

## **NOTES OF THE JOINT CONTRACTS TRIBUNAL COUNCIL MEETING**

**HELD ON**

**07<sup>th</sup> JUNE 2018**

1. The Chairman advised that during the forthcoming refurbishment of the Council Chamber meetings will be held in the Lutyens Room.
2. Only 18 members of Council were present but this met the requirement for 14 members plus the Chairman to form a quorum. The JCT rules provide that if a college is not represented by its members then the Chairman represents that college.
3. The JCT Board has still not reached a decision over Build UK's request to be a representative organisation for the Main Contractors College and hence Build UK Main Contractor members were once again not in attendance.
4. The Drafting Sub-Committee report was presented by its chair, Victoria Peckett. The first drafts of the Facilities Management Contract are being prepared with the intention of providing a General Contract and a Specialist Contract which are not overtly Construction based and which offer maximum flexibility. Proposed publication dates are yet to be confirmed. The Target Cost Contract discussions have focussed on Allowable Costs and Loss and Expense provisions with a proposed publication date of 2019. The Insurance Practice Note, publication date 2018, has yet to be drafted.
5. The Construction Dispute Resolution Group continues to monitor JCT ANB performance. The proposed optional JCT Dispute Board Rules will apply only to Major Project and Design & Build Contracts.
6. The Performance Bond Working Group has ascertained that there is some support amongst underwriters for the proposed JCT Adjudication Bond but only in respect of large projects. The drafting of a JCT Parent Company Guarantee as a collateral guarantee continues. Both documents have proposed publication dates of 2018.
7. The JCT Chief Executive has stressed to the Construction Unit of the Department for Business, Energy and Industrial Strategy that the JCT Suite of Contracts can be used unamended to cater for zero, as well as various levels of, Retentions. The Government has yet to confirm its preferred strategy.
8. Dame Judith Hackitt has been invited to make a presentation to Council on her Report into the Building Regulations system but is yet to respond – possibly due to the highly political nature of the issue. JCT is to consider whether it should make comment on the nature of roles and responsibilities in the Construction industry.
9. The recent NBS Construction Contracts Survey revealed that JCT Contracts remain the most used contracts in the UK with NEC, declining in use from 11% to 5%, second.
10. The BIM Working Group reported that current rework costs are estimated at 20% of overall construction costs.

**D Colven**

**Specialists and Sub-Contractor College Member**