



**HARVEY**  
Planning Consultancy Ltd



## JCT Contracts

### **What is a JCT contract?**

The JCT Standard Building Contract is designed for large or complex construction projects where detailed contract provisions are needed. Standard Building Contracts are suitable for projects procured via the traditional or conventional method.

### **How does a JCT contract work?**

Essentially, the JCT contracts are a set of off-the-shelf contracts available to purchase by anyone wishing to enter into a building contract with another party. The JCT suite of contracts is a standard form of building contract that parties can use to document their construction projects.

### **What is the point of a JCT contract?**

JCT contracts facilitate the process of constructing buildings. In simple terms, agreements set out the responsibilities of all parties within the construction process and their obligations, so it is clear what work is undertaken, who is doing it, when they are doing it by, and how much.

### **What is included in a JCT contract?**

JCT contracts are usually made between an 'employer' and a 'contractor' to facilitate delivering a building project. They set out all relevant terms and conditions, including the parties' obligations, the costs involved, and the project's specifications.

### **What are the three types of contracts?**

The three most common contract types include:

- Fixed-price contracts.
- Cost-plus contracts.
- Time and materials contracts.

### **What are the types of contracts?**

- Express and Implied Contracts.
- Unilateral and Bilateral Contracts.
- Unconscionable Contracts.
- Adhesion Contracts.

- Aleatory Contracts.
- Option Contracts.
- Fixed Price Contracts.

### **Are JCT Contracts Fixed Price?**

The JCT Contract is a fixed price lump sum contract. NEC Option B offers a fixed price lump sum contract, but Options C and D are target cost contracts. The JCT Contract contains provisional sums, whilst the NEC Contract does not.

### **What is the difference between NEC and JCT contracts?**

JCT provides separate contracts for employer-design or contractor-design. ... NEC identifies a state at completion defined within the works information, unlike JCT, which relies upon a subjective judgement of practical completion determined at the time.

### **What is the JCT Design and Build contract?**

The JCT Design and Build Contract is designed for construction projects where the contractor carries out both the design and the construction work. Design and build projects can vary in scale, but the Design and Build Contract is generally suitable where detailed provisions are needed.

### **Is Scottish Building Contracts Committee Ltd (SBCC) the same as JCT?**

SBCC now publishes integrated documents, a JCT contract that has been amended formally for use where Scots law is to apply.

### **How does JCT deal with risk?**

The JCT suite of contracts has no equivalent clause meaning that the risk of unexpected ground conditions on-site is a Contractor's risk. The discovery of any unforeseen ground conditions will not usually entitle a Contractor to any extension of time to complete the works or any additional costs.

### **When would you use a JCT Intermediate contract?**

The JCT Intermediate Building Contract is designed for construction projects involving all the recognised trades and skills of the industry, where reasonably detailed contract provisions are needed, but without complex building service installations or other specialist work.

### **What are examples of contracts?**

Examples of standard form contracts can include:

- Employment contracts.
- Lease agreements.
- Insurance agreements.
- Financial agreements.

## **What are the most common types of contracts?**

Here are the standard business contracts you'll come across covering everything from equipment leases to employment agreements.

- Nondisclosure Agreement.
- Partnership Agreement.
- Indemnity Agreement.
- Property And Equipment Lease.
- General Employment Contract.
- Contractor Agreement.

## **Is NEC better than JCT?**

NEC provides more of a collaborative approach to contracting but does hold a higher level of risk in its administration. Therefore, the NEC is more suitable for significant infrastructure and building contracts over £5m, while JCT is better suited for projects between £5 million and £25 million.

Acknowledgements:

<https://askinglot.com/what-is-a-jct-form-of-contract>

<https://www.neccontract.com/getmedia/3d1b7c3f-097d-4504-8b1f-5a944dbc19dc/A-comparison-of-NEC-and-JCT.pdf.aspx>

<https://corporate.jctltd.co.uk/products/design-and-build-contract/>

<https://www.myerson.co.uk/news-insights-and-events/construction-basics-a-guide-to-the-jct-building-contracts>