

JCT

JCT 2024 Edition of Contracts

Information Booklet



Image: Jack Hobhouse

JCT 2024 – Key Themes

The changes within JCT 2024 are organised into four main work streams or 'themes': Modernising and Streamlining, New for JCT 2024, Legislative Changes, and Future Proofing. Let's take a look at the new features...

MODERNISING AND STREAMLINING

Gender neutral language

- Gender neutral language will be rolled out across the entire suite.
- Measure mirrors the approach taken by UK Government.
- Masculine 'he' pronoun replaced with 'it/they'.
- Approach also ensures that the format and language of the contract will remain familiar to regular JCT contract users.

Electronic communications

- Electronic communications have been provided for within the contract for some time, but JCT 2024 includes specific provisions regarding email as a means to give electronic notices.
- There are two provisions – one relating to JCT Standard Notices and one relating to JCT Critical Notices, providing for the use of email notices.
- The notes on Attestation within the contract have been amended to provide guidance on electronic execution, recognising the increased importance of digital working, especially following the pandemic.

- Guidance in the notes on execution follows the Law Commission Report.

Extension of Time provisions

- The drafting for notification provisions has been improved.
- The interim extension of time review timetable and procedures have been altered to streamline and expedite the process. The time for interim assessment has been reduced from 12 to 8 weeks. Final extension of time review timetable unchanged.

- Relevant Events now include a provision for epidemics and have expanded the provisions concerning changes in law after the base date, including taking into account the publication of government guidance, which makes the provision more flexible. The provisions have also been extended to reflect the revised antiquities provision.

Fluctuations provisions

- JCT Fluctuations Options have been taken out of the printed document and will be available via the JCT website.

Nominating body/appointer

- Adjustment to allow Parties to specify a nominating body or appointer of their own choosing in relation to Adjudication and Arbitration.

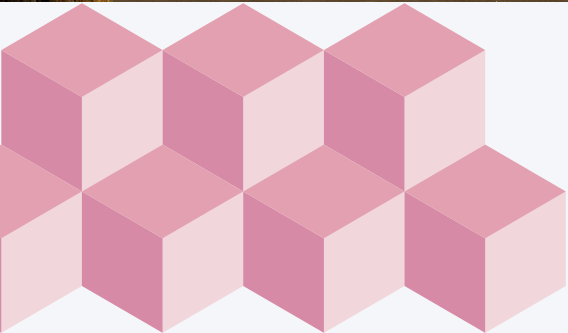
Antiquities provision

- Antiquities provision expanded to include UXOs, contaminated material and asbestos.





Image: Gareth Jenkins



NEW FOR JCT 2024

Introduction of Target Cost Contract 2024 (TCC 2024)

- For use where the Employer wishes to incentivise the Contractor by the use of a Target Cost and difference sharing arrangements.
- Employer's Requirements have been prepared and provided to the Contractor enabling a Target Cost to be agreed.
- The Contractor is not only to carry out and complete the works, but also to complete the design.
- The Contractor is paid its allowable costs together with a contract fee (which may be a fixed sum or a percentage of allowable cost).
- Detailed contract provisions are considered necessary.

- The Employer employs an agent (which may be an external consultant or employee) to administer the conditions.
- Unlike DB 2024, which provides for a lump sum Contract Sum, TCC 2024 provides for a Target Cost and the method of remuneration of the Contractor under TCC 2024 is payment of the "Allowable Cost" (as defined in the contract) of the Works together with a "Contract Fee" (a fixed sum or percentage fee specified in the Contract Particulars) and, if applicable, a "Difference Share" as calculated in accordance with the contract.
- The TCC family includes a main contract, sub-contract, and guide.

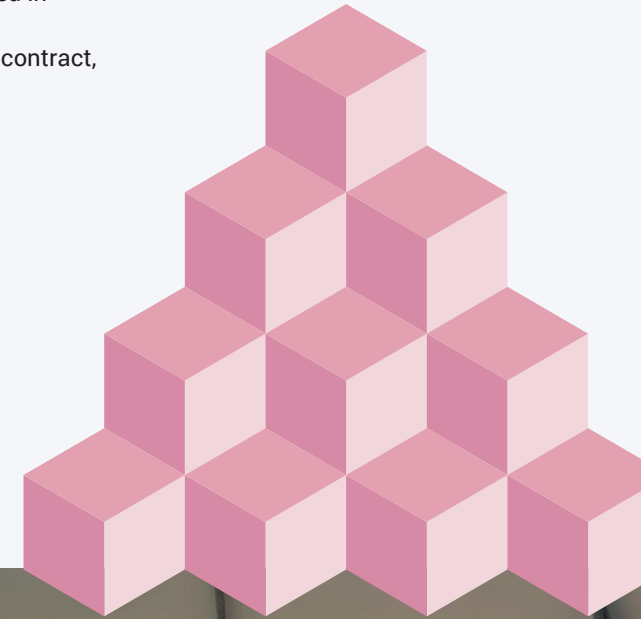


Image: Gareth Jenkins



LEGISLATIVE CHANGES

Building Safety: Part 2A Building Regulations

- Major legislative update to accommodate the new Part 2A of the Building Regulations 2010, introduced in the Building Regulations etc. (Amendment) (England) Regulations 2023.
- a new Article (Article 7) has been inserted to deal with the appointment of the Principal Designer and Principal Contractor under Part 2A of the Building Regulations. Article 6 now deals with both the appointment of the Principal Designer and Principal Contractor for the purposes of the CDM Regulations.
- As the Building Regulations provide that instead of appointing a separate principal designer and principal contractor, the client may certify that the CDM principal designer and the CDM principal contractor should be treated as appointed in these roles for the purposes of the Building Regulations (Part 2A, regulation 11D(2)). The CDM clauses have been extended to provide specific contractual cross-undertakings by the Parties to comply with (as applicable) their respective duties under the CDM Regulations and Part 2A of the Building Regulations.
- More information on the higher-risk building regime under the Building Safety Act 2022 is available via the JCT website.

Termination accounting and payment provisions (Section 8)

- In respect of the requirements of the Construction Act, the provisions have been amended to refer expressly to the Construction Act's payment regime.

New Insolvency grounds

- New insolvency grounds to reflect the relevant aspects of the Corporate Insolvency and Governance Act 2020.

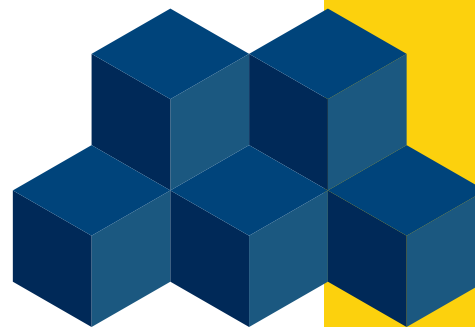
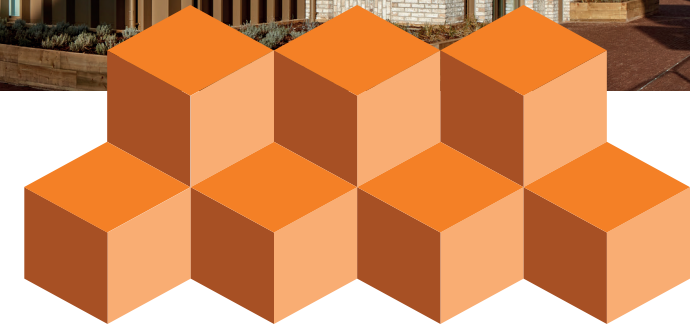


Image: Matt Clayton



FUTURE PROOFING

JCT and Construction Playbook updates

- In considering the elements within the Construction Playbook relating to the use of, and impact on, construction contracts, the following three previously supplemental provisions have been repositioned and become mandatory:
 - Collaborative Working Article (unamended)
 - Sustainable Development and Environmental consideration clause (slightly adjusted)
 - Notification and Negotiation of Disputes clause (unamended).



Image: Young V&A Feature Staircase © Luke Hayes courtesy of Victoria and Albert Museum, London



Setting the standard for construction contracts