**COMMERCIAL COMMITTEE REPORT FOR PRESENTATION AT THE QUARTERLY MEETING ON 20TH July 2017**

**Date of Reported Meeting:** 28th September 2017

**Date of Next Meeting:** 9th November 2017

**FPS 2nd Quarter Statistics**

It was felt that there is still not much movement in the market since the summer, several members commented that start dates were being held back. It should be recognised however that these statistics include two new members this year. It was noted the ground investigation side of the business with the HS2 should be considered, the SI on HS2 is ending soon in terms of the first phrase. There is not enough concrete produced in the UK to meet the needs of the project, which will create problems for the HS2 and the wider market that all will need to address.

It was also suggested a leaflet is produced that can submitted with tenders that explains what differentiates FPS Members from non-members. This is as Members recognise that currently work is being won by poorer quality contractors in a race to the bottom.

**Project Bank Accounts Position Paper**

As previously reported the position paper has been produced, however the Commercial Committee is ambivalent about their use. It was agreed to include the issues that can affect Project Bank Accounts; while the FPS is in favour, it recognises the pitfalls that need to be addressed in order for them to work as intended. An amended draft will be circulated.

Fair Certification Position Paper

The Committee is in the process of producing a position paper that sets out the issues and remedies, however it was acknowledged it is a difficult problem and remains a difficult topic, that goes back to the cash flow within the project. Consideration is being given to how poor cashflow prevents investment in people, processes and innovation to the detriment of the industry and individual project.

**Build UK/PQQ**

Discussion continued regarding how to incorporate the FPS audit into the Build UK PQQ system. It was reported the FPS sent a reply to Build UK with its objections and questions. A meeting was set up to discuss the elements the FPS is not happy with on the 11th October.

**JCT Report**

There have been two meetings since the last Commercial Committee meeting; the group received a summary from David Colven.

**NEC 4**

The group reviewed the NEC 4 contracts; it is thought they have been significantly improved in their new iteration. Works information is now called scope and there is a provision to be paid what you can justify. Mark Sheridan will be attending a presentation on how they work and has agreed to feedback to the group at the next meeting.

**Digital Construction (BIM)**

The FPS Secretary reported to the group that FIEC had been in contact regarding the FPS experience with BIM and models. FIEC are trying to stop technology companies taking over digital construction.

The results of the survey John Chick put together was further discussed it was advised the survey results indicated 80% are pro BIM and the remaining 20% feel the cost of adoption has not been worth it. It was noted clients are only asking for it on larger projects.

**Equality, Diversity and Inclusivity**

Four guests were welcomed at the meeting; someone who would not normally get access to the level of commercial discussion that takes place. The intention is to widen participation in the group and seek out new perspectives on issues and to transfer knowledge. The group discussed placing career profiles on the website as part of a careers in piling campaign initiative. It was agreed the group would either write their own profile or ask someone at a different level in their company to write one.