SUMMARY

Problems of ambiguities, discrepancies and lacunas are inherent in every conditions of contract. This dissertation highlights these same problems found in the North-East Line Conditions of Contract. An amended contract is usually an improvement on its original. It is amended with the purpose to meet the particular needs of the project and to cover up loop-holes. The North-East Line Conditions of Contract uses not one but two contracts as its basis, namely the Public Sector Standard Conditions of Contract, 1995 Edition and the Federation Internationale Des Ingenieurs-Conseils Conditions of Contract for Works of Engineering Construction, Fourth Edition. This is highly risky and inadvisable, as it does not have congruence in the original drafter’s thoughts. Conditions used in one contract may contradict one another or create ambiguity and divergence.

An introduction to the North-East Line project and the employer in the contract, which is the Land Transport Authority of Singapore, together with a brief examination of tendering procedures and arrangements sets the framework for the investigation. The North-East Line Conditions of Contract is essentially a design and build type of procurement method.

Detailed discussions on the clauses relating to design matters, time and variations are pursued. Issues relating to design matters include aspects of implied terms and interpretation; the importance of balance in the Authority Requirements; Contractor’s proposals; and inequitable design obligations and responsibilities.
Clauses in the Conditions of Contract relating to time such as rates of progress of the Works, liquidated damages, delays and extensions of time are discussed. Legal cases are cited and used in these discussions. Questions and different scenarios were put forward and opinions are given.

In the area of variation clauses, in-depth discussions into its definition, implications and valuation are carried out. Legal aspects of omission variations, method statements, legal obligation of the Contractor and the effect of providing assistance to a Contractor in difficulty are also looked into. Because the North-East Line contracts are inter-linked, the problems relating to variations affecting adjoining contracts are also discussed.

The study concludes that there are inherent problems created by the way the North-East Line Conditions of Contract is developed. At the time of writing, the North-East Line project is still in its infancy. There is still four years for the project before completion. The problems highlighted are only a small sample at the start of the overall project. More studies need to be undertaken to fully appreciate the problems faced with using the North-East Line Conditions of Contract. These additional studies would hopefully be used for future design and build projects embarked by the Land Transport Authority such as the Marina South MRT, the Long Island LRT and the Changi Extension Line.