

JCT NEWS

THE JCT CONTRACTS UPDATE FOR THE CONSTRUCTION PROFESSIONAL

PUMP HOUSE, KEW GARDENS, LONDON

Taking inspiration from its natural surroundings, the new Pump House at Kew Gardens is part of a wider scheme to provide a greener source of irrigation and improved water security. It was built on a JCT Intermediate Building Contract with contractors design.

Kew Gardens in Southwest London houses the largest and most diverse botanical and mycological collection in the world. With over 50,000 species, the UNESCO World Heritage Site — a 121-hectare landscape — requires a considerable amount of water to maintain its environment, especially as the world grows increasingly warmer.

A summer drought in 2022 (which resulted in the loss of 400 trees) prompted a rethink. In addition to a new plan to refocus on the types of species they would plant in future, they were also forced to reconsider their existing infrastructure. With a set-up reliant on the use of mains water, they realised that this would not be a long-term sustainable solution.

The answer was to add a new Pump House, which draws water up from an underground tank to irrigate the gardens. Designed by Hugh Broughton Architects, with CityAxis Ltd as the main contractor, it was developed in collaboration with the horticultural and capital projects team at Royal Botanic Gardens Kew. The Pump House, in addition to harvesting more rainwater, forms part of Kew's new irrigation strategy to ensure greater long-term water security, reduce reliance on mains water, and work more harmoniously with nature. It is an ambitious project, with the overall goal of being climate-positive by 2030.



Pump House, Kew Gardens

© Dirk Linder

The Pump House – the heartbeat of the new irrigation network – comprises an underground water tank that stores 280,000 litres of irrigation water. Atop this, on a small mound, sits the building itself. It is a simple timber structure of interlocking struts forming sharp, angular walls that curve around an oval-shaped enclosure, which protects the machinery housed within.

In a similar way to its neighbouring Treetop Walkway (designed by Marks Barfield in 2008), the Pump House's design draws on the natural environment.

Viewed from above, its shape, and the autumnal hues of its naturally finished European larch timber construction, mimics that of a fallen leaf. This will age over time to a silver colour.

The structure of its interlocking timber struts references a palm frond. The dappled light reflected from the angles and spaces between the timber, along with the shadows of the surrounding trees, subtly blends the building into its environment and helps conceal the Pump House's inner workings.

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Pump House, Kew Gardens

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The design was built up and developed through the creation of dozens of sketch studies of leaves and leaf structures, seed pods, and palm fronds. From these hand drawings, 3D modelling was used to help

create the nature-inspired final sculptural design.

It is a beguilingly simple and striking building for one that serves a very functional purpose, albeit one that also carries a degree of complex

building services. The JCT Intermediate Building Contract with contractors design is an effective and appropriate contract where just such flexibility is required to capture a wide range of form and function.

PROJECT DATA:

START:	November 2023	QS:	Firmingers
COMPLETION:	July 2024	BUILDING ENERGY MANAGEMENT CONSULTANT:	Kendra
GROSS INTERNAL FLOOR AREA:	22m ²	PUMP SUPPLIER:	KGN Pilling
GROSS (INTERNAL + EXTERNAL) FLOOR AREA:	110m ²	PROJECT MANAGER:	Royal Botanic Gardens, Kew
CLIENT:	Royal Botanic Gardens, Kew	PRINCIPAL DESIGNER:	CityAxis Ltd
ARCHITECT:	Hugh Broughton Architects	REGISTERED BUILDING CONTROL APPROVER:	Regional Building Control Limited
MAIN CONTRACTOR:	CityAxis Ltd	SPECIALIST TIMBER DESIGN AND FABRICATOR:	Xylotek
CONTRACT:	JCT Intermediate Building Contract with Contractor's Design (2016)	SPECIALIST STEEL DESIGN AND FABRICATOR:	Rank Engineering
STRUCTURAL ENGINEER:	Stantec	CAD SOFTWARE USED:	Autodesk Revit, Rhino, SketchUp
M&E CONSULTANTS:	Stantec, Spencer Mayes		

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PROCUREMENT ACT ‘GOES LIVE’ – A SUMMARY GUIDE FOR THE CONSTRUCTION SECTOR

LAURA REEVE, PARTNER AND EMILY MOORCROFT, SOLICITOR - ASHFORDS LLP

After years of delay and anticipation, implementation of the Procurement Act 2023 finally ‘achieved practical completion’ on the 24 February 2025.

The new Act is set to shake up the tendering and delivery of public sector construction projects, providing a revised blueprint for mapping out public sector procurements and promising a new era of transparency, efficiency and opportunity for the construction sector.

Public sector employers, together with their appointed contractors and the wider construction supply chain, must now navigate the new procurement processes for any public sector procurements commenced after 24 February 2025. Any public sector procurements which commenced prior to this date will still be governed by the previous procurement regime laid down by the Public Contracts Regulations 2015.

In this article, we provide detail on the aspects of the Procurement Act 2023 most relevant to the construction sector and explore their potential impact on construction contracts and appointments.

How can contracting authorities and contractors align their contract terms with the Procurement Act 2023?

The Act has been designed to provide a shorter, simplified set of rules that offer contracting authorities greater flexibility to undertake procurement activities which are fit for purpose and meet local and national objectives. It also aims to provide greater transparency throughout the entirety of the project, streamline the procurement process and provide greater opportunities for small and medium-sized enterprises within the construction sector.

From a contractual perspective, this ultimately translates into a new set of legally binding requirements which must be reflected in publicly procured construction contracts and appointments moving forward. It’s therefore important that both contracting authorities and contractors are alive to the impact of the new procurement regime and have appropriate legal support in place to ensure that their contracts, and their day-to-day administration of those contracts, are compliant with the Act.

If the Act is applicable on any given construction project, the following items in particular are likely to require further consideration when it comes to drawing up the contracts and appointments:

- The relevant contract’s payment terms must align with sections 67 and 68 of the Act. These provide, in summary, that:
 - The contracting authority must accept electronic invoices from suppliers.

- Any sum due from the contracting authority must be paid within 30 days of the date of receipt of a valid and undisputed invoice. The supplier must be notified without undue delay if the contracting authority considers the invoice is invalid or disputed. These payment requirements must also be flowed down to the contractor’s supply chain.

The 30 day payment requirement can be contrasted with the previous position under the Public Contracts Regulations 2015, whereby the 30 days didn’t start to run until the invoice was actually considered ‘valid and undisputed’. This resulted in ambiguity and confusion as to how the Public Contracts Regulations 2015 should be reconciled with the additional payment requirements of the Housing Grants, Construction & Regeneration Act 1996, which themselves envisage the serving of various notices to determine the crystallised sum payable at the end of the agreed payment cycle. Against this backdrop, when exactly did the prescribed 30 day timeframe under Public Contracts Regulations 2015 start to run? Was it at the date of the ‘payment notice’, or ‘default payment notice’ where applicable, or on the last date for the payer to serve a ‘pay less notice’? The industry never received a firm answer.

Perhaps partly as a result of this previous uncertainty, the new Act provides that the 30 day clock starts to run at the date of receipt of the invoice. This in itself, however, raises separate questions over exactly when an ‘invoice’, which is not a defined term in the Act, is treated as having been received. In the UK construction industry, it’s standard practice for the contractor to submit an ‘application for payment’, which is typically followed up with a VAT invoice once the employer has responded to the initial application via a payment notice and it’s clear what sum will actually be paid. So, does the 30 days start to run with effect from receipt of the application or the follow-up VAT invoice? In the absence of clear and express governmental guidance on this point, we would suggest that contracting authorities should err on the side of caution and assume that the maximum permitted 30 day timeframe starts when the initial payment application is received.

- Transparency is described as the ‘golden thread’ throughout the new Act, with contracting authorities now obliged to publish certain notices throughout the entire lifespan of a project and also following contract expiry or termination. Contracting authorities may therefore wish to consider expressly caveating any confidentiality provisions within their contracts, to ensure that the requisite notices under the Act can be published without inadvertently breaching those provisions.

Another point worth exploring on the transparency front is whether contractual clarity can be added around when a contract performance notice will be published. Contracting authorities are now obliged to publish a contract performance notice where:

- a. The supplier is in breach and the breach results in contract termination, an award of damages or a settlement agreement or
- b. The contracting authority considers that the supplier:
 - i. Isn't performing to the authority's satisfaction
 - ii. Has been given a proper opportunity to improve performance and
 - iii. Has failed to do so.

Limb (b) in particular is subjectively worded and we therefore expect contract performance notices issued on this ground to be fiercely contested by suppliers, with any such notices to their name attracting probable and very public reputational damage. Contracting authorities may be able to mitigate the risk of this kind of litigation if the underlying contract clearly and unambiguously sets out what specific run of events will result in a contract performance notice being published, thereby removing scope for the supplier to object if and when it happens.

- The Act implies certain rights of termination into relevant contracts, such as where the contract was awarded or modified in contravention of the Act, or where a supplier has become excluded or excludable from public procurements since contract award. Moving forward, relevant contracts should include express termination provisions mirroring the implied rights under the Act, not least so that the contractual consequences of such a termination can be properly thought through and catered for in the drafting. It's also

advisable for contracts to include express warranties from the supplier, confirming that neither they nor their supply chain are excluded or debarred from participating in public procurement exercises under the Act.

- If the value of a relevant contract is more than £5 million, then it must include at least three key performance indicators. Historically, key performance indicators in a construction context have been largely confined to frameworks and term contracts, as opposed to one-off projects which do not naturally lend themselves to performance indicators around response times and the like. It will be interesting to see how contracting authorities approach this new requirement for such projects. Contractors will need to carefully consider the key performance indicator requirements, to ensure that they are realistic, achievable and objectively measurable.
- Other aspects of the Act include a new emphasis on social value and SME engagement. Contractors may therefore need to give further consideration to their procurement strategies, such as how they deliver community, economic and environmental benefits and their approach to collaboration with SMEs.

What's next?

The Act signals a new era for public procurement, with an emphasis on transparency, efficiency and equal opportunities. Whilst the spirit and ethos behind the Act is to be applauded, navigating the extensive changes will invariably be a challenge for the construction industry.

In the meantime, contracting authorities and contractors alike should ensure that their contracts and appointments are suitably tailored to align with the requirements of the Act.

If you require further information about the matters raised in this article, please contact the [construction](#) team at Ashfords.

IMPORTANT INFORMATION FOR JCT USERS

Information on the withdrawal of the JCT 2016 Edition of Contracts

Currently, two editions of JCT contracts are in use: the latest edition, JCT 2024, and the previous edition, JCT 2016.

Users will be able to continue to access contracts and documents from both editions until Tuesday, 31 March 2026, at which point the JCT 2016 Edition will be withdrawn and will no longer be available to purchase either in hardcopy or digital format from the JCT Online Store.

Beyond the withdrawal date, subscribers to the JCT Construct digital service will no longer be able to access templates from the JCT 2016 Edition, but will still be able to duplicate their saved boilerplates and drafts – based on any existing JCT 2016 contract templates – to create and finalise new contracts.

More information about the JCT 2024 Edition is available at corporate.jctltd.co.uk/jct-2024-edition, whilst information about individual JCT 2024 contracts is available from their product pages on the JCT Online Store, www.jctltd.co.uk.

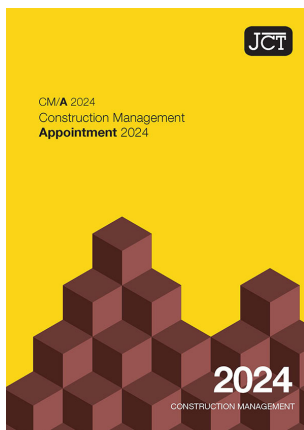


**IMPORTANT
MESSAGE**

JCT 2024 EDITION – AVAILABLE PRODUCTS UPDATE

The following JCT 2024 contracts are now available via the JCT Online Store – access instantly online through *JCT On Demand* digital and via the *JCT Construct* digital subscription service, or purchase in hardcopy for delivery.

JCT Construction Management Contract 2024



Contract family includes:

- JCT Construction Management Appointment 2024 (CM/A 2024)
- JCT Construction Management Trade Contract 2024 (CM/TC 2024)
- JCT Construction Management Guide 2024 (CM/G 2024)
- JCT Construction Manager Collateral Warranty for a Funder 2024 (CMWa/F 2024)
- JCT Construction Manager Collateral Warranty for a Purchaser or Tenant 2024 (CMWa/P&T 2024)
- JCT Trade Contractor Collateral Warranty for a Funder 2024 (TCWa/F 2024)
- JCT Trade Contractor Collateral Warranty for a Purchaser or Tenant 2024 (TCWa/P&T 2024)

JCT Management Building Contract 2024



Contract family includes:

- JCT Management Building Contract 2024 (MC 2024)
- JCT Management Works Contract Agreement 2024 (MCWC/A 2024)*
- JCT Management Works Contract Conditions 2024 (MCWC/C 2024)*
- JCT Management Works Contractor/Employer Agreement 2024 (MCWC/E 2024)
- JCT Management Building Contract Guide 2024 (MC/G 2024)
- Management Contractor Collateral Warranty for a Funder 2024 (MCWa/F 2024)
- Management Contractor Collateral Warranty for a Purchaser or Tenant 2024 (MCWa/P&T 2024)
- Works Contractor Collateral Warranty for a Funder 2024 (WCWa/F 2024)
- Works Contractor Collateral Warranty for a Purchaser or Tenant 2024 (WCWa/P&T 2024)

JCT Framework Agreement 2024



Contract family includes:

- JCT Framework Agreement 2024 (FA 2024)
- JCT Framework Agreement Guide 2024 (FA/G 2024)

* For digital versions (JCT On Demand and JCT Construct) the product includes both the Agreement (MCWC/A) and Conditions (MCWC/C)

JCT Adjudication Agreement 2024

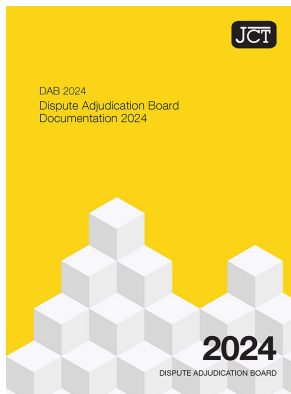


Contract family includes:

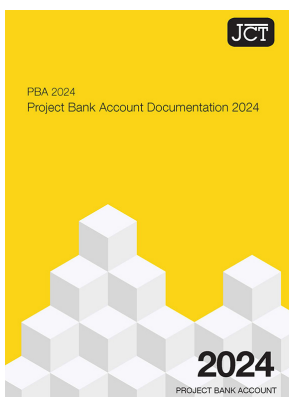
JCT Adjudication Agreement 2024 (Adj 2024)

JCT Adjudication Agreement (Named Adjudicator) 2024 (Adj/N 2024)

JCT Dispute Adjudication Board Documentation 2024 (DAB 2024)



JCT Project Bank Account Documentation 2024 (PBA 2024)



THE PROCUREMENT ACT 2023 – INFORMATION FOR JCT USERS

In addition to the changes as part of the JCT 2024 Edition, the above documents incorporate changes resulting from the implementation of The Procurement Act 2023, which came into force on 24 February 2025.

Information on the changes included regarding The Procurement Act 2023 can be found via the JCT website at www.jctltd.co.uk/useful-documents.

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JCT TRAINING ONLINE – LEARN MORE ABOUT THE JCT 2024 DESIGN AND BUILD AND MINOR WORKS CONTRACTS THIS SPRING



The Spring 2025 series of JCT Training is now live. We have a range of online courses and video modules covering some of the major contract families from the JCT 2024 Edition.

Our 3-hour interactive webinar courses provide an overview of a particular contract family, giving course attendees the knowledge to have confidence in dealing with a particular contract and avoid common pitfalls.

The sessions to take place and the dates are as follows:

Wednesday, 23 April 2024

JCT Design and Build Contract 2024

Wednesday, 21 May 2024

JCT Minor Works Building Contract 2024

Find out more and book your place by visiting www.jctltd.co.uk/jct-training/available-courses

Don't forget our latest JCT Training Video Modules!



In addition to the spring courses, our latest JCT Training Video Modules cover two more contracts from the JCT 2024 Edition:

Introduction to JCT Standard Building Contract 2024

and

Introduction to JCT Intermediate Building Contract 2024

The latest JCT Training Video Modules can be purchased at www.jctltd.co.uk/category/jct-training-videos.

JCT PARLIAMENTARY RECEPTION TO GIVE INSIGHT INTO NEW TARGET COST CONTRACT



JCT will use the occasion of its annual Construction Industry Parliamentary Reception, to be held on Friday, 13 June 2025, to celebrate the introduction of the JCT Target Cost Contract to the JCT suite, and preview information resources about the contract ahead of its release in the summer.

The Target Cost Contract is a new addition to the JCT suite of contracts and forms part of the JCT 2024 Edition. The Target Cost Contract family will comprise a main contract, sub-contract and guides.

The contract is for use where parties wish to use target cost and difference sharing arrangements. Instead of a lump sum, the method of remuneration for the contractor is payment of an “Allowable Cost” of the Works together with a “Contract Fee” (a fixed sum or percentage) and, if applicable, a “Difference Share” as calculated in accordance with the Contract.

A range of online resources, including information articles, instructional video, information articles, worked examples, and more are being prepared to assist users in using the new contract. More information about the planned resources will be revealed at the reception.

JCT’s Construction Industry Parliamentary Reception is an exclusive occasion for its members and guests, celebrating the achievements of JCT and the wider industry, raising awareness of important issues or new developments, and an opportunity to thank those professionals involved in making JCT a success.

JCT chair, Karen Kirkham, said:

“We are looking forward, once again, to welcoming our members and guests to the JCT Construction Industry Parliamentary Reception.

“Last year we celebrated the JCT 2024 Edition of contracts, and this year we reach the finish line of that journey with the release of our brand new contract family, the JCT Target Cost Contract.

“This event will acknowledge the incredible amount of hard work from our members that has gone in to produce these new contract documents, and we are also excited to share some information about the resources that will be available, once the contract goes live, for users getting to grips with the concept of Target Cost for the first time.”

JCT SPONSOR MENTAL HEALTH IN CONSTRUCTION RESEARCH

JCT is to sponsor a research project investigating the mental health of workers in construction, to better understand the challenges workers face, and to explore how the industry can provide better support.

The research project, which was initiated by the Tier 1 Health in Construction Leadership Group (HCLG) and Mates in Mind, a registered charity set up to improve mental health within construction, is a collaboration with the University of Warwick, which has led several research projects to explore mental health in the construction sector, and is supported by the Construction Leadership Council (CLC).

This next phase of the research sponsored by JCT and led by Mates in Mind is to focus specifically on young people entering the construction industry, to gather evidence of their experiences, and examine ways in which they could be better supported within the sector.

The aim of the research is to 'develop a framework of recommended interactions for the construction sector, so that organisations of all sizes can take steps to protect and improve construction workers' mental health.'

The research will include interviews with construction workers, aged 16-24, exploring their experiences entering the industry and any specific barriers or challenges they face. The interview will draw on a 7-dimension support framework, covering physical, financial, relationships, emotions, culture and belonging, work design, and crisis response.

Taking part throughout the first half of 2025, the summary findings of the research are due to be published in the summer.

JCT's sponsorship of the research reflects the organisation's recognition of and support for initiatives to improve mental health within the construction industry.

Karen Kirkham, JCT chair, said:

"We were delighted to have the opportunity to be involved with this initiative, and the chance to provide financial support to a project dedicated to addressing very real mental health concerns in our industry."

Samantha Downie, managing director, Mates in Mind, said:

"Mates in Mind are excited to be involved in this collaboration to gather evidence on the experience of young people entering the construction sector, to better understand their experience and how they could be more effectively supported within the workforce."

"With recent government announcements on both the need to build and the need to grow the workforce it is a key time to establish what will make the experience of working in construction better for the next generation."



JCT NETWORK
Keeps you informed

**JCT Network - keeping you informed
with updates about the JCT 2024 Edition.**

Sign up today corporate.jctltd.co.uk/jct-network/

The banner features a yellow background with a geometric pattern of overlapping diamonds. On the right side, there are four diamond-shaped images: a group of people in a meeting, a person using a laptop, a person in a hard hat, and a group of people in a hallway. The JCT logo is in the top left corner.

JCT INTERVIEWS...



Claire Hughes, MRICS

Member, JCT Council – LGA representative

Member, JCT Drafting Sub-Committee

In the 'JCT Interviews...' series we shine the spotlight on some of the key people who are involved with or give their time to support JCT, showing the diverse range of disciplines across the construction industry that our members represent and the collaborative work that contributes to the development of our contracts. We look at how our interviewees contribute to JCT specifically and gain their views on the wider industry and JCT's role within it.

Current job title and company/position: Senior Quantity Surveyor at Strategic Land and Property Team, Solihull Metropolitan Borough Council.

Bio: I've spent most of my career working at Solihull MBC as a client-side quantity surveyor. It's a role I really enjoy, and in particular I like working on and helping to deliver projects. In addition to the typical duties and responsibilities, my role has developed a contract, procurement and social value bias.

JCT: Claire, how did you first come to be involved with JCT? Why do you think it is important to be involved?

CH: I was nominated to represent the Local Government Association at JCT Council and Drafting Sub-Committee by Peter Yates (NACF) and Linda Wilson (Solihull MBC). It's a huge privilege for me to be involved and to represent and champion Local Government and in turn the rate payer. I was nominated alongside my colleague Damien Donnelly (Acivico), with whom I also work on the Constructing West Midlands framework.

JCT: In your time in being involved with JCT, are there any specific projects, areas of interest or activities that you have enjoyed being part of?

CH: Generally, at meetings it's insightful to listen and understand the position of the different college representatives and see how these perspectives are brought together to reach consensus view. Specifically, I enjoyed working with the Drafting Sub-Committee and Council to produce the new Target Cost Contract.

JCT: Do you have any personal career highlights?

CH: Yes, I really enjoy working with RICS as an APC and AssocRICS Assessor, it's very rewarding. Also, gaining MRICS status and achieving a Diploma in Adjudication were huge professional achievements for me.

JCT: What are you most proud of about the construction industry as a whole and where do you think it most needs to improve?

CH: Construction is a wonderful profession; every day is different. We get to be a part of the construction and refurbishment of buildings that make a difference to people's everyday lives. In terms of what needs to be improved, I think the way contracts are run, specifically better and more timely flow of information and record keeping.

JCT: What do you see as the main challenges for the construction industry over the next five years?

CH: As a Local Government Officer, I'm concerned about the availability of funding within the public sector and the effect it may have on capital projects going forward. Skills shortages remain a persistent problem for the industry, applicable to both professional and trade roles. We need to find a way to attract and retain the best talent. The continued drive for sustainability and net zero will offer a big challenge. There are drivers for change such as the move towards a whole life costing approach and the JCT 2024 contracts mandating contractors to be more sustainable. However, many of the products and materials used in construction still contain large amounts of embodied carbon.

JCT: Does JCT have a wider role to play in the industry beyond producing contracts?

CH: By championing best practice and collaboration in the 2024 editions, JCT can help promote and further embed best working practices within the construction industry naturally, so they become the cultural norm.

Further to this, as demonstrated by the wide representation of stakeholders on JCT Council and Drafting Sub-Committee (including Clients, Contractors, Sub-Contractors and Specialists), JCT offers a voice for the wider industry, providing contracts suitable for all parties and with balanced risk.

The continued digital roll out of contracts via the JCT OnDemand service, will help drive change to digitise the industry.

Going forward there is an opportunity for JCT to help the industry address skills shortages by incorporating clauses for solutions such as Social Value and apprentices.

JCT Construct

Build and create your JCT contracts online

JCT Construct is a contract drafting system with advanced editing features, enabling you to create and amend your JCT contracts in a secure, flexible, and easy to use online environment.

The system enables the editing of the JCT contract text itself, so that you can add your own amendments, clauses, or other customised text. This works alongside an intuitive Q&A process so that you can be guided through filling in your contract easily and comprehensively.

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