

25.03.2020

THE CONSTRUCTION LEADERSHIP COUNCIL WELCOMES THE MODEL ADJUDICATION PROCEDURE

The Construction Leadership Council welcomes the launch today of the Construction Industry Council Low Value Disputes Model Adjudication Procedure (LVD MAP). This adjudication procedure will help SMEs in the construction industry to resolve disputes simply, quickly and cost-effectively.

The LVD MAP has been developed by the Construction Industry Council (CIC), with the support of Royal Institution of Chartered Surveyors and other industry bodies. It aims to address the problem of the increasing costs and complexity of adjudication procedures for resolving disputes where the value of these is less than £50,000, and the dispute is relatively straightforward.

This new procedure is compliant with the Construction Act, provides a clear and flexible adjudication process and timetable for resolving disputes, and aims to reduce the need of parties to a dispute to rely on professional representation. It is also relatively inexpensive, will provide parties to a dispute with clarity regarding the fees to be charged by the adjudicator and their maximum financial exposure.

The LVD MAP has the potential to improve the business environment for SMEs in the construction industry, and through this to contribute to the delivery of the objectives of the Sector Deal, and of the CLC work on fair practices. Whilst avoiding disputes or resolving these without the need for adjudication is the best approach, the CLC recognises that there will always be situations where formal intervention is necessary, and it is important that all firms in the industry, large and small, have access to fair, effective and affordable adjudication procedures.

Andy Mitchell, Co-Chair of the Construction Leadership Council said:

"We welcome this initiative by the Construction Industry Council, working with the Royal Institution of Chartered Surveyors. This new process for resolving low value disputes will reduce the costs and time involved in settling these, and help to create a better and fairer industry, particularly for the SMEs that make up the majority of the sector. We hope that it will be widely used, and will work with the CIC and RICS to encourage its adoption by firms in the industry".

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