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Application of the NCC Agreement and Schedule of Conditions of Building Contract in Tanzania: Challenges, Ineffective Clauses and Coping Strategies

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Abstract:
Agreement and schedule of conditions of building contract published by the National Construction Council of Tanzania (NCC) have not been updated for eighteen years. In this period, there have been changes in environment, technology, process, government policies, fashion and techniques in construction industry in Tanzania. Therefore, this study aimed to identify the challenges, ineffective clauses and coping strategies in using the NCC agreement and schedule of conditions of building contract (with quantities) of 2000 edition. A total of 40 consultants based in Dar es Salaam were interviewed. The findings revealed that difficult language, difficult in making modifications of the clauses, decrease in efficiency, requirements of doing several modifications, disputes and unfit for all building purposes are the serious challenges facing the users of the NCC forms. Also, the ineffective clauses are certificates and payments, settlement of disputes, liquidated damages, fluctuations, programme of works and defects liability period. Lastly, using special conditions, addendum to the contact, change order, and striking clauses are coping strategies. It was generally recommended that all ineffective clauses should be improved to minimise their weaknesses, and structure of the forms should be improved by eliminating cross referencing feature to allow easy modification of the clauses.

Keywords: *Agreement and schedule of conditions, building contract, national construction council of Tanzania (NCC), challenges, ineffective clauses, coping strategies,*

1. Introduction

The agreement and schedule of conditions of building contract are standard forms developed to provide formal arrangements to cope with situations that can arise during execution of the construction projects. These provide a basic legal framework for identifying the rights, obligations, and duties of the parties so as to establish the ambit of powers and duties of the contract administrator. Also, the obligations and liabilities are clearly defined and contractual risks are allocated to the parties of the contract (Pathmavathy and Nayagam, 2004).

The agreement and schedule of conditions of building contract are also known as conditions of contract, general conditions of contract, pro forma contracts or model forms. Normally, independent third parties and professional bodies representing the industry published conditions of contracts. These established forms are always deemed to be fair and reasonable between the two contract parties. Also, many governmental departments, local authorities, financing institutions, and trade associations publish their own conditions of contract so as to fulfil their requirements in execution of the projects. Always, these conditions of contracts have a great role in affecting the project performance in terms of time, cost, and quality (Comish, 2012).

First establishment of standard form was done by the Royal Institution of British Architects (RIBA) in 1870. RIBA published the first form which is well known as Joint Contracts Tribunal (JCT) standard forms (Murdoch and Hughes, 2000). But recently, many standard forms have been developed to fulfil various requirements of projects (Uff, 2009). In Tanzania, National Construction Council (NCC) of Tanzania published the agreement and schedule of conditions of building contract in 1995 with the aim of having standard conditions of contract which matches to the operating environment in Tanzania. This was based on the agreement and schedule of conditions of building contract (with quantities) of 1977 edition of the East Africa Institute of Architects (E.A.I.A) (Lukonge, 2008). It should be noted that NCC was established for the purpose of promoting the development of local construction industry (Malekela, 2008). Therefore, NCC has role to play in establishing the agreement and schedule of conditions of building contract in local construction industry as the purpose of its establishment.

Furthermore, NCC standard form has been passed down through several series of editions, first edition in the 1998 amendments were made for improvement and editorial purposes. Major improvement involved the provisions for environmental protection, care of the works, settlement of disputes, and amendments for indemnity and insurance clauses. Furthermore, in the 2000 edition, an additional clause was introduced to carter for corrupt practice and the quality of the document was enhanced to meet market demand (Lukonge, 2008).

Basically, many standard forms face challenges in applications because sometimes it is difficult for contractors to appreciate their legal and contractual implications (Li, 2006). Sometimes, different interpretations of clauses from contract conditions may cause disputes among parties (Tylor and Taylor, 2009). Also, standard forms face challenges of new legislation and changing business needs from time to time (Evans, 2015). With all mentioned challenges of using standard conditions, but the standard forms are still used with a help of coping strategies for solving those challenges in the application of standard forms. These strategies include the use of special conditions of contract (Furst, 2008), use of supplemental general conditions (Li, 2006), using addendum to the contract (Furst and Furst, 2001) and exclusion of clauses (Meadows, 2011).

All in all, the standard conditions of contracts should always be in time so as to perform their duties effectively. This means that standard forms should be updated and improved from time to time by modifying some clauses to be amended, added or deleted in order to accommodate current project requirements of owners. These standard forms cannot be used for many years without modifications (Mark, 2010). Hence, the problem of this study is grounded on the basis that the current (2000) edition of NCC forms has not been updated for eighteen years. In this period of eighteen years, there have been changes in construction industry in Tanzania such as environment, technology, process, changes in government policies, test and fashion, and building techniques. Therefore, this study aimed to identify the challenges, ineffective clauses and coping strategies in using the agreement and schedule of conditions of building contract (with quantities) of 2000 edition published by the NCC.

2. Methodology

The primary data obtained through interview were used to address the objective of the research. The interview questions were centred on the challenges, ineffective clauses and coping strategies in using the NCC agreement and schedule of conditions of building contract in Tanzania. The interviews were conducted to consultants based in Dar es Salaam, Tanzania. Dar es Salaam city was chosen because it is economic and commercial capital city having many building activities and a large population of consulting firms. Dar es Salaam was therefore considered rich base in information and a good representative of building activities in Tanzania.

2.1. Data Collection

The researcher collected primary data using interview method. Interview appointments were made to consultants (consulting firms) based in Dar es Salaam so as to collect data related to challenges, ineffective clauses and coping strategies in using the NCC agreement and schedule of conditions of building contract. Personal interview conducted to 31 consultants and telephone interview conducted to 9 consultants to collect the data of this study. Each session lasted 30 minutes and was scheduled according to the interviewee's timetable. Interview results showed that most of consultants had experience of more than 10 years in using the NCC agreement and schedule of conditions of building contract. This implies that most of consultants had enough experience in using the NCC agreement and schedule of conditions. Furthermore, in this research, secondary data on challenges and coping strategies were collected from various literature sources such as books, journals, previous researches and web resource. The secondary data were also used for discussion of the primary data collected.

2.2. Sample Size

A total of forty (40) consultants based in Dar es Salaam (9 Architects, 18 Quantity Surveyors and 13 Engineers) were interviewed to identify the challenges, ineffective clauses and coping strategies in using the NCC agreement and schedule of conditions of building contract in Tanzania. These 40 consultants were selected for interview basing on convenient method of sampling due to their daily tight timetable. It should be noted that consultants were included in the study sample because they are the ones who perform post contract administration using the NCC agreement and schedule of conditions of building contract in Tanzania.

3. Findings and Discussion

This part presents discussion and interpretation of the findings obtained a from the field. This part involves mainly three sections namely challenges faced by the users of the NCC agreement and schedule of conditions of building contract, ineffective clauses of NCC agreement and schedule of conditions of building contract, and coping strategies in using the NCC forms as discussed hereafter.

3.1. Challenges Faced by the Users of the NCC Agreement and Schedule of Conditions of Building Contract

The study found that there are six serious challenges facing users of the NCC agreement and schedule of conditions of building contract. These challenges are discussed in the following subsections.

3.1.1. Difficult Language

Most of respondents said that the difficult language used in the NCC forms is the serious challenge in the execution of building projects. One of the consultants said that, "It is very difficult to deal with NCC forms because of English used in that form, it makes very difficult to interpret and reach to the same understanding as contract parties may have different interpretations to same clause". Also, one of the consultants was noted saying that, "I think the age of the language used in the NCC forms is of which can be traced back to contracts of the19th century although the technology has dramatically changed afterwards". On the other hand, one of the consultants when was asked about the challenge of language used in NCC forms, replied that, "Takes a real courage to use the NCC forms in our building projects because language used is very complicated and no one can get used to the NCC forms".

Based on interview results, the study found that unclear language nurtures disputes as the parties have unclear meaning of what they are getting themselves. One of the consultants said that, "One of the main causes of disputes is misunderstanding and misinterpretation of contract clauses and the preventive solution lies in the use of plain English". Also the challenge of difficult language used in the NCC forms makes the forms to lose its popularity as people will opt to use other standard forms which are more simple and clear to understand.

From these findings on difficult language used in NCC forms, it can be concluded that the NCC forms may lose its popularity as users tend to avoid it by opting simpler and clear standard forms such as recently established Public Procurement Regulatory Authority (PPRA) standard forms. The language used in PPRA forms is very clear and simple which attracts many users to opt it, although it was established to be used for public funded projects.

3.1.2. Difficult in Making Modifications of the Clauses

It was found that there was a challenge in making modifications of the clauses because the clauses are cross referenced with each other. Hence, modifying one clause may result into total disruption of the other clauses or may result in nullifying other clauses as one of the consultants said that, "Modifying the clauses in NCC forms is not easy, the act can lead to total mess of the other clauses or leaving the other clauses meaningless".

Therefore, this implies that the users of NCC forms face difficult time in modifying some of the unclear clauses because the results of this act may make other clauses meaningless as one of the consultants reported that, "Implications of amendments are more severe in traditional forms such as NCC which are heavily dependent on cross-referencing between its clauses unlike other form such as the FIDIC or PPRA which got rid of cross-referencing feature in their contact forms".

It can be concluded that the users of the NCC forms have a difficult time when making modifications of the clauses because the clauses are cross referenced with each other in NCC forms.

3.1.3. Decrease in Efficiency

Due to rapid increase in size and complexity of modern building projects in terms of financial, legal, and technical aspects make the traditional forms decrease their efficiency in meeting the requirements of the current projects. One of the respondents said that, "The old forms such as NCC forms are losing their influence, the existing institutions are being outflanked by the introduction of new forms and new systems, and the institutions are tending to respond by promoting more and more diverse forms of their own"

Findings on the challenge of the NCC forms decreasing its efficiency concur with a report of Priestly (1994) which insisted that the standard forms used in construction industry should be efficient by revising and bringing them in line with current trends. Furthermore, the NCC forms should be updated because most of consultants are diverging to other forms which are in line with the current market situations. If proper measures are not taken to improve the NCC forms, these forms may disappear from the construction industry.

3.1.4. Requirements of Doing Several Modifications

Based on interview results, most of consultants edit the NCC forms by deleting, clarifying, adding clauses or information so as to get the required purpose of the clause in the contract. This implies that the NCC forms cannot be used as it is without modifications. In replying the question related to the challenge of requirements of doing modifications, one of the consultants said that, "I use special conditions to edit terms in NCC forms so as to provide remedies to the unclear terms". Also, another consultant said that, "The standard contract terms may need to be modified to fit certain specific circumstances of the particular project".

These interview results indicate that most of consultants are forced to make amendments to the NCC forms as one of the consultant said that, "My work would have been easier if the NCC standard forms were to be used as they are. But I have to experience the trouble of amending the terms of general conditions in every contract".

But whatever the reason for making the amendments in NCC forms, the resulting document may lead to total mess of the other clauses or leaving the other clauses meaningless as previously stated if the exercise is not performed well.

3.1.5. Disputes

It was found that most of the consultants have encountered disputes in using NCC forms. In this study, dispute means a normal disagreement about certification, claim, evaluation, and instruction etc. during executing the project. A dispute is

among prominent challenges when using the NCC forms. One of the consultants stated that "the vagueness of some clauses, the use of complicated wordings, and legal flavour' in the NCC conditions of contract are classical points that lead to disputes. This is because these shortcomings may lead to more than one interpretation and argument between the contractor and an architect about the true meaning and intention of a certain clause"

It is a fact that difficulties in interpreting and understanding the conditions of contracts, and partial information on clauses like fluctuations and payments in NCC forms may cause disputes among project participants. Therefore, if the terms of NCC standard conditions were made clear including provision of clear procedures and enough information on ineffective clauses, the rate of disputes may be decreased.

3.1.6. Unfit for All Building Purposes

It was found that the NCC agreement and schedule of conditions of building contract is used mainly for traditional procurement system. They cannot be used for other procurement systems. If they will be used, many modifications will be required to be done. Most of the respondents reported their dissatisfaction with the NCC forms because they are not fit for all building purposes. One of the consultants said that, "Despite the advantages of NCC standard forms of building contract, they don't fit all building projects"

This implies that one company with several projects under different procurement systems or building purposes will have several different standard forms in hand. This will cause lack of understanding of some standard forms which are less frequently used. Therefore, it is important for NCC forms to be restructured in a manner that it will be complete and sufficient to all users under different building purposes and procurement systems.

3.2. Ineffective Clauses of the NCC Agreement and Schedule of Conditions of Building Contract

In this study, ineffective clauses are most edited and reviewed clauses which have problems or unclear information in the execution of building projects. This provides a necessity to a user to modify them. Interview results showed that there are six ineffective clauses of the NCC agreement and schedule of conditions of building contract as discussed hereafter.

3.2.1. Certificates and Payments

Normally, interim certificate issued to verify works done by contractor. It includes total value of works properly executed, materials on site, and previous payments. The NCC forms specify the interval of time for the interim certificate to be issued, but it was found that most of respondents edit this clause. Interim valuation is to be made when the total valuation will amount to a certain set percentage of total contract sums which is normally 6%, but this can vary according to size of the project and agreement of the parties to the contract. The reason to specify that percentage is to avoid making small amount of payments frequently where works are delayed. One of the respondents said that, "Paying the contractor at an interval period of four weeks is unreasonable because at that time, the work done during the period of four weeks can amount to very small amount of money which sometimes does not add anything to cash flows of a contractor". Another respondent said that, "I cannot pay the contractor every month, but I can arrange to pay the contractor after a certain amount of work is done".

More than 75% of consultants interviewed edit this clause so as to avoid unnecessary small amount of payments to contractor in the period of four weeks after deduction of retention fund and advance payment recovery. Also, this reduces number of payment certificates, and payment procedures for value added tax are minimised in the execution of building projects.

It can be concluded that a clause of certificates and payments is required to be restructured so as to pay the contractor on stage wise as suggested by Lukonge (2008). This means that staged cash flow should be used in monitoring financial resources during execution of the building projects.

3.2.2. Settlement of Disputes

NCC forms provide the arbitration clause as the guideline to be followed when parties opt for arbitration as a means of dispute resolution, but these forms didn't provide for guidelines as to what should be followed when parties decide to use other dispute settlement techniques apart from arbitration. If this clause is used, editing is needed for specifying who will be an arbitrator or institution where an arbitrator will come from. But most of the respondents edit this clause by deleting or nullifying it when they want to use other disputes settlement techniques than arbitration. One of the consultants said that, "Mediation, adjudication and arbitration are means of resolving disputes, not means of avoiding dispute. There are other methods of (alternative) dispute resolution which may be worth considering other than arbitration. It may be time for NCC standard construction contracts forms to look to this direction".

Furthermore, most of the respondents edit this clause by intention of providing other disputes resolution techniques other than arbitration. The findings of this study concur with the study of Kheng (2002) which suggested the inclusion of the other dispute resolution methods other than arbitration in the standard forms. Also, the importance of other dispute settlement methods to be included in the NCC forms can also be seen in the PPRA forms because these PPRA forms include adjudication as the other means of dispute resolution.

Therefore, based on the findings, it can be concluded that there is a need for NCC forms to include other alternatives for dispute resolutions. Also, NCC forms should provide remedial procedures of what should be done when agreement on decision is not reached through arbitration.

3.2.3. Liquidated Damages

NCC forms allow provision for contractor to pay liquidated damages for non-completion of the works, but they fail to specify the maximum amount to be paid as the liquidated damages. One of the respondents stated that, "A clear stipulation of amount to be paid as liquidated damages should be made in the conditions of contract together with the limit (maximum) amount of liquidated damages to be paid".

Most of respondents said that the reason of setting the limit of liquidated damages is to protect contractor's cash flow by avoiding contractors to pay a lot of money unnecessary. Based on interview results, most of the respondents specify the amount of liquidated damages to be paid per day for non-completion of works, and the maximum amount to be paid as total liquidated damages.

Another reason for limiting amount for liquidated damages is to avoid stakeholders to take this amount of liquidated damages as punishment or penalty. But this amount should be taken as a compensation of loss that client incurred for non-completion of works. One of the consultants replied that, "Liquidated damages should not be used for punishing the contactor, but it should be used as a compensation of calculated losses that client incurred due to failure of late completion"

3.2.4. Fluctuations

The NCC forms provide a base on how to calculate fluctuations and at what time to do so if the parties to the contract wish to adjust contract sum. Normally, clause of fluctuations concerns with general increase of price of materials. This study found that most of the respondents delete this clause from conditions of contract so as to avoid any loss to the client due to the increased contract sum. Furthermore, respondents said that it is the duty of a contractor to foresee the changes in the calculation of rates for materials. One of the consultants said that, "It is a duty of a contractor to take into account all fluctuations when preparing rates for the project".

Deleting fluctuation clause from the standard forms was so expected because it is a duty of a contractor to estimate for changes in price of materials during tendering period as suggested by Besaiso (2012). Also, fluctuations are among causes of disputes which create the situation for removing fluctuations clause from the standard forms. These findings indicate that fluctuation clause in NCC forms is no longer in use.

3.2.5. Programme of Works

In the NCC forms, contactor is supposed to update programme of work at an architect request and failure to do so will lead to withhold contactor monies. It was found that most of consultants specify interval of time for the contractor to update the programme of works. Furthermore, most of consultants state the percent of contract sum that will be withheld by an Architect for failure of contractor to update the programme of work. One of the consultants said that, "Programme of work should not be updated at a request of an Architect but agreement should be reached that programme of work should be updated on a timely basis or stage wise". The reason for regularly updating the programme of work is to monitor progress of contractor at the site. Therefore, these findings concur with Besaiso (2012) who insisted that programme of works should be updated in a timely manner.

3.2.6. Defects Liability Period

NCC forms provide a clause of defects liability period which explains the meaning of this period and when should the defects liability period start. Also, these forms provide the events that contactor is required to make good during defects liability period. But the NCC forms fail to specify the time for defects liability period. One of the respondents said that, "I can't be liable for more than three years for the jobs I did, so the NCC forms should provide the specific time for the defects liability period". Another consultant said that "Defects liability period should have limited time, and parties to the contract should agree on that time if not provided in the standard conditions of contract". The study found that most of the respondents edit this clause by providing the time of defects liability period which is normally 365 days. Furthermore, it is a fact that specifying time of the defects liability period helps to protect contactors being liable for long time after practical completion of the project.

These findings are somehow supported by Lukonge (2008) who suggested that the defects liability period should not exceed more than two years after practical completion. Also, he recommended that parties of the contract should agree early on the time of defects liability period so as to avoid future complications.

3.3. Coping Strategies in Using the NCC Agreement and Schedule of Conditions of Building Contract

The users of NCC forms use various coping strategies for solving challenges in using the NCC agreement and conditions of contract in the execution of building projects. The study found that there are four coping strategies in using NCC forms as discussed in the following subsections.

3.3.1. Use of Special Conditions

It was found that the use of special conditions is the mostly used strategy by the consultants. Also, this strategy is easy to compose and it is included in the contract documents together with general conditions. One of the respondents commented that, "Special condition is an easiest way of dealing with unclear term of general conditions'. Based on interview results, special conditions are used to address peculiar provisions of the contract that are not presented in general conditions. For instance, if a project team want to use adjudication which is not provided in the NCC forms, a clause explaining to who will be the adjudicator, procedures to be followed in adjudication, and what to be done when the agreement is not reached in adjudication. All these aspects will be included in the special conditions of the contract.

Furthermore, special conditions are mostly used to clarify what is provided in the general conditions of contract. This means that the clause will still be in effect while considering what is added or deleted in special conditions. For instance, clarifications for a clause of liquidated damages in special conditions will state the amount to be paid per day for non-completion of works and the maximum amount to be paid as liquidated damages.

It can be concluded that most of consultants use special conditions of contract as a strategy to overcome the challenge of using NCC forms by adding and explaining what is not included in the general conditions of contract or clarifying what is explained or included in the general conditions of contract.

3.3.2. Use of Addendum to the Contact

This is the document that describes additions, alterations, or removal of the scope (or the terms) of a contract which are mutually agreed by the parties to the contract. It details the specific terms, clauses, sections and definitions to be changed in the original contract. Most of the consultants use this method to edit clauses in the NCC forms that need more specifications and to exclude unnecessary clauses from the conditions of contract (e.g. clause of fluctuations in the NCC forms). Furthermore, it was found that addendum to the contract is used to explain the clauses which will be ineffective or where parties to a contract want to add other clauses in a contract. Also, explanations of the added clauses are given in the addendum to the contract.

These findings were obtained from the field. For instance, one of the respondents said that, "I use addendum to the contract to add obligations of the parties to the contract which are not provided by the NCC forms". It is a fact that addendum to the contract contains more detailed information about the general conditions of contract compared to those provided in special conditions. Therefore, it is better to use addendum to the contract as supplementary document for the case of additions, omissions and editing of the clauses.

3.3.3 Use of Change Order

Change order means a written agreement entered between contractor and client authorizing an addition, deletion, or revision to the contract, issued on or after the execution date of the agreement. Findings from respondents show that change orders are mostly prepared in execution of building project contracts. But some of consultants take these orders lightly as minor acts, while others take them seriously as one of the respondents said that, "Change Order is a just a technical term for an amendment of a construction contract". Other consultant responded by saying that, "Change order is a bilateral agreement between parties to the contract, client and prime contractor, prime contractor and subcontractor, two or more subcontractors to change the contract".

Furthermore, it was found that more than 70% of the respondents use this technique to deal with challenges in using NCC forms after the execution date of the agreement. One of the respondents said that, "I prefer change order since it represents the mutual consensus between the parties on a change to the work, the price, the schedule, or some other terms of the conditions of contract". Most of respondents prepare change orders to match with on-going project conditions of contract after the changes have been made and agreed by the parties to the contract. For instance, in the middle of execution of on-going building projects, parties to a contract can decide to use statutory adjudication instead of arbitration which is included in the general conditions of contract. Change order will be made by nullifying the arbitration clause and substitute it with adjudication.

It is not surprising for the change of order to be used as one of the coping strategies because it is usually the best and least controversial strategy, and it represents a mutual consensus. Also, the way of making changes to the conditions of contract involves all parties to a contract to agree what to be changed compared to other strategies such as special conditions where changes are proposed by one party to a contract.

3.3.4. Striking Clauses

This is one of the new techniques of dealing with ineffective clauses which is mostly used when clauses are to be completely deleted in conditions of contract. These clauses are crossed through in the general conditions of contract. One of the respondents said that, "In my former contract we used strike through technique to delete unwanted clauses in the contract". And the other respondent said that, "I used striking technique to delete fluctuation clause of the NCC forms from the contract".

It was found that this strategy can only be used where parties to a contract agree to completely remove a provision of a clause in a contract. Also, this method was found to be practicable and can be adopted by other users of various standard conditions of contract.

4. Conclusions

This paper has been emphasized on identifying the challenges, ineffective clauses and coping strategies in using the NCC agreement and schedule of conditions of building contract (with quantities) of 2000 edition. Based on findings, only six serious challenges were identified to face the users of the NCC agreement and schedule of conditions of building contract. Therefore, it can be concluded that difficult language, difficult in making modifications of the clauses, decrease in efficiency, requirements of doing several modifications, disputes and unfit for all building purposes are serious challenges facing the users of the NCC agreement and schedule of conditions of building contract.

Furthermore, the study found that there are six ineffective clauses which are mostly edited and reviewed. These ineffective clauses are related to certificates and payments, settlement of disputes, liquidated damages, fluctuations, programme of works and defects liability period. These ineffective clauses (except fluctuations) are mostly needed in the execution of building projects.

Lastly, using special conditions, addendum to the contact, change order, and striking clauses were identified as common coping strategies for solving the challenges in using the NCC agreement and conditions of contract in the execution of building projects. These strategies help the stakeholders to successfully execute building projects using existing NCC forms. These strategies always concern with additions, omissions and revisions of the clauses.

5. Recommendations

The study recommends on how the NCC forms can be improved for solving the challenges and problems of ineffective clauses in execution of building projects. These recommendations are as given hereafter.

Language of the NCC forms - The language of the NCC forms should be made clear and simple that can be easily understood and interpreted so as to avoid misinterpretation among project participants.

Structure of the NCC forms - The structure of the forms should be improved by eliminating cross referencing feature so as to allow easy modification of the clauses. It should be made in such a way that modification of one clause cannot affect the meaning or intention of other clauses.

Certificates and Payments - Interim payments under clause of certificates and payments should be restructured in such a way that a contractor should be entitled to payments after finishing a certain percent of the works or a certain stage of the works.

Settlement of disputes – NCC forms should give provisions on the procedures to be followed when parties to the contract decide to use other dispute resolution techniques apart from arbitration such as mediation and adjudication.

Liquidated Damages - The maximum amount to be paid by contractors as liquidated damages should be set so as to protect contractor from loss and avoid it to be taken as punishment.

Programme of works - A specific amount of money to be withheld by Architect for failure of contractor to update programme of work should be included in the NCC forms. This will prevent the problem of Architect withholding a large amount of money which is not fair to contractor. Also, specific time for updating programme of works should be included in the NCC standard forms.

Defects liability period - The NCC forms should provide a reasonable time for defects liability period.

Several modifications to NCC forms – Other modifications (different from above clauses) should be included to the NCC forms so as to minimise the number of modifications to be done to those forms. These modifications include the following:

General obligations of the parties to a contract - The obligations of the parties to the contract should be included in the NCC forms so as to clearly state the duties of each party in the contract. The parties should be legally bound to these duties. Also, this clause should set limits to the parties during execution of building projects.

Nominated Subcontractors - This clause should be improved by including the procedures to be followed when main contractor provide a reasonable objection against nomination of sub-contractors.

Introducing project manager as a team leader – There is a need to have independent person who will be project manager and supervise all members of design team including an architect. In NCC forms, clause of Architect's instructions vests so much power to architect as a leader of the project while an architect is still a member of design team and needed to be supervised by someone else. Therefore, this study suggests the word "Architect" to be replaced by "project manager so as to accommodate those facts and allow anybody capable to be a project manager.

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