

Dispute Boards: General Presentation

Adopt the “Best for Project Attitude” and save a lot of money!

The Dispute Resolution Board Foundation (DRBF) is an international association of construction industry professionals committed to real time dispute avoidance and resolution through the use of Dispute Boards. The rapid spread of the process worldwide has resulted in the process being used on more than US\$270 billion worth of construction projects, achieving avoidance of numerous disputes and delivering significant savings in dispute costs.

How does it work?

A Dispute Board usually consists of an impartial, independent individual or three-person panel. Dispute Board members possess the technical and contract administration background necessary to assist the parties to resolve difference before they escalate in to disputes, or provide a prompt evaluation of a dispute through either a non-binding or binding recommendation for resolution. The Dispute Board is formed before construction begins, with members and Chair jointly approved by both parties.

Recipe for success

All members of the Dispute Board are independent, neutral and agreed to by both parties. Each board member signs a Dispute Board Agreement with the parties obligating the members to serve both equally and impartially. The Dispute Board’s fees and expenses are shared between the parties. Costs vary depending on travel requirements, frequency of routine meetings, and whether the Dispute Board is required to resolve any referred disputes. The Dispute Board is organized when work begins, before there are any disputes, and keeps abreast of job developments by means of periodically reviewing regular documentation and regularly visiting the site and meeting with both parties. The Dispute Board helps prevent disputes by facilitating communication between the parties. If the Dispute Board is unsuccessful in preventing a dispute, either party can refer the dispute to the Board for a formal decision.

Successful track record of the dispute board process

The Dispute Board process is most successful in the resolution of issues at the lowest level and the avoidance of disputes. However, the Dispute Board process also has a successful track record in the expeditious resolution of disputes. Studies have shown that 84 - 98% of issues brought to a Dispute Board do not go on to later arbitration or litigation. Owner studies have shown significant decreases in cost and time overruns compared to projects without Dispute Boards.