

April 2026

# CECA NEC4 Bulletin

CECA Member Briefing:

## Bulletin Nr 64: Producing Better Scope

### Introduction

Training and development support is a key part of CECA's core offer for its membership and working in conjunction with GMH Planning it has delivered a programme of training events around the NEC Form of Contract across several CECA UK regions.

In addition to this training, a series of monthly NEC Contract Bulletins are being produced for both Contractors and Subcontractors to improve practical awareness on key topics within the NEC. The coverage, whilst not exhaustive, is intended as a general overview on some of the contractual principles to increase a wider understanding in support of more sustainable outcomes.

For the purposes of these bulletins a contractual relationship between a "Client" and "Contractor" is assumed. The same rules/principles also apply if the contractual relationship is between a "Contractor" and a "Subcontractor" and so the term "Contractor" will be used to describe both parties.

These bulletins are based on the latest NEC4 family of contracts, but the same principles and rules would apply where parties are engaged under an NEC3 form of contract.

### Coming next month:

#### **Bulletin Nr 65 - NEC Contracts and Behaviour: Making the Contract Work in Practice**

Please respond to Lucy Hudson should you require any further information on the CECA NEC4 Bulletins via e-mail: [lucyHUDSON@cecasouth.co.uk](mailto:lucyHUDSON@cecasouth.co.uk).

For further advice or guidance on the NEC details please visit [www.gmhplanning.co.uk](http://www.gmhplanning.co.uk) where you will find a wealth of free [NEC Guidance Notes](#), [NEC FAQs](#), and other helpful measures.

# NEC Bulletin 64: Producing Better Scope

Scope is probably the most important contractual document which therefore needs careful consideration. This bulletin will explain why it is so important and will offer advice on how it can be written to avoid the potential for high tender prices and/or excessive amounts of compensation events that may otherwise result.

**Scope:** This is a defined term within clause 11.2. It states that it is information that specifies and describes the works, or states any constraints on how the Contractor provides the works. It also states that it is in the documents which the Contract Data states it is in, or an instruction given in accordance with the contract. Clause 14.3 also states that the Project Manager may give an instruction which changes the Scope, confirming that Scope has the potential to change/evolve during the life of a project. Scope should be as complete and precise as possible, to avoid the Contractor interpreting something different from what the Client actually wants.

**Has it always been called Scope?** In the NEC3 version of the ECC it was called "Works Information". It was renamed to provide consistency across the family of NEC contracts. In the NEC3 Professional Service Contract the equivalent document was already called "Scope", whilst in the NEC3 Supply Contract it was referred to as "Goods Information" and in the NEC3 Term Service Contract known as "Service Information". It therefore made perfect sense when revising the contracts with the launch of NEC4 that this was consistently renamed "Scope" in all four contracts.

**What will be the main components of Scope?** The Scope will include drawings, specifications, standards and constraints on how the Contractor should provide the works.

**How many times does the NEC4 ECC Contract reference Scope?** It is one of the most commonly occurring words within the contract with well over 60 separate references. With each of these references, a Client should consider if there needs to be any details added to the Scope. Not all references will be relevant, but the ones that are should be represented in the Scope, otherwise it could lead to unnecessary compensation events that will need processing during the life of the contract.



Clause 21.1 states that the "Contractor designs the parts of the works which the contract states the Contractor is to design". If there is nothing in the Scope specified to state what the Contractor needs to do, the default position would be that it is a Client designed scheme. Each of these 60+ references should therefore be considered to see what needs including in the Scope to ensure that the Contractor fully understands their requirements and liabilities.

**Is there a standard format that Scope should take?** NEC have produced a Scope guidance document. Within the user guide section of the NEC4 Box set there is a book entitled "Preparing an ECC contract". Chapter 3 of the book is titled "Scope" and includes nearly 40 pages of content. It is split into five elements:

- **3.1 Status of the Scope** – describing the relationship between Scope and other contract documents.
- **3.2 Drafting Scope** – Standard specifications should be checked to ensure consistency with other parts of the contract. It should be written in a way that follows NEC core principles, i.e. limiting words in a sentence to maximum 40 words, using bullet points for lists, maintaining contract application of capitalised and italicised words, not introducing subjective phrases, using present tense, being gender neutral, not cross referencing between other contract clauses.
- **3.3 References to Scope** – includes a table listing each clause reference to Scope and a guidance column to consider how it should be dealt with if relevant to that project.
- **3.4 Client's Scope** – providing an example format for Scope. Whilst not mandatory to follow, it is very thorough and provided by the authors of the contract, so an excellent starting point for any Client who needs to produce Scope from scratch. It is an arrangement of topics for describing the works split into 27 sub-headings numbered "S100" through to "S2700". The structure allows various documents to be included as appendices. Guidance is then provided for each Scope section, including check lists of elements that may need to be included. Examples of headings to consider include general constraints, programme, tests and inspections, and health/safety. For each section/subsections the Client will consider if something needs to be included to cover that particular element. It

is by no means mandatory to include a reference against every item. For certain sectors of the industry there may be other sections/headings that need to be added.

- **3.5 Scope provided by Contractor for its design** – which may be required from the Contractor during the tender process.

The equivalent document under NEC3 was a separate guidance document titled “Works Information Guidance” and is basically the same guidance document but refers throughout to “Works Information” rather than “Scope” as it is now renamed in NEC4.

There are equivalent separate guidance books for producing Scope under the NEC4 Professional Service Contract, Term Service Contract and Supply Contract.

**Is it mandatory to follow this Scope guidance from the authors of the contract?** Whilst not mandatory it is a very thorough guide and an excellent starting point in producing a comprehensive Scope document. It will also ensure consistency and familiarity throughout the industry the more that Clients use it, which will create efficiencies in producing and understanding the requirements.

**What if there are ambiguities between two items within Scope or another contract document?** There is no contractual hierarchy between contract documents where one element takes precedence over another. Any such ambiguity would need to be resolved via a Project Manager instruction confirming which element the Client requires. Any such instruction to change part of the Scope would be a compensation event under clause 60.1(1). Then clause 63.10 would come into play, which states that any such ambiguity should be assessed for the interpretation most favourable to the Party which did not produce the Scope. This means any such ambiguities will be the Client risk and the Contractor would be able to claim the difference in cost (and time) between the two elements of Scope if the Project Manager instructs the more onerous/expensive option of the two.

**What happens if there are errors or something missing in the Client’s Scope?** The Project Manager would similarly need to instruct any changes or additions to the original Scope, any of which would again be assessed as a compensation event to the Contractor under clause 60.1(1). It is therefore clear and obvious that the Client should spend time and effort to make the Scope as comprehensive and thorough as possible, to limit the number of compensation events on the project which would require management time and also potential increases to Client’s budget.

**It is essential that a Contractor fully understands the content of Scope at tender stage:** The Scope will include all the drawings, specifications, standards and other constraints that the Contractor has to comply with. Only an instruction to change the Scope would lead to a compensation event, and therefore anything that the Contractor has not priced for but is a requirement in the Scope would need to be complied with. The Contractor has no entitlement to additional time or money for having to do work that they have not priced but that was stated as a requirement in the Scope.

**What about the Contractor producing Scope for the Subcontractor?** In the same way, the Contractor will need to consider producing a similar Scope document for any subcontractor being engaged under an NEC4 Engineering and Construction Subcontract (ECS). It should be specific for each subcontract package. Contractor’s should avoid the temptation to simply include their whole Scope with the Client for each subcontract package. Whilst thinking this may protect the Contractor against all eventualities, it also produces a far more cumbersome document for a Subcontractor to understand and price. Ideally only the relevant elements of the ECC Scope should be included in the equivalent subcontractor Scope relevant to the work that the Subcontractor will be doing. There are also other elements that the Contractor needs to add in as specific requirements that they require the Subcontractor to achieve that would not be included to that level in the ECC Scope document.

**Summary:** Scope should be a clear and precise description of what a Client needs the Contractor to comply with. Poor quality Scope with gaps and/or ambiguities could lead to significant numbers of compensation events which will need to be managed and could potentially impact the Client’s budget. Contractor’s not fully understanding the requirements of the Scope could lead to significant additional cost to the Contractor that would NOT be recoverable as a compensation event and therefore affect their potential for profit.