

NEC PROGRAMME MANAGEMENT

A GUIDE TO WORKING WITH PROGRAMMES

INTRODUCTION

In the complex landscape of modern construction projects, the programme has evolved far beyond a simple scheduling tool to become the strategic backbone of successful project delivery.

Under NEC contracts, programme management takes on heightened significance, serving not merely as a compliance requirement but as the central nervous system that coordinates commercial, operational, and technical activities across the entire project lifecycle.

However, many project teams struggle to translate Clause 31 and 32 contractual obligations into practical management processes that drive real project value, often neglecting programmes and not understanding their true value as dynamic tools for decision-making.

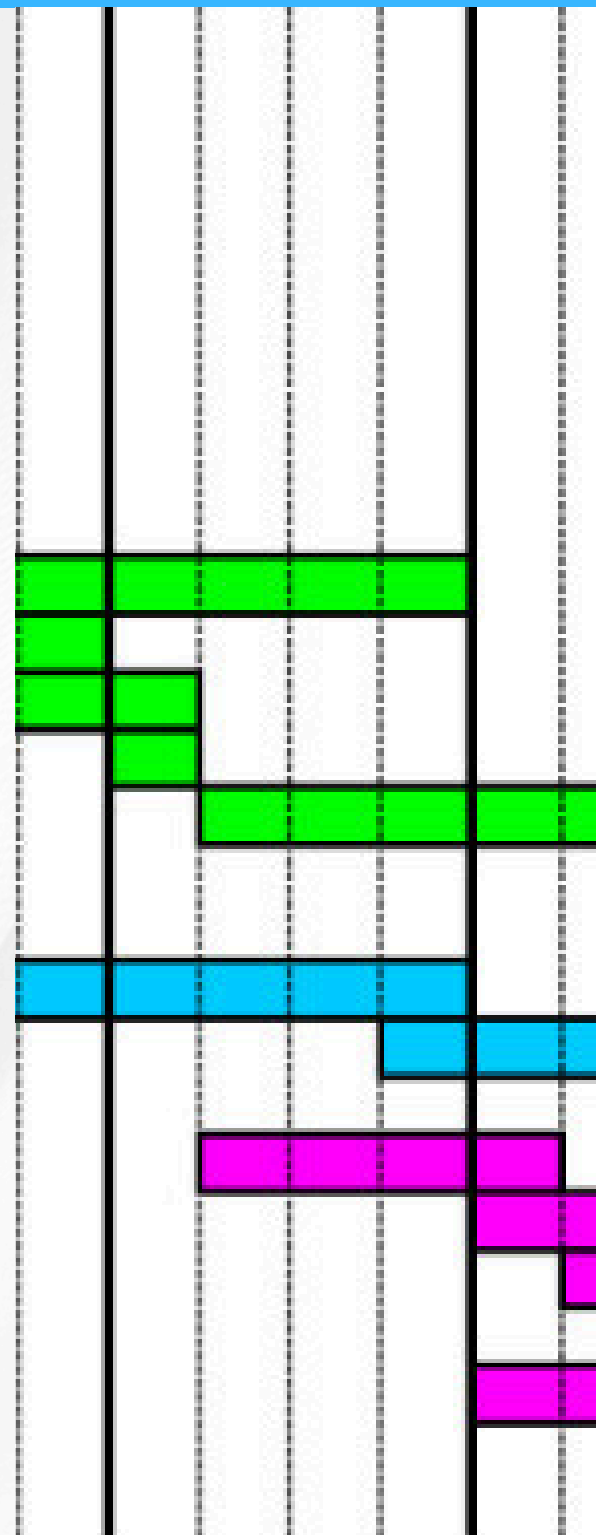
This guide discusses not only the contractual requirements but also gives suggestions on how to use the programme practically to your advantage.

PROGRAMME ACCEPTANCE

It is important to make sure your programme is current and accepted each month. Ensure the information required in clause 31 is included in your programme to minimise the risk of rejection.

Remember to notify the Project Manager if there is no response to your submission.

Hold a monthly workshop with your Client to present and discuss the revised programme, this will maximise the potential for a timely acceptance.



NEC REQUIREMENTS

Both NEC3 & NEC4 use clause 31 'The programme' and clause 32 'Revising the programme' to state the expectations with regard to programme management. NEC4 Clause 31.2 details the following information that is expected to be included in the programme, which is as follows:

- the *starting date*, *access dates*, Key Dates and Completion Date.
- planned Completion
- the order and timing of the operations which the *Contractor* plans to do in order to Provide the Works,
- the order and timing of the work of the *Client* and Others as last agreed with them by the *Contractor* or, if not so agreed, as stated in the Scope,
- the dates when the *Contractor* plans to meet each Condition stated for the Key Dates and to complete other work needed to allow the *Client* and Others to do their work,
- provisions for
 - float
 - time risk allowances
 - health and safety requirements and
 - the procedures set out in the contract,
- the dates when, in order to provide the Works in accordance with the programme, the *Contractor* will need
 - access to a part of the Site if later than its *access date*,
 - acceptances
 - Plant and Materials and other things to be provided by the *Client* and
 - information from Others,
- for each operation, a statement of how the *Contractor* plans to do the work identifying the principal Equipment and other resources which will be used and
- other information which the Scope requires the *Contractor* to show on a programme submitted for acceptance.

TERMS EXPLAINED

- **Starting Date** - Defined in Contract Data Part 1 - It is the date from which certain mechanisms in the contract begin such as payment schedules and when the contractor takes the risks of the contract.
- **Access Date** - The date you are given access to the site.
- **Float** - The length of time an activity can move before it impacts the critical path and the Completion Date. Float belongs to whichever party uses it first.
- **Time risk allowance** - a period of time added to a task to protect the contractor from delay. Such as adding time into a task to allow for bad weather. Time risk allowance belongs to the party best placed to manage the risk, typically the Contractor.
- **Terminal float** - the time between planned Completion and the Completion Date. Terminal float is owned by the Contractor.
- **Key Dates** - defined in contract data part 1. These are notable dates which the Contractor is obliged to meet.



MANAGING PLANNED COMPLETION

It's important that planned Completion is kept up to date because it is used to assess compensation events. In particular if you are beating your programme, ensure you are bringing your planned Completion forward.



COMPLETION DATE

Initially this is defined in contract data part 1, however it will subsequently be revised by any compensation events.

It is important to remember there is no mechanism to bring a Completion Date forward with a Compensation Event, even when Scope is removed from the contract.

Only Acceleration (clause 36) can bring a Completion Date forward but this cannot be imposed upon the Contractor.

COMPENSATION EVENTS

When compensation events (clause 60) become agreed remember to impact the programme with the agreed timings and change in sequence if applicable.

Unagreed compensation events should be added to the programme, however the completion date must NOT be revised until they are agreed.

Compensation events should be notified prior to moving a planned Completion date because compensation events will be assessed against the accepted programme at the time of notification.

RISK FORECASTING

Adequate risk elements must be included in your programmes. Hold an initial risk workshop to assess risk and then hold regular team review sessions. Consider risk items such as:

- Weather
- long lead delivery items
- information needed
- undefined scope
- ground conditions

UPDATING TIPS

A programme is not just a contractual requirement, it is an essential document used to forecast commercial out turn and used to plan when to bring in the resources required.

To update a programme takes focus. Depending on the project size, plan at least a day a month to set aside to work with a planner to update your programme.

Involving the full team in the update will provide a far higher quality update. Gain feedback from the following departments:-

- Commercial Department - understand when notifications are required and instructions are needed from the Client. Discuss the status of compensation events.
- Engineering Department - Feedback on the scope of the upcoming works.
- Operations Department - Feedback on current progress, where the challenges are and likely risks going forward.
- Data - Ensure you collect as much data from the project such as outputs and use this to improve your forecasting.
- Client - Discuss any impacts that may be coming up from your client.

NEED HELP?

Oraculum specialises in helping contractors manage their projects effectively. If you need help with programmes, claim management, NEC advice or project strategies then contact Oraculum today.

Oraculum provides a free one hour consultation to discuss any of your project needs.