

## Getting your project set up for an NEC ECC contract

### Introduction

Getting your project off on the right foot is critical and allows the ECC *Project Manager* to show leadership from the start.

The Works Information may contain numerous project- specific requirements and obligations on the Parties, often scattered throughout the Works Information. When setting up a project it is useful to identify and schedule out these key processes and actions required by the Parties. There may be requirements:

- on or before the *starting date*
- on a routine basis throughout the contract
- at or prior to Completion.

However, the standard NEC ECC itself is a series of processes that you need to be ready for.

### ECC Contract Set Up Checklist

The following is designed as a checklist for the *Employer's* project manager, ECC *Project Manager (PM)*, *Supervisor (S)* and *Contractor (C)* for getting set up to successfully manage an ECC contract. The actions are tabulated and based on the structure of the core clauses. Many are best done jointly by the *Project Manager* and the *Contractor*.

Ref	Part of the contract	Cl. ref	PM or S (or client's pm) or C	Action	Comment
0	Introduction and general		pm, PM S and C	Review and understand requirements of the contract.	All need to review all the documents that make up the contract including the all-important Works Information..
			pm	Identify training needs and arrange joint workshop with PM, S and C (and possibly key Subcontractors on NEC terms)	Training can be an effective part of arrangements to promote collaborative working. It should aim to help the PM, S and C understand the requirements of the contract and how they will work together to meet them. Do it even if all think they know the ECC.
			pm, PM S and C	Collaborative working	Identify and implement appropriate interventions to support collaborative working
			PM	ECC health checks	Establish simple set of measures to report monthly trends on how the contract is being managed. See separate guidance.
1	General	11.2(14)	PM	Issue Risk Register	Suggest simple Excel format (template available) starting with the risks identified in the Contract Data.

Ref	Part of the contract	Cl. ref	PM or S (or client's pm) or C	Action	Comment
		13	pm	Establish system for communications under contract	Eg profomas and tracking spreadsheets or 'in the cloud' proprietary system
		13.2	pm	Confirm address for notices under contract	Needs an exchange of notices between the Parties to the addresses in the Contract Data.
		14.2	PM and S	Appoint delegates (if required)	PM should also make clear where others (including S) are required to advise the PM re the PM's actions.
		16	PM	Establish timing for routine 'risk reduction meetings'	There is no prescriptive timescale for early warning or risk reduction meetings in the contract. However, it is useful to establish a regular routine. These may be weekly and may be carried out as part of what might otherwise be called a progress meeting.
		17		Ambiguities and inconsistencies	Familiarise yourself with the contract and notify any ambiguities and inconsistencies as soon as you become aware.
		18		Illegal or impossible requirements	Familiarise yourself with the contract and notify any illegal or impossible requirements as soon as you become aware.
2	The Contractor's main responsibilities	21.2	PM	Establish C's plan for submission of 'particulars of his design' taking note of 21.3, which requires that each part submitted can be assessed fully.	Requirements should be set out in WI and shown on C's programme
		23.1	PM	Review requirements for C's submission of design of 'Equipment' method statements	Requirements should be set out in WI and shown on C's programme. And/but PM can request other items that are not in the WI.
		24.1	PM	key persons	C to provide key persons in Contract Data or propose replacements.
		26.1	PM	Invite Contractor to submit overall plan for subcontracting	This is not explicitly required by the conditions but makes sense for all. Requirements / constraints may be in the Works Information
		<b>Options C, D, E and F</b>			
		20.3	C and PM	C advises PM on practical implications of the design of the works and on subcontracting arrangements	Link with action under 26.1, above.

Ref	Part of the contract	Cl. ref	PM or S (or client's pm) or C	Action	Comment
		20.4	C and PM	forecasts of total Defined Cost	Agree dates for <b>meetings for 'consultation' prior to forecasts of Defined Cost</b> – and agree model reporting format.
			PM	audit	Establish audit plan for Defined Cost
<b>3</b>	<b>Time</b>	11.2(2)	PM	Check and review the definition of Completion in the Works Information	If not clear and sufficient, the PM should change the Works Information ASAP to make it so.
		30.1	PM and C	access dates	Familiarise yourself with this information in the Contract Data
		30.3	PM and C	Key Dates	Familiarise yourself with this information in the Contract Data
		31.1	PM	PM to work with Contractor to get first programme submitted and accepted.	Programme may be referenced from Contract Data Part two. Having an acceptable programme in place is <b>critical</b> for the successful management of an ECC contract.
		32.2	PM	Establish routine (usually monthly) for <b>programme meetings</b> for C to explain revised programme prior to formal submission.	Establish practices to keep the programme upto date and to agree progress?
<b>4</b>	<b>Testing and Defects</b>	40.1, 40.3	S and C	Tests and inspections required by the WI	S should work with C's quality control manager to develop regime to be compliant with requirements of contract and the C's own quality management system.
		41.1	S and C	Tests and inspections before delivery to Working Areas	Develop testing plan for these items (if any).
		42.2	S	Establish format for list of Defects	
<b>5</b>	<b>Payment</b>	50.1	PM	Decide first assessment date (to suit the procedures of the Parties)	
		50.2	PM	Set up process to determine the amount due	On an option C, D, E or F contract this will be a significant exercise requiring eg an audit plan from the PM and developing an understanding of the Contractor's cost management system. See separate guidance.
		51.1	PM	Develop form of payment certificate	This will be impacted by the options included in the contract.

Ref	Part of the contract	Cl. ref	PM or S (or client's pm) or C	Action	Comment
		51.2	PM and C	certified payment	Ensure E's finance department is aware of the payment terms and dates for payment.
		52.1	PM and C	Defined Cost	How are discounts, rebates and taxes to be identified by the C?
<b>Options C, D, E and F</b>					
		52.2, 52.3	PM and C	Defined Cost	C to develop systems for records of all Defined Cost. E to put in place plans for audit.
<b>6</b>	<b>Compensation events</b>	6	PM	Develop process for managing compensation events	See separate detailed guidance on best practice for CE management.
		6	PM	Establish routine for <b>compensation event meetings</b> to review compensation event process and acceptance	The appropriate frequency will depend on the project and will change but it is essential to start with routine meetings.
<b>Options B and D</b>					
			PM and C	Compensation events which arise from the use of Bills of Quantities	Processes to re-measure the <i>works</i> to be established.
<b>7</b>	<b>Title</b>	71.1	S	Establish any need for the S to mark Plant and Materials outside the Working Areas	
		72.1	S	Removing Equipment from Site	Establish appropriate procedures.
<b>8</b>	<b>Risks and insurance</b>	85.1	PM and C	C to submit certificates confirming that insurances are in place.	These are required to be submitted prior to the <i>starting date</i> .
		87.1	PM and C	Encourage E to submit certificates confirming that any E insurances are in place.	
<b>9</b>	<b>Termination</b>			No initial actions required.	

Richard Patterson and Barry Trebes, NEC specialists, Mott MacDonald, Rev A - June 2014