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The JCT 2024 Suite

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Introduction

What are we covering today:

- Themes behind the updates to the JCT 2024 suite:-
 - Legislative changes and future proofing
 - Modernising and streamlining
- Focussing on the DB suite
- Looking forward to further documents in the 2024 suite

Legislative Changes

Building Safety Act 2022 and related legislation

- Generally, covered by an obligation to carry out and complete the Works in compliance with Statutory Requirements
- Updates included to accommodate new Part 2A of the Building Regulations 2010:-
 - Updates included to accommodate new Part 2A of the Building Regulations 2010: appointment of Principal Designer and Principal Contractor
 - Equivalent provisions to existing CDM provisions included
- See also the JCT's Building Safety Act Guidance Note on eg HRBs

Legislative Changes

- **Construction Act 1996** - Termination accounting and payment provisions added to section 8
- **Corporate Insolvency and Governance Act 2020** - New insolvency grounds added to section 8
- **Procurement Act 2023**

Construction Playbook

- Better, faster, greener, safer
- Principally for public sector but also best practice for private (where applicable)
- 14 Key Policy areas
- JCT Contracts already comply but more emphasis now given to
 - Collaborative working
 - Sustainable development and environmental considerations
 - Notification and negotiation of disputes

3 Supplemental provisions now mandatory

Time Issues

- Streamlining and shortening the processes for interim extensions of time
 - New and revised Relevant Events (also optional Relevant Matters):-
 - Epidemics
 - Change in law
- Also added as termination events
- Liability for LADs post termination: drafting updated

Unforeseen Conditions Issue

- Antiquities provisions extended to include UXOs, contaminated material and asbestos
- Related drafting for Relevant Events and Matters updated accordingly

Liabilities

- Standard of design: wording updated and FFP excluded
- Revisions to clause 2.5 in the sub-contract conditions
- Notes on caps on liability included in the Guidance Notes together with suggested drafting

Communicating

- Gender-neutral language
- Increased use of electronic communications
- And notes on electronic execution

Other

- Fluctuation provisions now all available via the website rather than in printed copy
- Increased freedom for parties to specify their choice of nominating/appointing body for adjudication and arbitration
- Other minor adjustments to references and clauses

The Target Cost Suite

- The Target Cost main contract (TCC 2024)
- A Target Cost Sub-Contract (TCCSub 2024)
- A Guide
- All the other changes to the overall suite are incorporated



How does it work?

- Target Cost is equivalent to the Contract Sum in other Contracts and adjusted in a similar way
- Payment is made of the Allowable Cost (calculated in a similar way to the prime cost model), the Contract Fee and the Difference Share
- The Difference is the amount determined by deducting the Allowable Cost plus the Contract Fee from the Target Cost
- The Difference Share is then distributed in the proportions stated in the Contract Particulars

Contact



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Thank you. Any questions

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