

PPC2000 introduction to Special Term

Employment and Skills

CITB – Construction Skills has agreed with the ACA model contract clauses and guidance to enable public sector clients to specify employment and skills requirements for any construction project. These model contract clauses are set out below and can be included as a Special Term under clause 28 to deal with the implementation by the Constructor of a Client's Employment and Skills Strategy through the development of an Employment and Skills Plan and supporting Method Statement. An advantage of the PPC2000 two-stage contract is the potential for additional commitments to be secured post-selection during the preconstruction preparatory phase of the Project. The Special Term also identifies requirements for exchange of information, regular reports and appropriate employment and skills KPIs and Targets. Monitoring is through monthly returns made against the Employment and Skills Plan, showing actual employment and skills outputs against the KPI targeted outputs.

For inclusion as a Special Term in the Project Partnering Agreement by reference to clause 28 of PPC2000 (amended 2008).

"Clause 28.1	Employment and skills
	<i>In Appendix 1, the following definitions shall be inserted:</i>
	"Employment and Skills Strategy – the Client's Employment and Skills Strategy forming part of the Project Brief;
	ESP - the Project-specific Employment and Skills Plan produced by the Constructor and forming part of the Project Proposals to be complied with and implemented by the Constructor in order to execute the Employment and Skills Strategy;
	Method Statement - the Project-specific method statement produced by the Constructor and forming part of the Project Proposals which sets out in detail how the Constructor shall implement the ESP";
Clause 28.2	Clause 14.1 of the Partnering Terms shall be amended by the insertion of the following at the end of the clause:
	"(xiii) development and finalisation by the Constructor of the ESP and the Method Statement"
Clause 28.3	Pursuant to clause 7.6 the Constructor shall comply with and implement the ESP and Method Statement in accordance with the Employment and Skills Strategy.
Clause 28.4	The Constructor shall nominate an individual to liaise with the Client Representative and provide the Client Representative with information as required to demonstrate the Constructor's compliance with the ESP and Method Statement.
Clause 28.5	The Client Representative shall provide to the Constructor information it has available to enable the Constructor to comply with and implement the ESP and Method Statement, including the details listed in the Employment and Skills Strategy ¹ .
Clause 28.6	The Constructor shall provide to the Client Representative on a monthly basis, in accordance with the Partnering Timetable and the Project Timetable ² , a report outlining the achievements during the previous month against the ESP and Method Statement and the employment and skills KPI and Targets contained in Appendix 8, and provide details of the various employment and skills activities delivered in the month. The Client Representative shall be responsible for monitoring the Constructor's compliance with and implementation of the ESP and Method Statement, and such monitoring shall form part of the Client's assessment of the employment and skills KPI and Targets. ³
Clause 28.7	Insert in clause 23.6 (Post-Project Completion review), after the words, "KPI and Targets," the following words: "(including the employment and skills KPI and Targets), and its compliance with and implementation of the ESP and the Method Statement".
Clause 28.8	Any and all costs relating to compliance with and implementation of the ESP and Method Statement by the Constructor are included in the Price Framework ⁴ .

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¹ The Client should ensure that the Project-specific information to assist the Constructor with the implementation of the ESP and Method Statement is contained in the Employment and Skills Strategy within the Project Brief.

² To ensure regular monitoring of the Constructor's achievement of the ESP, Method Statement, KPIs and Targets, dates for submission of progress reports should be included in the Partnering Timetable (in the form appended to the PPC2000 at Appendix 6) and in the Project Timetable annexed to the Commencement Agreement.

³ In order to effectively monitor and continually incentivise the Constructor's achievement of the ESP and Method Statement, a suitable KPI and relevant Targets directly referring to both should be inserted into Appendix 8 ('KPIs and Targets'). Achievement of a KPI and Targets can be linked to a share of Profit in order to motivate the Constructor towards full implementation. Any KPI linked to termination must be referred to in the termination provisions at clause 26 of the Partnering Terms.

⁴ The Client should be satisfied that the Constructor has included in the Price Framework all costs in relation to the implementation of the ESP and Method Statement.