

## Updated Build UK guidance on contract terms welcomed by CLC

2 years ago



The business environment is expected to remain challenging for the rest of this year, which is why ensuring a fair allocation of risk through the supply chain is more important than ever.

The Construction Leadership Council's *Next Generation Delivery: Fair Practices – Contracts Group* is seeking to develop a collaborative view from industry on fair practices and provide SMEs with access to a range of support on contractual good practice.

To support this, the CLC welcomes publication of updated [guidance](#) by Build UK to support the implementation of its [contract terms recommendation](#).

Build UK's recommendation identifies six contract terms that should be avoided in order to ensure the fair treatment of businesses throughout the supply chain and realise better project outcomes. There is comprehensive guidance which explains why each term should be avoided and how to manage the underlying issues more effectively, with specific guidance for JCT and NEC contracts.

Isabel Coman, the CLC's Next Generation Delivery Industry Sponsor, said:

*"Fairer contract terms and a better approach to apportioning risk, based on who is best placed to manage it, are essential if we are to improve industry performance and strengthen supply chains. The Build UK contract terms recommendation and supporting guidance are a step along the way towards ensuring risks are managed by those best placed to do so which is a key principle of the Government's Construction Playbook. The CLC will continue to work closely with Government and industry to encourage the adoption towards more collaborative and responsible contractual practices for all in the supply chain."*

In accordance with competition law, the recommendation is non-binding and businesses are free to negotiate their own contractual terms.

Further information can be found on the [Build UK website](#).