Northern NEC People Conference 2024

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Welcome

- Thank you to our sponsors – please visit them to find out how they can support you
- You should have a copy of the brochure for today
- WiFi details are on the information panels around the room
- There are no planned fire alarms
- Phones on silent please
- Please be back promptly after break times!

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NEC People

- LinkedIn group started by Glenn Hide back in 2010 with >12,700 members
- Active discussion group for people with an interest in NEC contracts:
  - ✓ A constructive and encouraging environment
  - ✓ Share good practice
  - ✓ Canvas opinion on contractual matters
  - ✓ Challenge understanding of the contract

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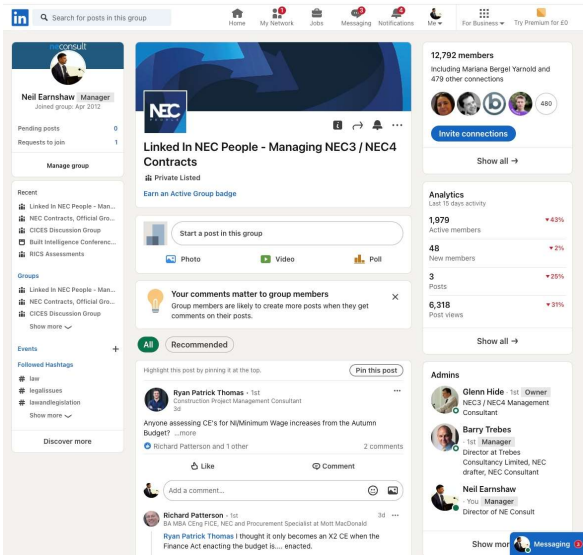

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Northern NEC People

- Annual conference held in London attracts high profile speakers and delegates from across industry
- 2024 was the twelfth event attracting nearly 200 NEC People
- 2023 was the inaugural Northern event attracting > 100 NEC People
- 2/3 people attending today are new to NEC People

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NEC Contract Bulletins

- Collaboration between Glenn Hide from GMH Planning and CECA
- Started in January 2021 - latest Bulletin No. 47 published this month
- Aim to improve practical awareness on key NEC topics
- Available on the GMH Planning website

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State of the industry

- First survey conducted in 2014
- 10 years on, anecdotal evidence suggests industry still suffers from the same old issues, problems and misconceptions
- Survey aims to provide factual evidence to show the real state of play
- Survey published in NEC People LinkedIn group
- Over 150 people from across industry participated
- Results were published in CECA NEC4 Bulletin No. 43

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How many of your projects use an online administration tool to manage your NEC documentation flow?

72%

8

How many of your projects use an online administration tool to manage your NEC documentation flow?

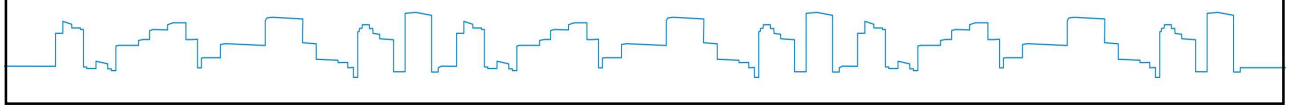
72%

Only 33% use a similar system with their supply chain!

9

Sometimes early warnings can be viewed as a commercial tool. As a percentage, how often do you see them being taken negatively?

55%



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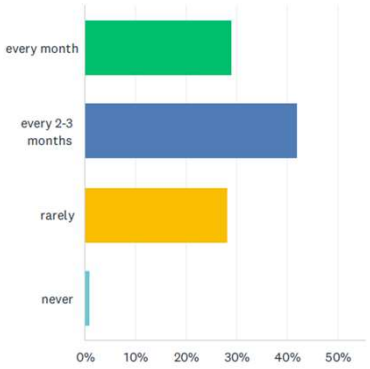
Sometimes early warnings can be viewed as a commercial tool. As a percentage, how often do you see them being taken negatively?

55%

2014 = 84%

11

How often do you typically get an Accepted Programme?



23%

39%

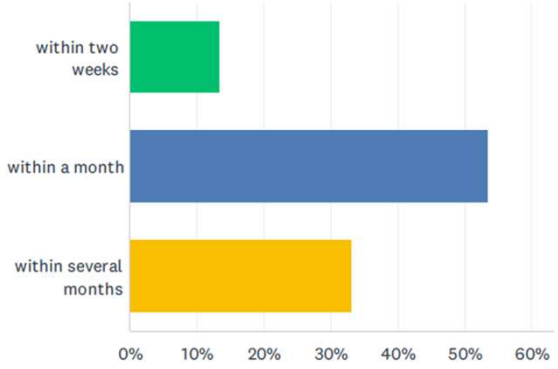
27%

3%

2014

12

What is the average response time for a compensation event quotation?



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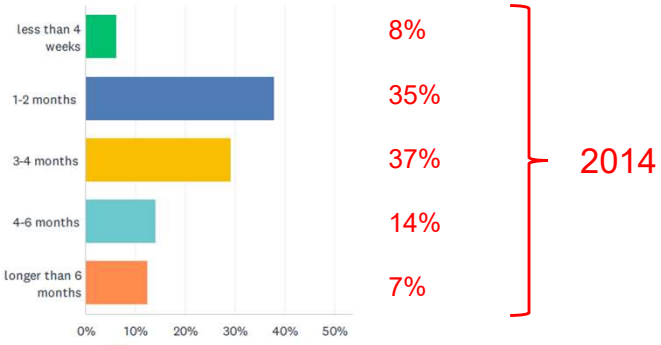
What is the average time for a compensation event that is notified to become implemented (agreed)?



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Is it important to follow the contract procedures as closely as possible?

15

Look at the state of our industry …

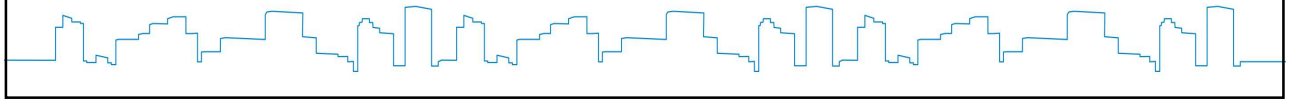

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Figure 4: Adjudication referrals per year since the entry into force of the HGCRA on 1 May 1998
Based on 10 received responses

18

2023 / 24 was the highest number of adjudication referrals ever recorded since the introduction of statutory adjudication in 1998

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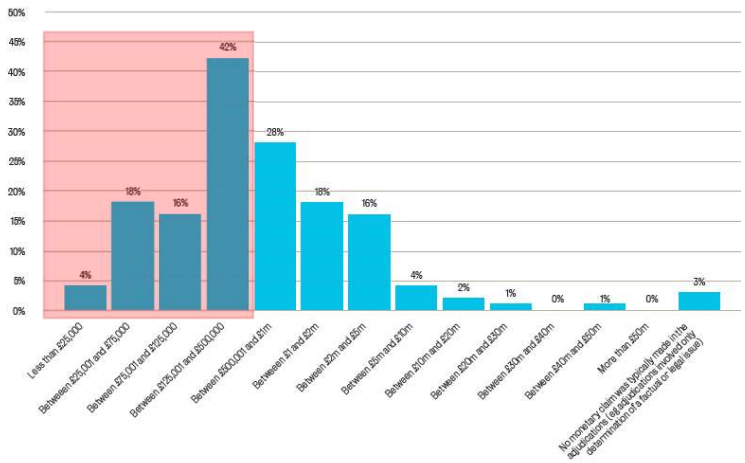
Figure 15: Most frequent claim values in construction adjudications in the past year
Based on 163 received responses. Respondents were able to select multiple options



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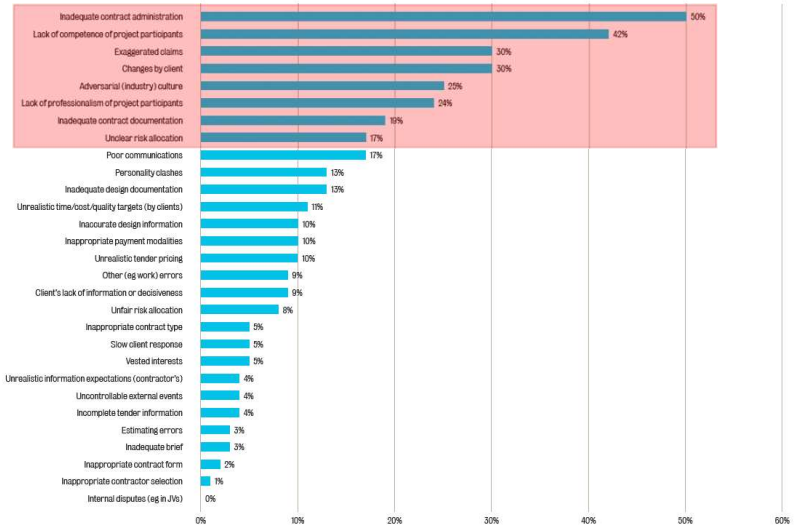
Disputes for relatively small amounts of money can & do happen

21

Figure 16: Leading causes of disputes in construction adjudication in the past year

Based on 165 received responses. Respondents were able to select multiple options



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Maybe the problem isn't so much the contract …

23

Remember clause 10 …

1. Act as stated in the contract
2. Act in a spirit of mutual trust & co-operation

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