

Project Controls EXPO



Activity ID	Activity Name	Duration (Days)	Start	Finish	Total Float	Free Float	Slack
SP111	Site work start	1	10/01/07	10/01/07	0	0	0
SP112	Site work end	1	10/01/07	10/01/07	0	0	0
SP113	Site work start	1	10/01/07	10/01/07	0	0	0
SP114	Site work end	1	10/01/07	10/01/07	0	0	0
SP115	Site work start	1	10/01/07	10/01/07	0	0	0
SP116	Site work end	1	10/01/07	10/01/07	0	0	0
SP117	Site work start	1	10/01/07	10/01/07	0	0	0
SP118	Site work end	1	10/01/07	10/01/07	0	0	0
SP119	Site work start	1	10/01/07	10/01/07	0	0	0
SP120	Site work end	1	10/01/07	10/01/07	0	0	0
SP121	Site work start	1	10/01/07	10/01/07	0	0	0
SP122	Site work end	1	10/01/07	10/01/07	0	0	0
SP123	Site work start	1	10/01/07	10/01/07	0	0	0
SP124	Site work end	1	10/01/07	10/01/07	0	0	0
SP125	Site work start	1	10/01/07	10/01/07	0	0	0
SP126	Site work end	1	10/01/07	10/01/07	0	0	0
SP127	Site work start	1	10/01/07	10/01/07	0	0	0
SP128	Site work end	1	10/01/07	10/01/07	0	0	0
SP129	Site work start	1	10/01/07	10/01/07	0	0	0
SP130	Site work end	1	10/01/07	10/01/07	0	0	0
SP131	Site work start	1	10/01/07	10/01/07	0	0	0
SP132	Site work end	1	10/01/07	10/01/07	0	0	0
SP133	Site work start	1	10/01/07	10/01/07	0	0	0
SP134	Site work end	1	10/01/07	10/01/07	0	0	0
SP135	Site work start	1	10/01/07	10/01/07	0	0	0
SP136	Site work end	1	10/01/07	10/01/07	0	0	0
SP137	Site work start	1	10/01/07	10/01/07	0	0	0
SP138	Site work end	1	10/01/07	10/01/07	0	0	0
SP139	Site work start	1	10/01/07	10/01/07	0	0	0
SP140	Site work end	1	10/01/07	10/01/07	0	0	0
SP141	Site work start	1	10/01/07	10/01/07	0	0	0
SP142	Site work end	1	10/01/07	10/01/07	0	0	0
SP143	Site work start	1	10/01/07	10/01/07	0	0	0
SP144	Site work end	1	10/01/07	10/01/07	0	0	0
SP145	Site work start	1	10/01/07	10/01/07	0	0	0
SP146	Site work end	1	10/01/07	10/01/07	0	0	0
SP147	Site work start	1	10/01/07	10/01/07	0	0	0
SP148	Site work end	1	10/01/07	10/01/07	0	0	0
SP149	Site work start	1	10/01/07	10/01/07	0	0	0
SP150	Site work end	1	10/01/07	10/01/07	0	0	0

The Key Role of the NEC Programme and who really owns the float?

Presentation:

- Objectives of the NEC form
- Programme requirements under NEC
- Ownership of float
- Acceptance of programmes

Issues with other forms of contract and management of programme:

- Retrospective analysis of time delay and entitlement – subjective to say the least!
- No firm requirement on how to manage programme during contract
- Often comparing current programme to original baseline programme (which has no resemblance as to how works now being done).

Quote from a lawyer:



Programme under the NEC3 is the “beating heart of the contract”

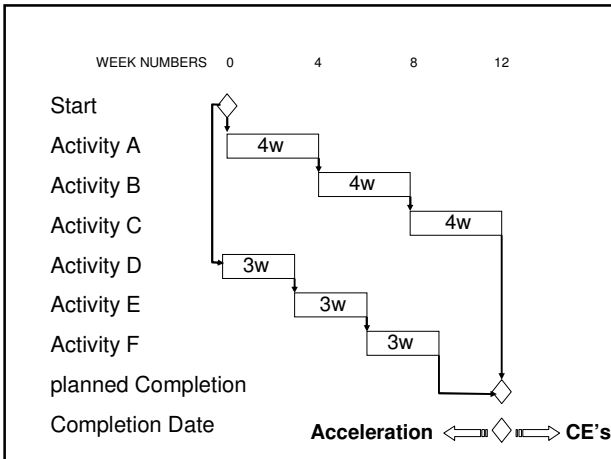
NEC Contract

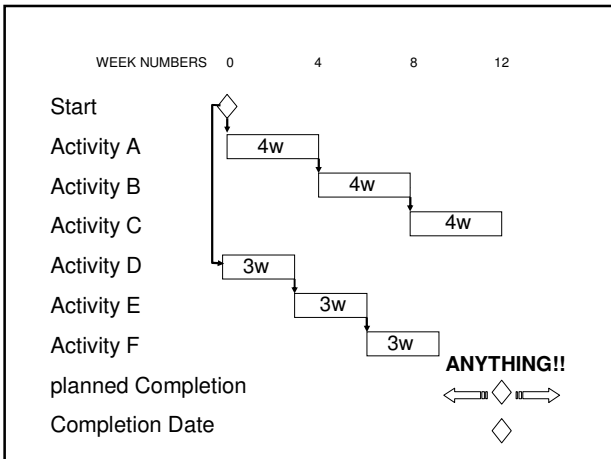
Clause 31 – The programme

Clause 31 – The programme

31.2 - Items to be shown on the programme include:

- *starting date*/Completion Date/Key Dates
- planned Completion





Clause 31 - The programme

31.2 - Items to be shown on the programme include:

- starting date/Completion Date/Key Dates
- planned Completion
- order and timing of operations to Provide the Works
- float
- time risk allowances
- health and safety requirements
- Plant & Materials from Employer
- acceptances
- information from Others
- statements of how the Contractor plans to do the work

Reasons for not accepting a programme

Under clause 31.3 there are only four reasons not to accept a programme:

- The *Contractor's* plans which it shows are not practicable
- It does not show the information which this contract requires
- It does not represent the *Contractor's* plans realistically or
- It does not comply with the Works Information

If the *Project Manager* withholds acceptance for a reason not stated in contract it is a compensation event

Acceptance of a programme by the *Project Manager* is not a condition precedent to the *Contractor* proceeding with the work

Clause 31 - The Programme

25% of Price for Work Done to Date deducted until first programme submitted showing the information the contract requires

Clause 32 - Revising the programme

32.1 - *Contractor* shows on each revised programme:

- actual progress achieved on each operation activity and affect upon remaining work
- effects of implemented compensation events
- how *Contractor* plans to deal with any delays and to correct notified Defects
- any other changes that *Contractor* proposes to make

32.2 – *Contractor* submits a revised programme:

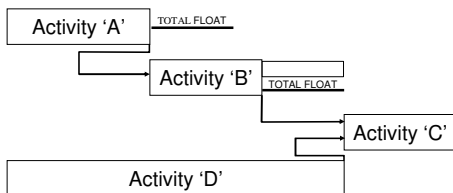
- Within the *period for reply* after *Project Manager* has instructed
- When the *Contractor* chooses to
- At no longer interval than stated in the contract

Types of Float

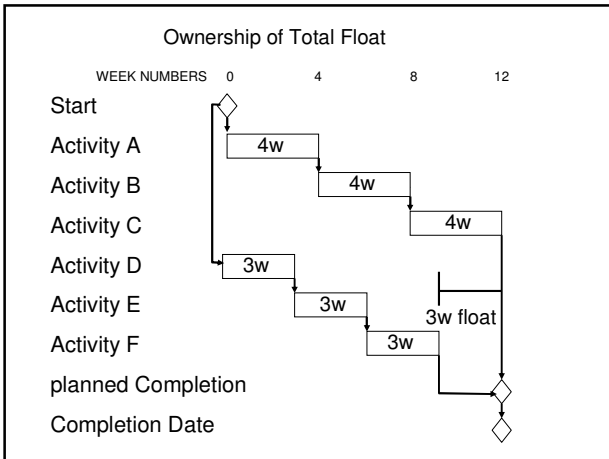
- Total float
- Time risk allowance
- Terminal float

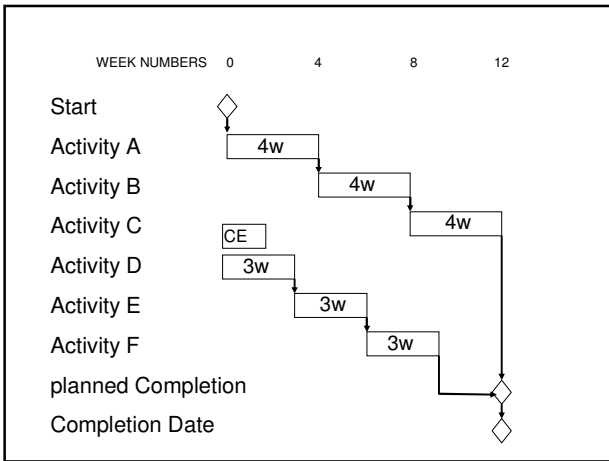
Who Owns Total Float?

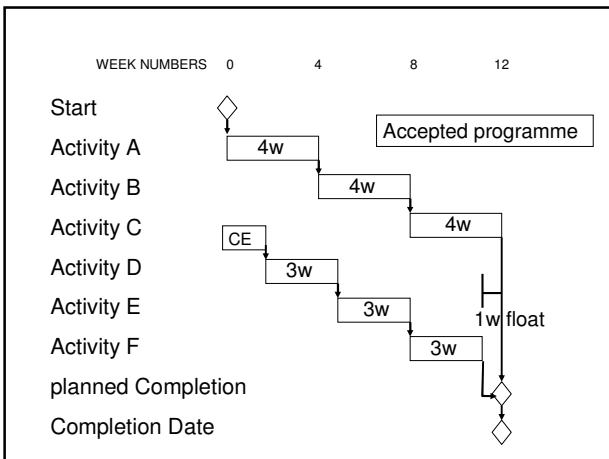
Who Owns Total Float?

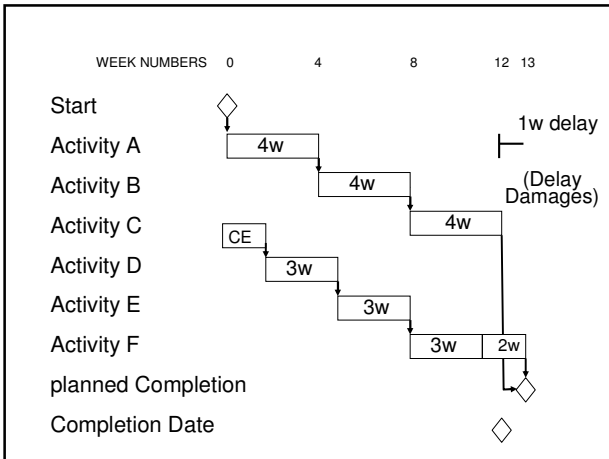


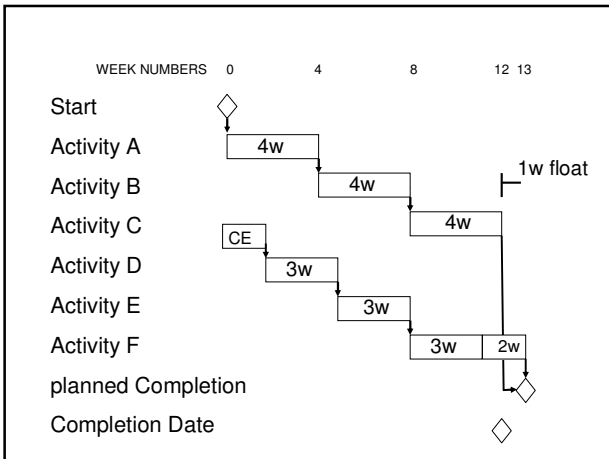
- Activity 'A' can move along its float & will move activity 'B'. When the end of the float is reached it becomes critical
- Is available to accommodate
 - the time effects of a compensation event
 - lack of progress by the Contractor

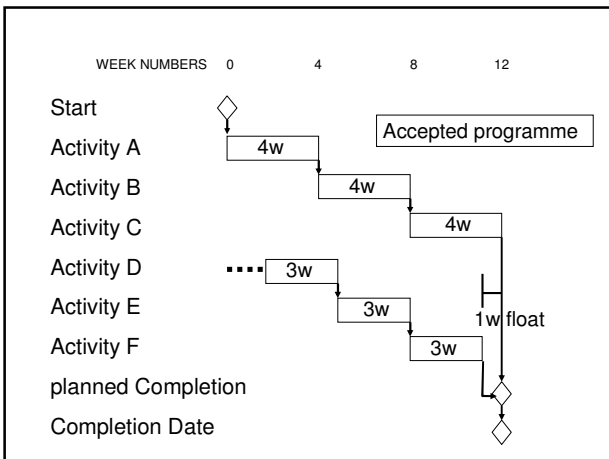


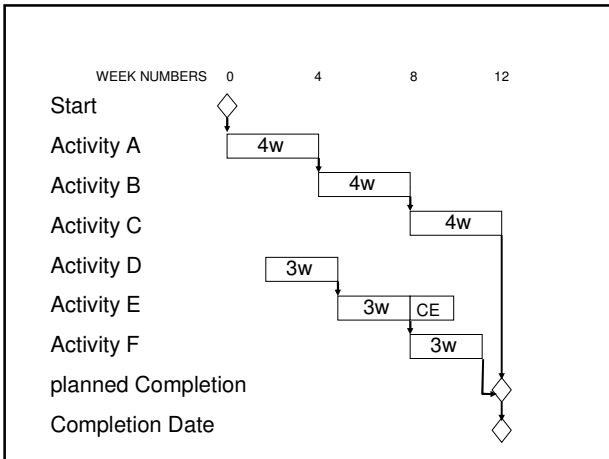


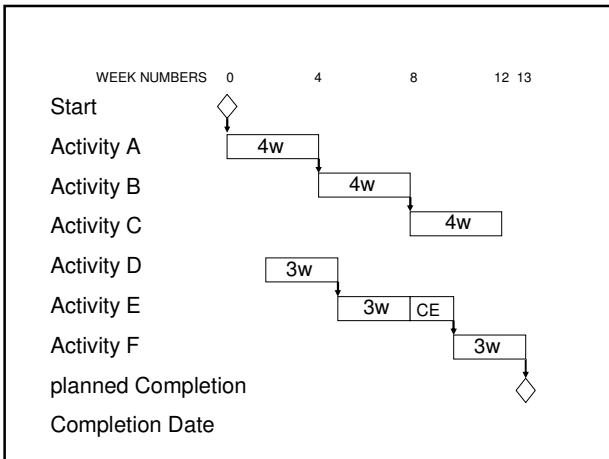


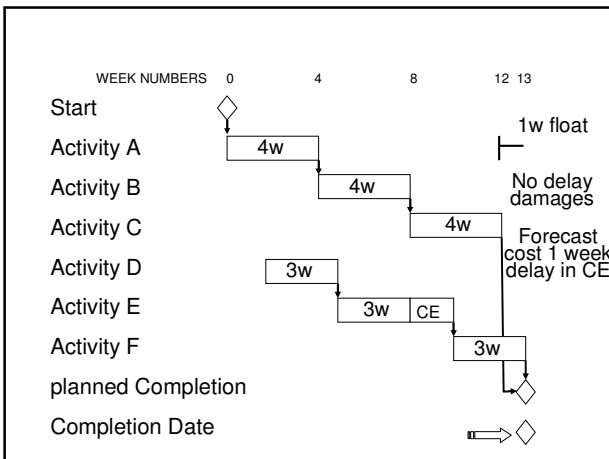












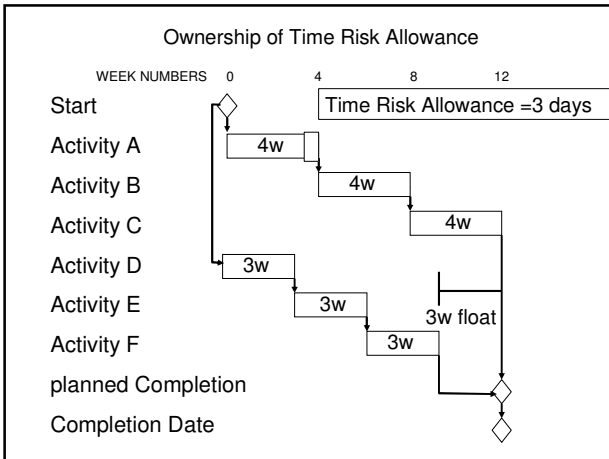
Total Float

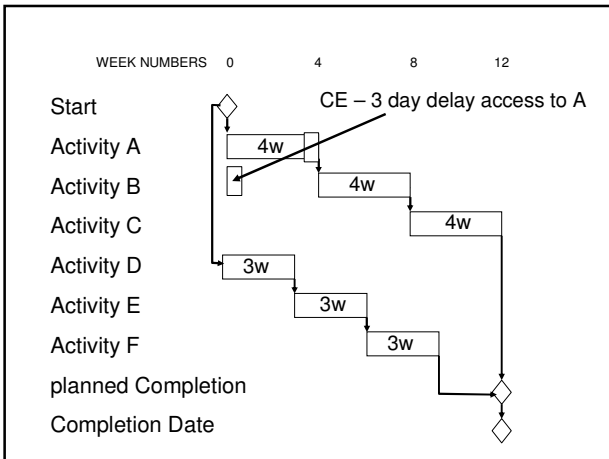
- Float shared – whoever gets there first!
- Programme needs updated regularly (daily/weekly) to demonstrate true effect.

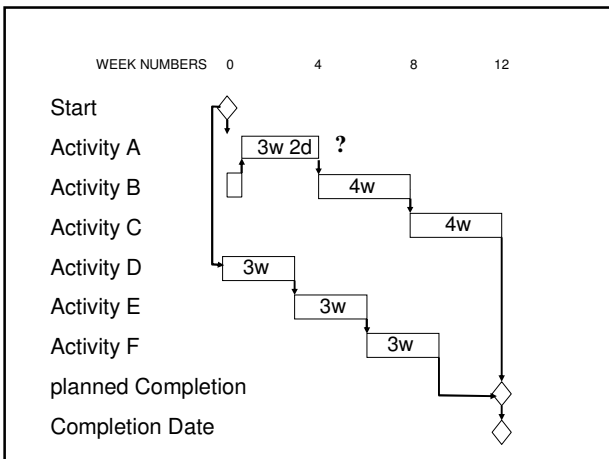
Who Owns Time Risk Allowance?

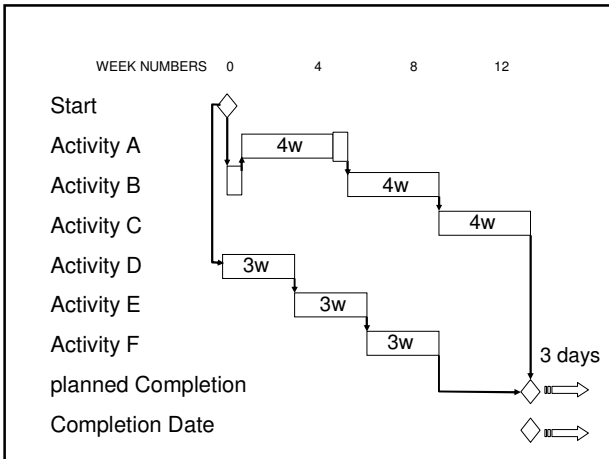
Time Risk Allowance

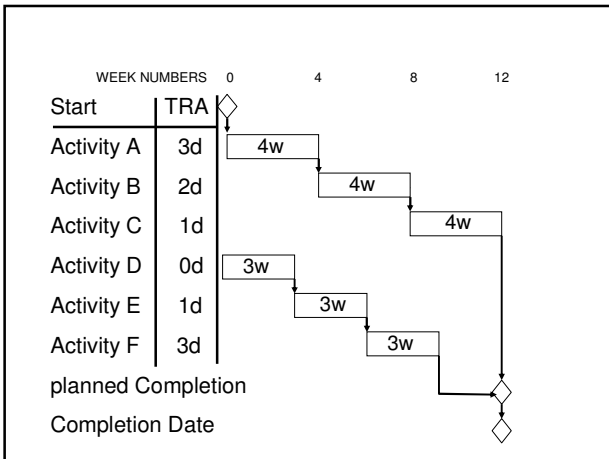
- Aim is to show that elements of risk have been applied to each operation. Are owned by the *Contractor* (to cover his risks)
- This gives some comfort to the *Employer* that particularly critical path is achievable
- Part of normal tender process i.e.
200m pipe @ 15.5m/gang/day = 12.9 so say 15 days
- Is NOT available to anyone other than the *Contractor* – i.e. can not be used to mitigate affect of a CE











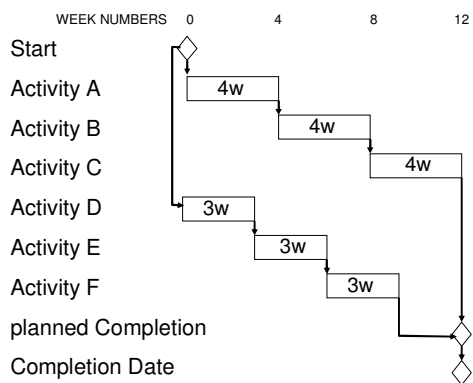
Time Risk Allowance

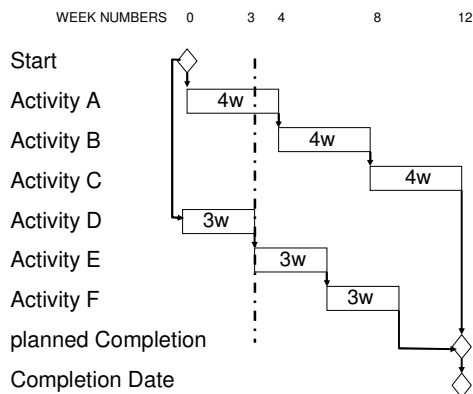
- Time risk allowance is Contractor owned
- This can not be used up by the PM and CE's – although they may try!!!
- Programme has to be realistic/achievable so disproportionately long elements of TRA are unlikely to be accepted by PM.

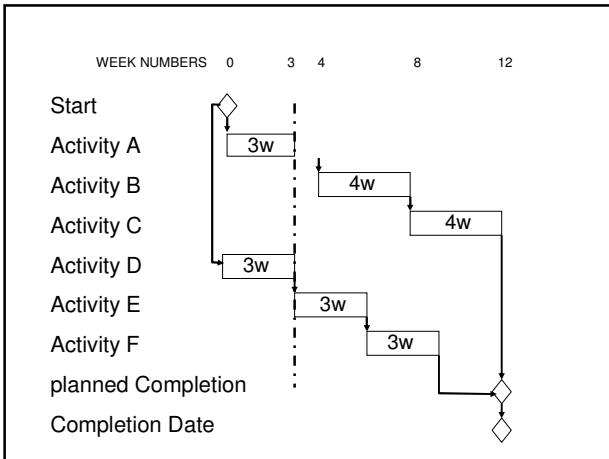
Terminal Float

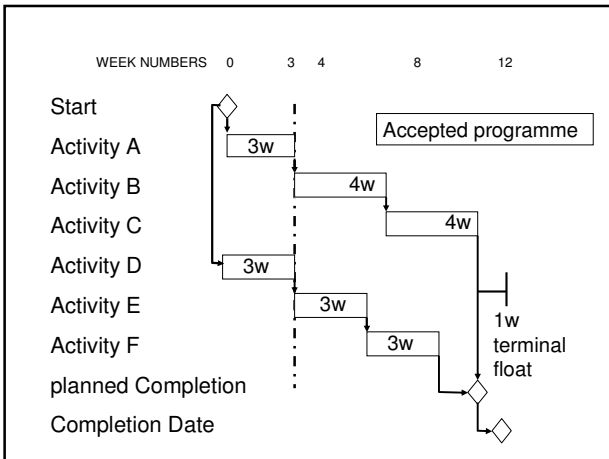
- Difference between planned Completion and Completion Date
- Owned by the Contractor

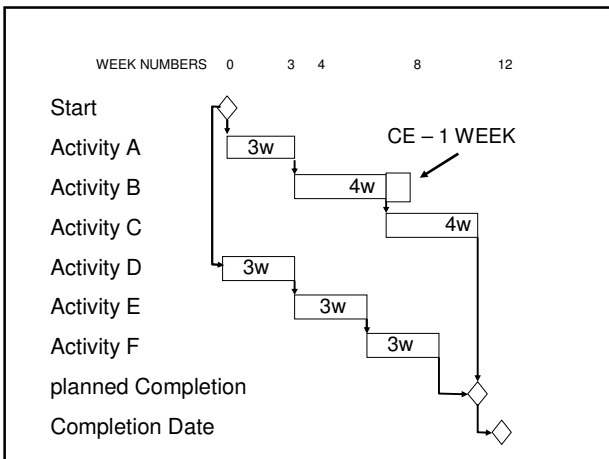
Ownership of Terminal Float

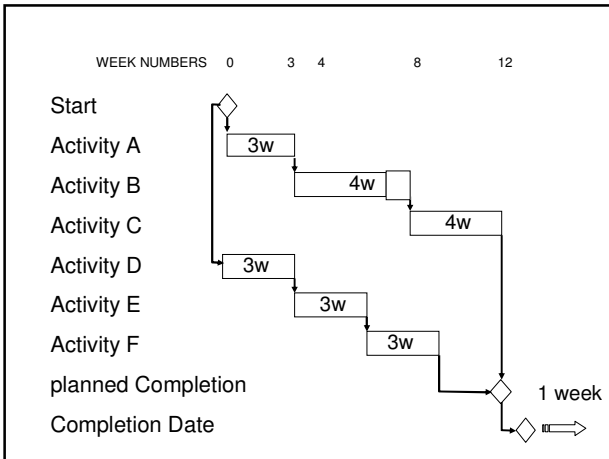












Terminal Float

- Completion Date moves out the amount that planned Completion moves out due to the effects of a Compensation Event
- Can then only be brought back by acceleration.

Activity ID	Activity Name	Budgeted Total Cost	Original Duration	Start	Finish	Total Float	TRR
SP110	Staircase Landings	£9,933.90	2	01-May-07	02-May-07	38	0
SP120	Staircase heads and risers	£17,571.67	6	03-May-07	10-May-07	38	1
P15/21/22/23/24/27/28/29/34/68							
SPT380	Lay floor screed - Granolithic areas	£8,264.48	5	27-Nov-06	01-Dec-06	8	0.5
SPT1470	Lay granite topping	£17,566.35	6	03-Dec-06	09-Dec-06	8	1
SPT1400	Curing of floor screed	£0.00	28	09-Dec-06	05-Jan-07	25	0
N5-N10 within combisafe fence							
SPT1820	Lay floor screed - Terrazzo areas	£8,038.40	5	03-Apr-07	09-Apr-07	0	1
SPT1410	Curing of floor screed	£0.00	28	05-Apr-07	02-May-07	0	0
SPT1400	Terrazzo tile laying	£35,783.59	10	03-May-07	13-May-07	0	1.5
SPT1420	Terrazzo grinding	£9,008.51	3	17-May-07	21-May-07	0	0
SPT1410	Access Covers	£3,537.88	4	17-May-07	22-May-07	0	1
SPT1430	Protection	£9,511.60	3	18-May-07	22-May-07	0	0.5
N10-N15 within combisafe fence							
SPT1910	Lay floor screed - Terrazzo areas	£3,038.40	5	10-Apr-07	07-Jun-07	37	1
SPT1430	Curing of floor screed	£0.00	28	12-Apr-07	08-Jun-07	58	0
SPT1440	Terrazzo tile laying	£3,859.33	10	17-May-07	30-May-07	37	1.5
SPT1460	Terrazzo grinding	£649.95	5	31-May-07	06-Jun-07	37	1
SPT1490	Access Covers	£1,035.52	2	31-May-07	01-Jun-07	41	0

Clause 31 – The programme

31.2 - Items to be shown on the programme include:

- starting date/Completion Date/Key Dates
- planned Completion
- order and timing of operations to Provide the Works
- float
- time risk allowances

Under clause 31.3 there are only four reasons not to accept a programme:

- The Contractor's plans which it shows are not practicable
- It does not show the information which this contract requires
- It does not represent the Contractor's plans realistically or
- It does not comply with the Works Information

If programme not accepted:

- Neither party clear on the Completion Date and contractor entitlement
- Employer will in the absence of a newly accepted programme assess change (CE's) on the last accepted programme
- Important to both parties programme regularly accepted.
- Otherwise enjoy the traditional end of project bun-fight to sort out the final account...

The screenshot shows a forum thread with three posts. The first post is by Patrick Heenan, dated 1 month ago, discussing practical co-operation between contractors. The second post is by Damian Smith, dated 3 months ago, asking where a contractor stands if a programme is not accepted or rejected. The third post is by an unnamed user, dated 3 months ago, asking when a defect is a defect. A red circle highlights the 'See all 121 comments' link for the second post.

Contractor:

- Make sure your programme fully complies with clause 31.2 (and 32.1)
- Show difference between planned Completion/ Completion Date
- Comprehensive programme narrative with each submission
- Programme review meeting during acceptance period with PM
- If no response to programme – call a meeting and try to bring it to a head

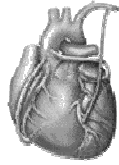
Employer:

- Review programme well within two week response period and give early comment
- Aim for a one week response where possible
- Give clear specific reasons why it is not accepted - only four reasons under the contract
- Accept with comments – comments being minor issues that can be put right on the next programme issue

Summary

- Role of programme within NEC contract is significantly heightened – and hence the role of the planner
- Contract actually helps the planning function as it is enforcing the normal day to day processes that the planner and the business should be wanting to initiate
- Everyone on the project needs to be using the programme – not just the planner
- TRANSPARENCY – do what ever it takes to present and produce information that makes things clear and unambiguous
- Work in real time – each programme is a “line in the sand” as to what has happened and what is projected at a single point in time
- Keep on top of EW + CE’s and associated time affects
- Consider training to reinforce understanding of the contract

Thanks for listening, and remember...



...any questions from the audience???

For more details: www.gmhplanning.co.uk
