

JCT NEWS

Autumn/Winter 2007

JCT News briefs you on all the latest developments, including recently published **JCT** documents and amendments, updates on work in progress, future publication dates and events and projects relevant to the construction professional.

JCT - helping to shape the landscape of London

The £200 million design and build project to regenerate a large section of Victoria Street, opposite Westminster Cathedral, by Land Securities was undertaken using *JCT forms of contract*.

Land Securities replaced existing 1950s buildings with 49,100 m² of new office, retail and restaurant accommodation. All the building contracts were let using the *JCT 98 Standard Form of Building Contract With Contractor's Design*, incorporating amendments one to five. EPR Architects designed the scheme and the main contractor was Sir Robert McAlpine. Work started in 2003, with completion in January 2006.

Nigel Earp, project director said: "The project design and execution was a huge success and has created a new landmark development in the heart of London. The project team collaboration throughout was excellent, and we overcame some serious site obstacles including the close proximity of the District Line, which remained operational throughout the project, and a number of occupied offices immediately adjacent to the site for whom noise was an issue. The completed project is a fantastic addition to the Land Securities portfolio, regenerating this part of the City of Westminster."

David Parker, Sir Robert McAlpine's project manager, said: "I am particularly proud of three things; the way we addressed the challenges of Cardinal Place, the manner in which the team reacted to the unforeseen, and the high level of quality achieved. The co-operation and help of the City of Westminster and Metronet were key factors in executing this project."



Cardinal Place, Victoria Street, London SW1

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See centre pages for your JCT Contracts order form

See page 6 of this newsletter for details of the

**JCT Conference
31st October
2007**

and find out how you can be there

JCT bulletin board

Sustainable Contracts

The Stern Report, published last December, threatened the world with environmental Armageddon unless we change our ways. The environment and the impact mankind is having upon the planet has certainly moved up the public and political agendas, and it has become universally accepted that we all have to make our own contribution.

The process of construction, by its very nature, uses large amounts of materials and energy. There are numerous opportunities to change methods and procedures to make savings and to do our bit for the environment.

JCT is the UK's leading contract authoring organisation with more than two-thirds of all construction projects using its contracts. It is leading the way in the consideration of contractual frameworks as a route by which the construction industry's environmental performance can be improved. It is prompting the debate in the industry as to whether contracts should, or could, be used for this purpose. It is hosting a meeting this autumn, to be attended by industry leaders, to discuss the relative merits and practicalities of such an approach. The event is being staged in the Swiss Re building (Gherkin), a project constructed using a **JCT** contract. The outcome will be reported in the next newsletter.

Hong Kong University Visit

JCT hosted a visit to the UK of a group of students from the University of Hong Kong's Construction and Real Estate School in August. They visited us to see how construction is done in the UK, and **JCT** briefed the group on its contracts, which are used on more than two-thirds of all construction projects.

To demonstrate the outcome of a successful project which has used a **JCT** contract, the group visited The Emirates Stadium, home to Arsenal FC, which was completed last year on-time and within the budget. Courtesy of Arsenal Plc, the students had a tour of the stadium and a briefing from the management team as to how the project was executed.



Launched in 2007

JCT - Constructing Excellence Contract

In the spring of this year, Sir Michael Latham launched the *JCT - Constructing Excellence Contract* at an event hosted by the All Party Parliamentary Construction Group in the House of Commons. It was a most appropriate location for a contract developed as a joint venture with Constructing Excellence, at the request of the Local Government Association, as a means to promote the government's agenda for Achieving Excellence in Construction.

The new contract form aims to promote collaborative and integrated working, providing a single contract form to regulate all the relationships involved in a project. It makes the delivery of a project the joint mission of the entire project team. It consists of three documents, *JCT - Constructing Excellence Contract (CE)*, *JCT - Constructing Excellence Contract Project Team Agreement (CE/P)* and the *JCT - Constructing Excellence Contract Guide (CE/G)*.

Sir Michael Latham said at the launch: "it [the contract] is brief, it is in plain English, it is user friendly, and it is perfectly understandable and practical. I commend the new documentation to you, and hope it will be widely used. This is a great industry. It needs to work together, not separately. Day by day, it is increasingly doing so. But, believe you me, there is still a very long way to go. We have started on the best practice road. But we are certainly not there yet. Congratulations to the *JCT* and Constructing Excellence for helping us along that road."

JCT secretary-general, Professor Peter Hibberd, said: "The strength of this new documentation is that it is written specifically to bring together the concepts of collaboration and partnership, not in fuzzy terms, which are so often associated with partnering documents, but within a rigorous legal framework."

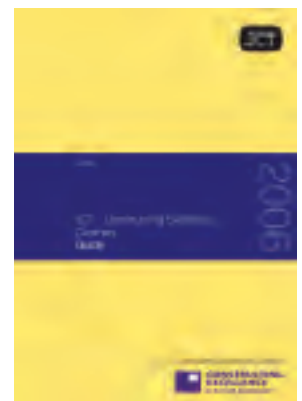


Above from left to right: Giles Dixon, Peter Hibberd, Hilary Lambert, Simon Pitchers, Joanna Davis, Martin Howe, Sir Michael Latham, Tom Watson MP and Christopher Vickers

The new contract was developed in conjunction with Constructing Excellence. Don Ward, its chief executive, said: "Integration and collaborative working are fundamental to improving our industry, and we are delighted that the *JCT* recognised this and worked with us over the last two years. Success is much more likely if the contract is aligned as closely as possible with the intentions of the parties, and this is fully reflected in this new documentation to underpin collaborative working."

The new contract form was piloted by the Vehicle & Operator Services Agency (VOSA). Joanna Davis, its estates modernisation programme manager, said: "Using this contract as a pilot, VOSA has achieved higher quality, better control of risk and a true collaborative working environment. Our delivery of 12 buildings on time and within budget shows just how well the contract can work."

To provide a useful insight into using the new *JCT - Constructing Excellence Contract*, the RICS is running a course on **25 October 2007**, at the RICS in London. For further information please contact RICS Events at www.rics.org/jctworkshop or call: **020 7695 1600**.



- Pack includes:
- JCT - Constructing Excellence Contract (CE),
 - JCT - Constructing Excellence Contract Project Team Agreement (CE/P),
 - JCT - Constructing Excellence Contract Guide (CE/G)
- 978-0-418-84780-0 £70

New from JCT



978-0-418-82910-3 £10.50

Minor Works Sub-Contract with sub-contractor's design

August saw the publication of a new sub-contract: *Minor Works Sub-Contract with sub-contractor's design (MWSUB/D)*.

This will be appropriate for use:

- ▶ Where the main contract is the *Minor Works Building Contract with sub-contractor's design*;
- ▶ Where the sub-contractor is to design all or part of the sub-contract works (Sub-Contractor's Designed Portion); and
- ▶ For a small sub-contract package of work or one that is of straightforward content with low risk involved.

However, it is not suitable:

- ▶ Where the sub-contract works are of a complex technical nature;
- ▶ Where sub-contractor's design is not involved – consider instead the *Short Form of Sub-Contract (ShortSub)*.



978-0-418-85040-4 £16.95

Repair and Maintenance Contract - Commercial

Sweet & Maxwell published the *Repair and Maintenance Contract – Commercial*, a new contract for use on substantially defined programmes of repair and maintenance work. This contract has wide application and is for use without the need for an independent contract administrator.

This contract replaces the Standard Form of Tender and Agreement for *Building Works of a Jobbing Character (JA/T 90)* and the *Conditions of Contract for Building Works of a Jobbing Character (JA/C 90)*.



Measured Term Contract and Prime Cost Building Contract

During the autumn last year, Sweet & Maxwell published revised versions of the *Measured Term Contract* and the *Prime Cost Building Contract*. These contracts follow the style of the **JCT05 contracts**, as they are part of the suite. Each has its own separately published guide, which contains a Table of Destinations and sets out the principal changes from the 1998 edition.

Measured Term Contract

978-0-418-85020-6 £22.95

Prime Cost Building Contract

978-0-418-85030-5 £34.95

JCT Contracts - Updates and changes

Coming Soon to JCT Contracts

CDM Regulations

April saw the long-awaited introduction of the new CDM Regulations. This was despite several late challenges, including on the eve of implementation the Opposition's motion which forced a Commons debate, although to no avail.

JCT issued **Amendment No.1** in April to encompass the new regulations within the **JCT05 suite** of contracts. These **Amendments** have been published and are available to download on the *JCT* website www.jctltd.co.uk and the **Sweet & Maxwell** www.jctcontracts.com website.

All the CDM changes in **Amendment No1** have been included in **Revision 1** of the **JCT05 suite**, together with further updates, corrections and other minor changes. The *Minor Works Building Contract* also contains changes in respect of the way the contract deals with whether or not an employer is a contractor under the Construction Industry Scheme (CIS) and changes to the insurance provisions. The change in the insurance provisions is to reflect the type of cover available in the market place. The guidance notes to the contract contain more information about the changes. A full list of changes contained in **Revision 1** of each contract is available from the 'contracts' section of the *JCT* website www.jctltd.co.uk and from **Sweet & Maxwell** website www.jctcontracts.com.

Framework Agreement

In 2005, *JCT* published two versions of a framework agreement, one binding and the other non-binding. Market feedback has revealed that these framework agreements do not fulfil all users' needs, the main issue being the ability to satisfy EU public procurement rules without having to make amendments, and the facility to provide a guarantee of work. In response to this feedback, *JCT* is reviewing these agreements and consequently, early next year, **Sweet & Maxwell** will publish a new framework agreement that addresses these and several other points, together with a revised guide.

Although this new Framework Agreement will be compliant with EU public procurement rules, there is nothing to prevent its use in the private sector. The existing Framework Agreements will be withdrawn following the publication of the new version.

Management Building Contract and Construction Management Documentation

Early in 2008, **Sweet & Maxwell** will publish revised versions of the *Management Building Contract* and *Construction Management Documentation*. These publications will follow the 2005 template – further details will be issued later this year.

Order your copies today

Visit us at www.jctcontracts.com or see the **order form** enclosed for your nearest stockist

Look out for the new JCT Catalogue, coming soon to your local stockist



Dates for the Diary

JCT Conference

RICS, Westminster,
Wednesday, 31st October
2007

This conference will provide an update on current and forthcoming **JCT** contracts, together with some interesting thoughts on the role and use of contracts in the future. It will cover the new EU compliant Framework Agreement, which will be published by Sweet & Maxwell early in 2008, and the new **JCT - Constructing Excellence Contract**, which was published earlier this year.

It will also cover the users' and supply chain perspectives, and the vexed issues of insurable and commercial liabilities.

Speakers include **Liz Peace** (British Property Federation), **Philip Baker** and **Rosie Choueka** (Lawrence Graham), **Joanna Davis** (Vehicle & Operator Services Agency), **James Davison** (Arup), **Suzannah Nichol** (National Specialist Contractors Council), **Simon Pitchers** (Craddy Pitchers), **John Salway** (Pinsent Masons) and **Gillian Simpson** (John Sisk).

Peter Hibberd, **JCT** secretary-general, and **John Hobson**, independent policy analyst and former construction director at the DTI, will each chair question and answer sessions with a panel of selected speakers.

Conference Programme

09.00	Registration and refreshments	14.00	JCT - Constructing Excellence Contract Users' perspective <i>Joanna Davis (VOSA) & Simon Pitchers (Craddy Pitchers)</i>
09.30	Chairman's introduction Welcome and housekeeping <i>Chairman for the morning session - Peter Hibberd (JCT)</i>	14.45	Insurable and commercial liabilities A legal perspective <i>John Salway (Pinsent Masons)</i>
09.45	Keynote: Contractual relationships A client's perspective <i>Liz Peace (BPF)</i>	15.15	Refreshments and surgery session
10.30	JCT: 2007 and beyond Where are we now, where are we going <i>James Davison (Arup) and Peter Hibberd</i>	15.30	I know my place - the benefits of collaboration <i>Suzannah Nichol (NSCC)</i>
11.15	Refreshments and surgery session	16.00	Risk and Collaboration in Construction Procurement <i>Gillian Simpson (John Sisk & Sons)</i>
11.30	JCT Framework Agreement Revised to be EU compliant <i>Philip Baker (Lawrence Graham) & Rosie Choueka (Lawrence Graham)</i>	16.30	Afternoon panel session Q & As arising from the afternoon speakers
12.15	Morning panel session Q & As arising from the morning speakers	17.00	Close and Summary <i>Ed Badke (RICS)</i>
13.00	Lunch and surgery sessions <i>Chairman for the afternoon session - John Hobson</i>	17.00 – 17.30	Surgery sessions

To reserve your place please contact RICS Events on 0207 695 1600 or email acrabbe@rics.org or kscott@rics.org

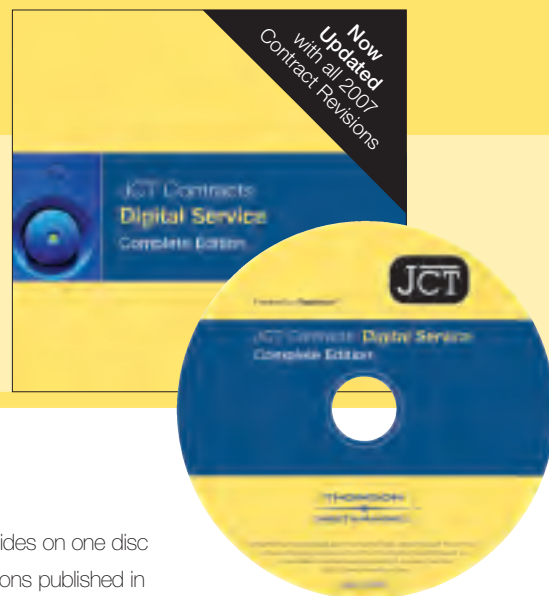
JCT Povey Lecture

The Institute of Physics,
London,
Thursday 15th November
2007

The speaker will be **Bob White**, Chairman of Constructing Excellence, non-executive Chairman of MACE and Chief Executive of Constructing Futures Ltd. The title of the lecture is 'Innovation in the change agenda'.

To reserve you place please e-mail stanform@jctltd.co.uk

JCT Contracts Digital Service – Bringing contracts to your desk top



The easy way to take contracts from draft to completion

JCT Contracts Digital Service allows you to edit the contracts on screen, print multiple draft copies and easily manage the whole stage from first draft to completion.

The software takes you through each of the necessary insertions in a step-by-step question and answer session to ensure you fill in the information required correctly. It provides the option of saving clauses and inserting them into other contracts when necessary. Your online updates subscription also gives you access to an online updating service so you can download the latest version of a contract as soon as they are available.

Find essential documents and tools

- ▶ Provides **JCT 05** contracts and guides on one disc including the new **Revision 1** versions published in 2007 and the new **Minor Works Sub-Contract with sub-contractor's design**
- ▶ Includes an archive of **JCT 98** contracts and amendments
- ▶ Gives you access to an online updating service so you can download the latest versions of contracts
- ▶ Lets you edit contracts and tracks deletions, insertions and changes
- ▶ Allows electronic exchange of draft contracts between subscribers with user changes tracked in colour on screen
- ▶ Step-by-step question and answer format so each field on the contract is completed correctly
- ▶ Gives you unlimited printing of draft contracts free of charge
- ▶ Dedicated Network Support Team on hand to help with any technical questions

Now you can make the JCT Contracts Digital Service available to your whole business

The new updated CD available in **December 2007** will include networking functionality giving you the opportunity to give everyone within your business access to this indispensable time-saving tool.

Take a virtual tour

Why not explore the functionality of the CD-ROM in full, by taking an online tour.

Log onto: www.jctcontracts.com/demo.html



Order direct by calling Customer Services on: **0845 082 1080**

Order online at: www.jctcontracts.com

Software Specifications

The software is best run on 32MB RAM minimum (64MB recommended), Windows 2000/XP, Pentium processor (min 200MHz), and minimum screen resolution of 800x600. 300 mb free disk space.

Subscription Options

Annual Subscription CD plus online updates

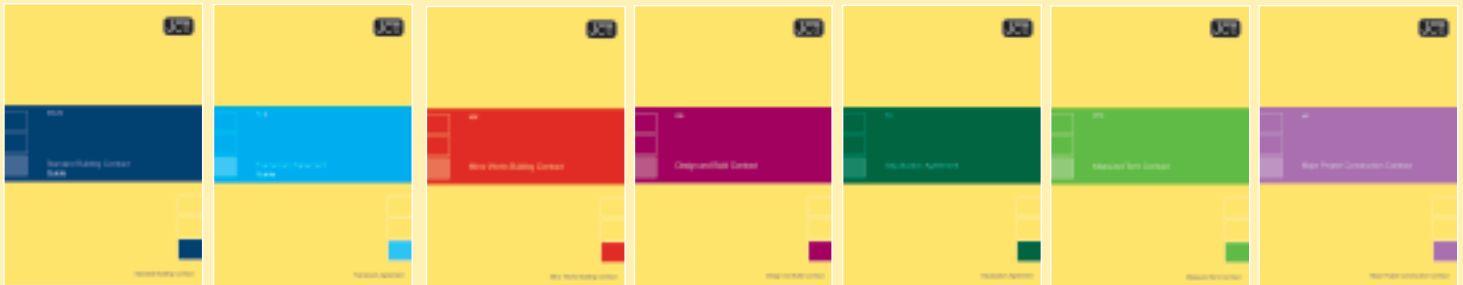
- Complete Edition £395 + VAT for a single user £100 per each additional user ISBN: 978-0-418-84430-4
- Small Works Edition £160 + VAT for a single user £50 per each additional user ISBN: 978-0-418-84470-0

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Small Works Edition consists of the Intermediate Building Contract Family and the Minor Works Building Contract Family only.

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Sweet & Maxwell Ltd
100 Avenue Road
Swiss Cottage
London
NW3 3PF

Tel: 0845 082 1080
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