risk Transfer: Due to the nature of heritage projects it is impossible to investigate, design and specify all works that will be required by the completion stage. For example, unlike Greenfield site development heritage projects involve existing structures which can result in the discovery of issues that have remained hidden and will only come to light once opened up. Such issues can include: defective timbers in walls, defective structural support timbers, issues in the ground condition or the discovery of archaeological evidence. At present all these risks are transferred to the contractor and the cost of covering them is often prohibitive. For example, the current situation might not encourage contractors upon finding unknown archaeological remains to advise the architect or the client.

ii. Specialist works form a significant part of heritage projects. Under the older forms of contract the client had a much greater say in the specialist sub contractors or materials to be used on site. This gave the client more control over quality. It also facilitated discussions with winning or selected specialist sub contractors to commence early on or even before the contract was awarded, which in turn helped to ensure that quality materials or craft persons were available to complete the actual works. While this issue may have been partially addressed through the introduction of reserved specialists, the manner of their appointment still does not allow for early discussions between the parties.

iii. Nearly all heritage projects entail any number of unforeseen additional works to be completed during the project works. Investigations are limited and are works that are carried out in advance of permanent works to identify and quantify potential risks that are concealed. While the intention may be to develop comprehensive design information before the contractor for the construction stage is appointed, it is impossible to know the full heritage implications of the project. One of the reasons is that it is impossible to open every area on site for inspection prior to tendering as this is not only cost prohibitive but could also put the building or structure out of commission. Provisional sums, formerly used in public works contracts, are no longer permitted. A provisional sum was a sum provided for work or for costs that could not be entirely foreseen, defined or detailed, as a result of incomplete design by the client at the time the tender invitation was issued. It is recommended that the professional have some provisional sum in place for

contingencies. It would result in better cost projection from the start and would prevent overruns which in turn can cost the client's professional team. Concerns as to cost overruns emanating from the over specification of projects to take into account the worst case scenario, without any provision for a cost reduction to the client if such scenario does not come to pass, have been addressed by the introduction of the Bill of Quantities as a contract document under Circular 01/16.

iv. Efforts to reduce costs can lead to product substitution and unless the contractor has a collaborative relationship with the specifier (which is difficult using the GCCC forms of contract), product substitution (such as substituting expensive but durable roofing materials) can be detrimental to the performance of the building in the medium to long term.

## THE SOLUTIONS

i. Develop a new contract for heritage works (conservation and restoration) that does not have the same level of risk transfer to contractors.

i. Encourage discussions with tendering contractors post design development stage in order to achieve best value for the works before contract is awarded.

ii. Due to the unique nature of heritage projects, make a provision for the inclusion provisional sums for variations and contingencies based on the nature of the proposed works and site specific factors.

iii. Bill of quantities and client specifications to include particular suppliers/manufacturers so that contractors can price effectively and fairly at tender stage.

The use of the GCCC forms of contract in the public procurement of heritage works fails to recognise the level of skills needed and the sensitivities involved in such projects by comparison to Greenfield development or capital infrastructure projects.

# 9. Other issues to be addressed

## Prequalification

In its submission to the original review of the Contracts in 2013, the CIF pointed out the difficulty in separating the procurement process from the contract itself and highlighted the elements of procurement which cause unnecessary difficulty for contractors, suggesting changes designed to ensure that to the greatest possible extent fair and open competition will prevail. The CIF continues to believe that it is not possible to carry out a meaningful review of the contract without consideration of aspects of the procurement system, and would therefore make the following comments and suggestions for change:

1. To enhance the likelihood of the most competent contractors coming through the prequalification system through the use of more straightforward PQQ processes, the recommended changes include:

- Similar projects time frame 7-10 years;
- Past performance (rather than experience) preferable with points for performance on technical, safety and contractual issues,
- Marks should be given for certified quality and environmental management systems,
- Safety systems should be given a graded marking system,
- Consideration should be given to viewing CIRI Registration as meeting certain prequalification criteria, in a similar fashion to how Safe-T-Cert has been adopted.

2. The current system of pre-qualification does not provide adequate due diligence to ascertain whether or not tendering parties have the financial capacity to deliver a project with the required cash-flow. This lack of due diligence has resulted in costs to the State as a result of company failures mid-project. Self-declaration at pre-qualification stage is too loose and is ineffective as a measurable outcome in the process, and the CIF view is that any assessment of financial capacity should be carried out by a properly qualified party who is competent to assess the financial viability of a company.

3. It is vital that the Office of Government Procurement requires contracting authorities to comply with the requirements of Circular 10/14 and the EU Procurement Directives which provide for the facilitation of SME access to the marketplace. This is of particular importance in the regions, where small local contractors have been decimated during the recession years and are now struggling against excessive turnover requirements, onerous prequalification criteria and the creation of frameworks and bundles which eliminate them from competing for the works which keep their businesses alive.

4. The new European Single Procurement Document provides for the introduction of a standard format for prequalification which permits the re-use of already uploaded information and requires that contracting authorities source information which is publicly available, a development which is welcomed by the CIF. The practical implementation of this remains to be seen however, and the CIF is of the view that it should be used to the fullest extent possible.

5. With respect to specialist works, the selection criteria should include for a loading mechanism to encourage applicants with direct employees. This mechanism should incentivise compliant contractors and enhance recruitment, training and the long term health of our apprenticeship system.

## Building Control (Amendment) Regulations

Members have reported issues arising in relation to the Building Control (Amendment) Regulations, which were introduced since the original CIF Submission. The greatest area of concern for members is in relation to the requirements for the provision of Ancillary Certificates and Collateral

It is not possible to carry out a meaningful review of the contract without consideration of aspects of the procurement system

In the regions, small local contractors have been decimated during the recession years and are now struggling against excessive turnover requirements, onerous prequalification criteria and the creation of frameworks and bundles which eliminate them from competing for the works which keep their businesses alive.

Warranties which go far beyond the level required by the statute, and in some cases are not obtainable with one example noted by the CIF being a requirement to provide an Ancillary Certificate for flag poles. The difficulty which arises is that these requirements are stipulated at tender stage and become a contractual requirement once the Contractor wins the contract.

While some of these issues may be addressed if responsibility for design is outlined in the risk template proposed under the Risk Management heading of the Medium Term Strategy, it would be beneficial if the GCCC were to provide guidance as to the statutory requirements for certification. In any event, the performance specification for the certification process must be clearly set out at tender stage and should not be vague.

It should also be noted that significant costs are being incurred by Contractors who are employing additional personnel on each project to comply with the administrative requirements of the Building Control (Amendment) Regulations which is affecting the value for money being delivered on public sector projects. This could be addressed by the engagement of Building Control Officers at local authority level.

## Dispute Resolution

The question of what should be the final dispute resolution process for disputes arising under the Public Works Forms of Contract has been raised a number of times, and in particular the unsatisfactory nature of Arbitration was outlined in the Report on the Review of the Performance of the Public Works Contracts, December 2014 which stated:

*"The private nature of the dispute resolution procedures is not satisfactory and not in the interest of the wider industry because there is no learning outcome from what can be a very expensive and time consuming process."*

The CIF has also highlighted its concerns relating to the unsatisfactory nature of Arbitration, however the main concern of the CIF is the costs. Since July 2011 the Standard Form of Tender document for use on public sector contracts includes the following wording:

*"[tenderers] agree that should a dispute arise under any contract formed by acceptance of this Tender that is referred to arbitration, to the extent permitted by law, under the Arbitration Act 2010 and a sealed offer has not been made, or where a sealed offer has been made and the Contractor's award is greater than the sealed offer, then each party will bear their own costs in relation to the arbitration proceedings. If an award is equal or less than the sealed offer, the Contractor is liable for the costs of both parties in relation to the arbitration proceedings."*

# Costs in Arbitration should be payable as per the Arbitrator's award

This requirement means that Contractors are liable for their own costs should a dispute proceed to arbitration regardless of the outcome, and may even be liable for the costs of both parties from the date of a sealed offer, if an award made is less than or equal to that offer. This breaches the requirement that conditions imposed on tenderers be proportionate and non-discriminatory, reduces access of SMEs to public procurement, and breaches the fundamental right of EU citizens of access to justice. The CIF view is that this wording should be removed and costs payable as per the Arbitrator's award.

In taking into consideration the benefits and disadvantages of Arbitration and Litigation, the CIF also obtained legal advice pertaining to the various methods of alternative dispute resolution available in the construction sector. Each form of dispute resolution has its advantages and disadvantages, however in the area of Arbitration the primary concerns remain the lack of jurisprudence and the non-recoverability of costs. The costs issue remains the primary difficulty for construction companies when arbitrating a dispute on a public works contracts. As such, the CIF would support Arbitration as the final dispute resolution process if the provision in the Form of Tender of the Public Works Contracts stipulating that each party will bear their own costs in relation to the arbitration proceedings were removed.

In the area of Litigation, the main concern of members was the lack of knowledge of the industry within the legal profession. The CIF would support Litigation as the final dispute resolution process if a specialised construction court with construction barristers and judges having technical knowledge of the industry were created.

A further issue has arisen in relation to Clause 13.1.11 of the conditions of contract, which provides that if a conciliator recommends payment of money, the party concerned must pay the amount recommended if the other party first provides a bond. It is not, however, the clause itself which presents a problem but the Model Form for the "*Bond required for a Conciliator's Recommendation*". This is due to the fact that the Bond wording does not provide for a situation whereby a commercial settlement could be reached without reference to Arbitration or to Court, and only provides for the expiration of the Bond after 550 days or the final determination of an arbitrator or a court. This is in conflict with the stated aim of the GCCC of dispute avoidance, as it requires an adversarial process for an early release of the Bond. Furthermore, such bonds are extremely difficult to get and are only provided by banks rather than the standard surety providers. This in effect means that the sum sought to be bonded has to be lodged with the bank, which defeats the purpose of it entirely. It is therefore suggested that this Bond wording be re-considered.

## Changes in respect of the Construction Contracts Act 2013

The CIF welcomes provision for the implementation of the Construction Contracts Act 2013, however a number of concerns arise in relation to the changes made to the forms of contract in PW-CF1 version 2.1 as set out below. It has also been noted that further changes may need to be made to other clauses in order to allow for compliance with the Schedule to the Construction Contracts Act in regards to deduction of retention from sub-contractors, as there is no provision for the deduction of retention from final payments. It has been suggested that this may be dealt with by way of the introduction of sectional completion for sub-contractors

## Clause 11 – Payment

While Clause 11.1.1(ii) provides that a payment claim notice is to be in the form of an interim statement, and therefore clarifies any issues in respect of duplication of documents, confusion remains in respect the difference between a payment claim and a payment claim notice. The CIF NN Sub-Contract, mandated by the GCCC for use by Reserved Specialists, has dealt with this by re-naming the interim statement as a payment claim, and stipulating that "*A Payment Claim submitted in accordance with this clause is deemed to be a payment claim notice pursuant to Section 4 of the Construction Contracts Act 2013*". It is suggested that this approach be adopted for the main form of contract also for the avoidance of doubt.

Serious concerns have emerged in relation to the period for payment allowed under this Clause. Clause 11.1.1(ii) allows for the payment claim notice to be submitted up to 5 days after the payment claim date; Clause 11.1.3 requires a response within 14 days; and Clause 11.1.14 stipulates that payment shall be made within 21 days of receipt of an invoice. This means that the payment period will be 35 -40 days, which will not allow Main Contractors to comply with their statutory obligations to make payments to sub-contractors within 30 days as required under the Schedule. It is suggested that the payment claim notice should be allowed to be submitted in advance as per the NN Sub-Contract provisions. It is also recommended that the payment periods be aligned to the industry standard set out in the RIAI Form of Contract – 5 working days (7 calendar) for certification and 7 working days (9 calendar days) for payment. This will ensure that Main Contractors can fulfil their statutory obligations and facilitate the purpose of the Construction Contracts Act to allow cashflow throughout the industry.

## Clause 12.3

The text inserted into the second sentence of the clause "*or notice has been served by either party referring the dispute to Adjudication*" may need to be amended as it is unclear at what point notice "has been" served.

## Clause 13.2.10

It is noted that the reference to Adjudication which has been added to this Clause stipulates "[*where the dispute is a dispute relating to payment*]". The view of the CIF is that it would be preferable if the contract were to make an explicit reference to the fact that Adjudication is available for all disputes, as there is nothing to prevent this being included as a contractual rather than a statutory entitlement.

## Clause 13.3.3

The phrase "*In the event that no decision is reached by the adjudicator, the parties may continue to resolve the dispute under the dispute management procedure or conciliation from the date the dispute was referred to Adjudication*" requires clarification, as it is unclear what the objective is. Firstly, it is not clear at what point it can be determined that no decision has been reached by the adjudicator. Secondly, there appears to be a contradiction between "*no decision is reached by the adjudicator" and "from the date the dispute was referred to Adjudication*" – is it intended that the parties have the option to run the dispute management procedure or conciliation in parallel to the Adjudication? Or that should no decision be reached by the Adjudicator the parties may return to the previous procedure as it stood at the date the dispute was referred to Adjudication? The view of the CIF is that it should always be open to parties to a dispute to engage in discussions outside of the official dispute resolution procedure.

## Other Matters requiring consideration

"Dispute": The Construction Contracts Act allows a dispute to be referred to adjudication at any time. Concern has emerged amongst CIF members that Clause 10.5.4, which states that the Employer's Representative's determination shall be final and binding unless referred to either the dispute management procedure or conciliation within 28 days constitutes a breach of this statutory entitlement.

Costs: The Construction Contracts Act stipulates under section 6(15) that "Each party shall bear his or her own legal and other costs incurred in connection with the adjudication". It must be borne in mind that the issue of the costs involved in pursuit of sums owed is a serious consideration for many small-medium sized enterprises. The legal and other costs of the Adjudication alone may deter some companies from pursuing their statutory entitlements. However, when this is combined with the issue of costs in Arbitration should a contracting authority seek to arbitrate the decision of an adjudicator, this may become a barrier to contractors access to justice and their right to fair procedures.

Payment provisions must ensure that Main Contractors can fulfil their statutory obligations under the Construction Contracts Act 2013

# ACKNOWLEDGEMENTS


**This submission has been developed by the following Committee members under the Chairmanship of Philip Crampton with Jim Curley as Deputy Chair.**

**Chairman:**
P. Crampton, G&T Crampton Ltd

**Deputy Chairman:**
J. Curley, Jones Engineering Group

**Members:**
N. Bourke, *T. Bourke & Co. Ltd;*
D. Byrne, *Mercury Engineering;*
P. Carmody, *John Sisk & Son (Holdings) Ltd;*
J. Cradock, *John Cradock Ltd*
S. Duggan, *Duggan Brothers;*
F. Kelly, *Walls Construction;*
T. O'Leary, *D.D. O'Brien & Co. Ltd;*
M. O'Reilly, *MDY Construction Ltd;*
J. O'Shaughnessy, *Clancy Construction;*
J. Pentony, *Jons Civil Engineering Co. Ltd;*
G. Ronayne, *J.J. Rhatigan & Company;*
N. Regan, *NRS Group Ltd*
C. Smith, *MMD Construction;*
P. Stewart, *Stewart*
P. Tinnelly, *John Tinnelly & Sons Ltd*

**CIF Support Staff:**
Tom Parlon, *Director General;*
Martin Lang, *Director - Main Contracting;*
Sean Downey, *Director - Specialist Contracting;*
Justin Molloy, *Regional Director;*
Alison Irving, *Executive - Main Contracting;*
Gillian Ross, *Executive - Specialist Contracting;*
Denise Tuffy, *Administrator.*

**Special thanks** must be given to the Main Contracts Review Committee for their tireless work in compiling this document:

| | | |
|---|---|---|
| ASCA | Ed Cronnelly | BRFS |
| CECA | John Cradock | John Cradock Ltd |
| M&ECA | Sean McElligott | Lynskey Engineering |
| | Fintan McCleane *(ad hoc)* | Suir Engineering |
| MBCA | Mel O'Reilly | MDY Construction |
| | John Curtin *(ad hoc)* | PJ Hegarty & Sons Ltd |

**CIF headquarters**
Construction House - Canal Road - Dublin 6
Phone 01 4066000  Email info@cif.ie

**CIF Cork**
Construction House - 4 Eastgate Avenue - Little Island - Cork
Phone 021 4351410  Email Cork@cif.ie

**CIF Galway**
Construction House - 8 Montpellier Terrace - The Crescent - Galway
Phone 091-502680  Email Galway@cif.ie

www.cif.ie

@CIF_Ireland