

Review

Construction, Engineering and Projects



ICE withdraws from its own Conditions of Contract following its endorsement of the NEC

The Institution of Civil Engineers (ICE) announced last week that it is withdrawing from the ICE Conditions of Contract following the ICE Council's decision in 2009 to solely endorse the NEC3 Suite of Contracts.

The ICE states that its decision to withdraw from the ICE Conditions of Contract is *"part of a strategic realignment of our offerings and a desire to promote what we see as a more collaborative approach to contract management which offers value for money to clients and the construction industry at large"*.

The ICE is closely linked to the NEC Suite of Contracts, having developed the suite in the early 1990's. The NEC Suite of Contracts has gained huge popularity in the UK and overseas following their endorsement by Sir Michael Latham as part of his review of the UK Construction Industry and more recently by the Office of Government Commerce.

There is some good news, however, for those in the industry that prefer the clear and precise drafting of the ICE Conditions of Contract over the NEC form. The ICE Conditions of Contract will continue to be maintained for 12 months during which time the family of contracts will be updated to make them compliant with the Local Democracy, Economic Development and Construction Act 2009 which introduces the proposed changes to the Housing Grants, Construction and Regeneration Act 1996. When this is completed, the co-sponsors of the contract, ACE (Association for Consulting and Engineering) and CECA (Civil Engineering Contractors Association) have announced that they will examine other opportunities for jointly ensuring that the industry's requirements continue to be met.

The CECA has also announced that once the above amendments have been made, the CECA's Blue Forms of Sub-Contract will be suitably amended.

More importantly, the ICE recognises *"that there remains a proportion of our membership and the wider engineering community who still use the ICE Conditions of Contract and we will be working closely with ACE and CECA to ensure the transition is smooth and doesn't have any negative impact on existing users."*

It seems, therefore, that all parties are working together to ensure that there is a smooth transition from the current tri-party arrangements for the ICE Conditions of Contract to a new joint arrangement between ACE and CECA and it remains to be seen if this joint arrangement will be successful or whether another sponsor can be brought on board to secure the future of the ICE Conditions of Contract.

It remains to be seen if another sponsor can be brought on board to secure the future of the ICE conditions of contract

FURTHER INFORMATION:

For further information on this article please contact:

Zakir Mulla

Partner

T: +44(0)113 284 7142

E: zakir.mulla@hammonds.com

Hammonds

Birmingham

Hammonds LLP
Rutland House
148 Edmund Street
Birmingham B3 2JR
Telephone +44 (0)121 222 3000
Fax +44 (0)121 222 3001

Leeds

Hammonds LLP
2 Park Lane
Leeds LS3 1ES
Telephone +44 (0)113 284 7000
Fax +44 (0)113 284 7001

London

Hammonds LLP
7 Devonshire Square
London EC2M 4YH
Telephone +44 (0)20 7655 1000
Fax +44 (0)20 7655 1001

Manchester

Hammonds LLP
Trinity Court
16 John Dalton Street
Manchester M60 8HS
Telephone +44 (0)161 830 5000
Fax +44 (0)161 830 5001

Berlin

Hammonds LLP
Unter den Linden 14
10117 Berlin Germany
Telephone +49 30 7261 68 000
Fax +49 30 7261 68 001

Brussels

Hammonds LLP
Avenue Louise 250
Box 65
1050 Brussels Belgium
Telephone +32 2 627 7676
Fax +32 2 627 7686

Madrid

Hammonds LLP
Plaza Marques de Salamanca 3-4
28006 Madrid Spain
Telephone +34 91 426 4840
Fax +34 91 435 9815

Paris

Hammonds Hausmann
4 Avenue Velasquez
75008 Paris France
Telephone +33 1 53 83 74 00
Fax +33 1 53 83 74 01

Beijing+

Hammonds Beijing
Representative Office Hong Kong
Suite 1419 - 20
South Tower Beijing Kerry Centre
1 Guang Hua Road
Chao Yang District
Beijing 100020 China
Telephone +86 108529 6330
Fax +86 10 85296116

Hong Kong

Hammonds
Suites 3201-05, 3217-20
32nd Floor Jardine House
1 Connaught Place
Central Hong Kong
Telephone +852 2523 1819
Fax +852 2868 0069

* Affiliated undertakings of Hammonds LLP + Representative Office

Hammonds LLP and its affiliated undertakings comprise Hammonds LLP, Hammonds Hausmann SELARL and Hammonds, a Hong Kong general partnership, each of which are separate and distinct entities.

Hammonds LLP is a limited liability partnership registered in England and Wales with registered number OC 335584 and is regulated by the Solicitors Regulation Authority of England and Wales. A list of the members of Hammonds LLP and their professional qualifications is open to inspection at the registered office of Hammonds LLP, 7 Devonshire Square, London EC2M 4YH. Use of the word "Partner" by Hammonds LLP refers to a member of Hammonds LLP or an employee or consultant with equivalent standing and qualification.