

# JCT 2024 Edition

London Seminar – Wednesday, 29 May 2024



# Introduction

What we are covering today

- Themes behind the updates to the JCT 2024 suite:-
  - Legislative changes and future proofing
  - Modernising and streamlining
- Focussing on the DB suite but touching on aspects of MW as well
- Looking forward to further documents in the 2024 suite



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# 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:-
  - 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



# 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 lawAlso added as termination events
- Liability for LADs post termination: drafting updated



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# Unforeseen Conditions Issues

- 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



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# 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



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# 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



# Find out more...



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