

CEEQUAL Term Contracts explained



CEEQUAL for Term Contracts has been specifically created for the assessment of civil engineering and public realm work that is undertaken through contracts covering work in a geographical or operational area over a number of years.

Examples include highway, rail or sewer maintenance, regular interventions in rivers or drainage channels to maintain channel capacity, and a series of minor new works such as road junction remodelling, track maintenance and minor realignments, all undertaken through what call 'term contracts'. With multiple works orders for the individual jobs within the contract, not only is the nature of the work often different from projects, but its procurement and management are also normally different. *Skanska consulting neighbours on their North London Gas Alliance Contract for National Grid*



This new tool is being operated in addition to, and is complementary to, CEEQUAL for UK Projects, so there are now three derivatives of the overarching CEEQUAL methodology: CEEQUAL for UK Projects, CEEQUAL for International Projects and CEEQUAL Term Contracts.

CEEQUAL Term Contracts has been developed to extend the scope of CEEQUAL in allowing term contract works to be assessed and gain Awards against essentially the same underlying criteria as new civil engineering or refurbishment projects. The question set and guidance apply, as far as is appropriate, Version 4.1 of the overall CEEQUAL methodology, but some of the questions and scores within each section of the Manual have had to be adapted to take account of the different parameters for a term contract as opposed to a project. The main structure and approach is the same as in the CEEQUAL Assessment Manual for Projects but each question is characterised as being relevant to either 'Contract Management' or 'Delivery on the Ground'.

CEEQUAL Term Contracts has two question sets, one for maintenance works and one for new works, with two matching Manuals, and two matching spreadsheets for capturing the scores and evidence. For contracts whose scope includes both maintenance and new works, these will be assessed separately and the scores aggregated after completion of each assessment, as explained in the Assessment Manual. We are intending to incorporate CEEQUAL Term Contracts into the Online Assessment Tool as part of the upgrade of the CEEQUAL Methodology to Version 5 later in 2011.

Why a separate version of CEEQUAL?

Environmental management of work undertaken through term contracts, which is often distributed over a wide geographical area and with each item of work often comparatively small, presents special challenges. With up to 2000 works orders per month, project-scale environmental management procedures do not work, and need to be amended. Similarly, CEEQUAL's methodology has had to be adapted for this way of undertaking the contracted work.

At one end of the scale, the works covered by such contracts may simply be straightforward road maintenance whereas, at the other end, significant new construction may be involved. For this reason, as well as two Manuals, there is the provision for an increased level of scoping-out of questions to match the scale and nature of the works being assessed, explained in the 'How contracts are to be assessed' section in the Manual.

Term contracts offer a convenient means of carrying out large numbers of discrete jobs of relatively low individual value. Through this mechanism procurement costs per job are minimised by work simply being initiated by a written order/instruction. The success of such a contract is normally a reflection of the strength of the contractor's understanding of the client's requirements, the teamwork generated amongst the parties, and the successful delivery of these requirements. So it is recognised that any assessment of term contracts

should be a team effort between all parties involved in the contract: client, designer (if included), contractor and contract manager or engineer. This approach should maximise the opportunity for any CEEQUAL assessment to be ultimately successful. It is also why each question has a single scoring column compared to the three separate ones for Client, Design & Construct in CEEQUAL for UK Projects and CEEQUAL International.

So CEEQUAL Term Contracts uses the same section structure as CEEQUAL for Projects:

1. Project management
2. Land use
3. Landscape Issues
4. Ecology and biodiversity
5. The historic environment
6. Water resources and the water environment
7. Energy and carbon
8. Material use
9. Waste management
10. Transport
11. Effects on neighbours
12. Relations with the local community and other stakeholders



Assessors who wish to use CEEQUAL Term Contracts will need additional training, and one-day extension courses are being arranged.

Development of CEEQUAL Term Contracts – how it was done

The challenge of developing a mechanism for assessing term contracts has taken some time. In 2009, a diverse project steering group, including a number of Assessors and Verifiers, was assembled in order to gain perspectives from different contract arrangements and perspectives.

Alternative mechanisms were piloted in 2010, and the feedback from those pilots enabled the finalisation of the Term Contracts version. The first awards presented at the Launch event on 14 March 2011 stemmed from these 2010 pilots.

Next steps

You can download a copy of the Assessment Manual for Term Contracts from www.ceequal.com/downloads.htm. For a discussion about how CEEQUAL Term Contracts could be applied to your work, please email Roger Venables at roger.venables@ceequal.com and Philip Charles at philip.charles@ceequal.com or call +44 (0)20 3137 2379.

