



ENERGY SERVICES AGREEMENT

Issue 13
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œUK
OFFSHORE
ENERGIES UK

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- Unite, GMB and RMT

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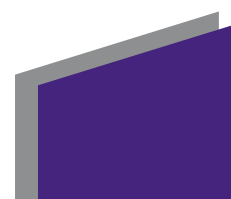
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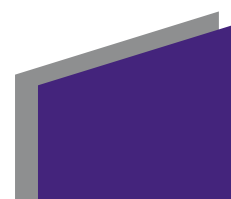
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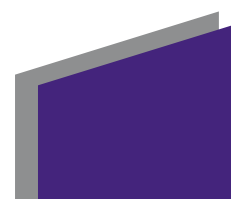


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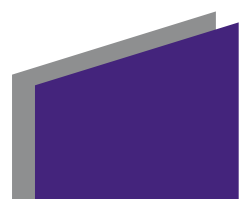
Introduction

This collective bargaining agreement known as the Energy Services Agreement (ESA) has been developed through the collaborative working of the founding employer signatory companies and trade unions along with workforce representatives in an effort to future proof the needs of the energy industry across the UK Continental Shelf (UKCS) we transition to a net-zero environment.

The signatories to the ESA are listed in Appendix 1: Signatories to the ESA. This collective bargaining agreement is intended for the sole use of the signatories of the ESA only. The bargaining unit is defined in the Scope and Principles. The terms of the ESA shall be binding upon all the signatories to this collective agreement. Section 2 of the ESA will be incorporated into the terms and conditions of employment of employees who fall within scope of the agreement.

In this agreement the following shall be referred to as set out below:

- Signatory employers, referred to hereafter as the “employers.”
- Signatory trade unions, referred to hereafter as “trade union(s).”
- Energy Services Agreement, referred to hereafter as “ESA.”
- All signatories to the ESA, referred to hereafter as the “signatories.”



1 SECTION ONE

1.1 VISION AND KEY BENEFITS

1.1.1 Vision

The vision of all signatories to the ESA is the creation of a ‘living document’ which serves to establish minimum standards for conditions of employment for supply chain companies engaged in the energy sector. The vision of a ‘living document’ is considered vital to capture the changing nature of the energy sector and enable companies and their employees to adapt and transition to zero carbon operations.

1.1.2 Key Benefits

The key benefits of this approach include stability and certainty on a substantive cost element for the industry and investors. This approach sets out the principles that will promote best practice and support the sustainability of the supply chain. It will facilitate the retention and the development of skilled workers and ensure those workers are part of a “Just Transition” which is underpinned by the Scottish Governments [Fair Work Framework](#).

1.2 SCOPE AND PRINCIPLES

1.2.1 Scope

The intention of this ESA is to deliver fair, equitable and transparent minimum base rates of pay, related allowances, working hours and holiday entitlement across the energy services companies operating on the UKCS. It will be for each employer organisation to determine the standard terms and conditions of employment for each group of employees; however, those combined terms shall be no less than the minimum base terms provided for in this ESA.

The bargaining unit for this ESA includes all employees within the scopes as outlined below:

- Those employed under the grades and trades listed in Appendix 2: Grades and Disciplines regardless of how payment is received.
- Those employed to work offshore on the UKCS within the energy services sector.
- Those engaged in construction, commissioning, modifications, maintenance, operations, decommissioning.

The trade unions will conduct collective bargaining on behalf of all employees captured within the stated bargaining unit in respect of the following matters only:

- Minimum rates of pay and related allowances.
- Working hours.
- Holiday entitlement.

1.2.2 Principles

The signatories recognise the importance and the benefits of promoting the ESA to all industry stakeholders including Operators, workforce, existing and potential signatories along with other industry stakeholders.

OEUK will provide the facilitation, administration, and support for the ESA to ensure the fullest understanding and application of its content, continuation of the promotion of positive employee relations, and support for a culture of continuously improving productivity and performance. OEUK are not a signatory to the ESA.

All signatories, on behalf of their employees and members, understand that any future improvements to these minimum base terms must be underpinned by productivity gains and recognition of the cost improvement needs of the industry.

Furthermore, all signatories have agreed the following common objectives:

- Commitment to encourage and provide a safe and healthy working environment.
- Maintenance of fair and equitable minimum standard of base rates of pay and related allowances, whilst recognising that employers can elect to adjust their respective employees' base rates of pay but cannot operate below the base rates specified within the ESA.
- Maintenance of good employment practices and industrial relations.
- Encouragement of diversity and inclusion and to ensure all employees are treated fairly and equally.
- Increasing the voice of all employees across the offshore energy services sector
- Working in partnership to maintain the ESA and continually reviewing it in line with the needs of the sector.
- Protecting the viability of the ESA by encouraging additional companies to join and viewing those subcontractors who support the spirit of the ESA favourably, where applicable.
- Encouraging the continued development of skills to allow ease of transition across the energy services sector.
- Supporting industry programs and initiatives, including Fair Work, Roadmap 2035, and energy transition.
- Implementing, supporting, and adhering to published Industry Codes of Practice (ICoP).

1.3 REVIEWS AND AMENDMENTS TO THE ESA

The ESA takes effect from 19 February 2021 and shall continue thereafter unless modified in agreement among at least three quarters of the employers in line with the ESA Governance guidance document and all the trade union signatories.

1.3.1 Content and Structure

The signatories agree to carry out annual reviews of the ESA via an established workgroup, of representatives from across all signatories and workforce/employee representatives. The remit of this workgroup will include:

- Reviewing the non-financial content and structure.
- Providing recommended updates including any legislative change requirements.
- Providing constructive feedback and support towards updating of ICoPs (Industry Codes of Practice).

1.3.2 Rate Adjustment Mechanism (RAM)

The signatories agree to utilise a RAM, as outlined in Appendix 4: Rate Adjustment Mechanism (RAM), as the appropriate means of reviewing, annually, the base minimum rates of pay as outlined in the Appendix 3: Schedule of Rates. This removes the need for any annual pay negotiations as the RAM will be calculated each year and advised to all signatories to the ESA.

OEUK will carry out the calculation of the RAM, each year in August. They will advise all the signatories of the outcome in writing by the end of August of that year¹ and issue updated Appendix 3: Schedule of Rates. The employer signatories will implement the revised Schedule of Rates which will be updated annually, with effect from 1 January of the following year.

Unless mutually agreed by all signatories, the structure and make-up of the RAM will remain in place for a minimum of 3 years from 19 February 2021. A review will be carried out 6 months ahead of the final calculation date, unless agreed by all signatories to review ahead of scheduled anniversary date, due to exceptional circumstances.³² The RAM will subsequently be reviewed on a 3 yearly cycle thereafter. Representatives from the signatories will meet to review and agree on any adjustments to the RAM with agreement from at least three quarters of the employers in line with the ESA Governance guidance document and all the trade unions. This is also applicable to all other financial content and structure of the ESA. Effective January 2025, following the 2023 RAM review recommendations, a secondary mechanism will be introduced. This secondary mechanism will deal with exceptional circumstances relating to higher-than-normal inflation. Should CPI (Consumer Price Index) % for two consecutive quarters be above 6% the Exceptional Circumstances Allowance will come into effect. This allowance will remain in place until CPI% has returned to below 6% for two consecutive quarters.²⁰

Should a delay in implementation arise, as a result of a failure to agree on the outcome of the RAM parameters, payment will be implemented from the first pay week following agreement being reached.

It is agreed and accepted by all signatories there will be no departure from normal working or stoppage of work or any steps to affect industrial action in support of any dispute relating to the RAM during the respective and agreed calculation and/or review periods.

1.4 TRADE UNION REPRESENTATION AND WORKFORCE ENGAGEMENT

In line with the Trade Union Representation and Workforce Engagement Code of Practice, all signatories to the ESA will meet quarterly, including nominated trade union and employee representatives via planned and organised workforce engagement forums. This will allow for the continual review of changes within the industry, legislation, and developments in working practices and in support of the Scottish Government's [Fair Work Framework](#).

The employers recognise the value and rights of any employee to join a trade union, hold office within a trade union and benefit from trade union representation however, all signatories accept that there is no obligation for employees to become members of a trade union. On commencement of employment, employers will make it known to all employees which trade unions are signatories to the ESA. It is acknowledged that all trade union members will be subject to the rules and constitution of that trade union.

Further information on appointment, responsibilities, duties, and the rights of a trade union representative are outlined in the Trade Union Representation and Workforce Engagement Code of Practice.

2 SECTION TWO

2.1 WORKING ARRANGEMENTS AND REMUNERATION

2.1.1 Minimum Rates of Pay

A variety of payment structures exist across the different sectors and employers covered by the ESA. It is a principle of the ESA that all employees, however remunerated, shall receive no less than the equivalent of the minimum payments as defined in Appendix 3: Schedule of Rates based on the number of days worked and paid according to the rotation allocated. Employees will be notified of actual payment structure and remuneration within issued terms and conditions of employment.

Appendix 3: Schedule of Rates highlights the base minimum levels of pay for hourly, day rated and salaried employees and includes the Permanent Retained Contract (PRC) model that provides for a retained salary element and additional payment when at work. Actual pay will differ depending on type of contract applicable, the allocated work rotation and ultimately how many hours are worked and paid annually. The examples provided in Appendix 3: Schedule of Rates for minimum salary and the PRC are based on the highlighted number of days paid including holidays.

Any adjustments determined by the annual RAM will only be applied to the minimum base rate and related allowances as specified in Appendix 3: Schedule of Rates. Thereafter it will be at the discretion of each respective employer whether any adjustments are made to enhanced elements. All elements enhanced above the base minimum outlined in Appendix 3: Schedule of Rates should be advised to employees in writing.

Employers may, by means of consultation and review, remove, or adjust these enhanced elements following an agreed notice period.

Appendix 5: Payment Scenario Matrix has been developed to provide examples and increase visibility of payments that may be payable over a range of scenarios for illustration purposes.

2.1.2 Flexibility and Supplementary Project Agreement (SPA)

In recognition of the need for more flexibility within the energy services sector, whilst maintaining minimum base rates of pay, it is understood employers may be required to vary the terms of the ESA under specific circumstances. Should this be the case, the employer will consult with the trade unions on behalf of the workforce in order to reach an agreement on the variations. Once agreed all variations will be documented in writing within a signed SPA in a form similar to that set out in Appendix 6: Supplementary Project Agreement Template. Details of the variation will include, why the variation is necessary, how long the variation is for who it will apply to and what the review period will be to ensure the SPA is removed and terms and conditions return to the base minimum as outlined in the ESA.

2.1.3 Work Rotation

Within the UKCS there are many variations of work rotations, and each employer will provide details of the designated work rotation on commencement of employment in line with the requirements of their contract for services from their operator client.

It is acknowledged that working rotations will vary according to the sector and operational needs, requiring a number of different solutions to be adopted, however the maximum length of any scheduled offshore trip will be restricted to 21 days, unless such a variation is due to reasons out with the employer's control e.g., environmental (i.e., weather) delays or the employee agreeing to extend a trip for operational reasons.

2.1.4 Rotation Changes

Should a permanent change be required to the work rotation, each employer confirms their commitment to meaningful consultation and as much advance notification as practically possible. In advance of any rotation changes being implemented, consideration to the impact of changes on work-life balance will be given during the period of consultation which should be no less than any relevant statutory consultation periods.

2.1.5 Permanent Retained Contract (PRC)

Employees employed on a PRC model will be issued with terms and conditions of employment specific to this model. The model provides a guaranteed minimum salary based on an expected number of days worked per annum, that secures the employee's availability for work. In addition to the salary element, the employee will receive a day rate payable of each day when mobilised offshore. Employees employed under the PRC model will be entitled to the same terms and conditions as all other employees covered by the ESA, except for the Retention Allowance. Appendix 5: Payment Scenario Matrix provides examples and illustrations of the limited circumstances in which Delay in Mobilisation payments may be payable.

2.1.6 Working Hours

Working hours offshore will comprise of two 12-hour shifts (10½ hour shift plus 1½ hours paid meals and tea breaks) per day, i.e., 12 hours dayshift followed by 12 hours nightshift. The time allocated to meal and tea breaks includes the time required to go between the place of work and the messing facilities for meal breaks. The start and end of each shift shall be determined by local circumstances.

Appendix 3: Schedule of Rates details the minimum base rates of pay, payable for all time worked, which includes travel-time from designated check-in time to and returning from offshore installation.

In the event of delays being incurred from the designated check-in time, employees may be eligible to receive Delay in Mobilisation payments. Entitlement to such payments will be identified in individual contracts of employment. Appendix 5: Payment Scenario Matrix provides examples and illustrations of circumstances in which Delay in Mobilisation payments may be payable.

In the event of a delay occurring beyond the confirmed scheduled departure time from installation, and provided employee has returned to work, payment will be made for each complete hour worked at the overtime rate set out in Appendix 3: Schedule of Rates. This payment is applicable for each complete hour worked until check-in for departure¹⁶.

All minimum base rate payments are limited to a maximum of 12 hours in any consecutive 24-hour period.

The applicable minimum base rate of pay will also be applied for any time associated with approved safety seminars and training taking place at the work location during the employee's designated working time.

All time worked must be recorded as per each employer's requirements. Other than paid annual leave, non-working time, for example rest periods, will not be paid unless covered by a specified element of this agreement or as outlined in terms and conditions of employment.

In line with the Health, Safety and Wellbeing Code of Practice each employer will monitor the effects on health and safety and work-life balance. This Code of Practice will also provide guidance on the required rest periods between working hours and work rotations.

2.1.7 Rest Period

For each work cycle completed, a period of rest will be provided in line with the specified working rotation allocated. Salaried employees shall continue to receive their normal base annual salary during such periods. For PRC employees, these periods will be paid at the applicable base salary rate. For hourly paid and day rate employees, these periods shall be unpaid (unless designated as a period of paid annual leave). Under normal working conditions the period of rest should at least equal the number of days paid in that cycle. In line with industry guidance, the minimum period of rest applicable, is no less than 7 days in any 21-day work cycle or at least one third of the number of days worked in that previous rotation.

2.1.8 Delay in Mobilisation

Should a day rated or hourly rated employee on a regularly assigned rotation, be requested to remain at home prior to a scheduled mobilisation or have their scheduled trip delayed or cancelled for operational reasons, they will receive payment based on the base rate of pay for a maximum of 8-hours in any consecutive 24-hour period.

Employees who do not have a regularly assigned rotation (other than those on salaried or the PRC payment structures) and have been requested to remain at home prior to a scheduled mobilisation or have a scheduled trip delayed or cancelled for operational reasons, will receive Retention Allowance as set out in Appendix 3: Schedule of Rates.

Appendix 5: Payment Scenario Matrix provides examples and illustrations of circumstances in which delay in mobilisation and retention allowance payments may be payable.

Employees must remain available to report to the employer's onshore base within 24 hours of the notice to mobilise being issued.

2.1.9 Training and Onshore Meetings

Where reasonable and practical, completion of training, including online computer-based training (CBT) should be carried out and completed during working time.

Where attendance at a designated training course, or the completion of CBT, or attendance at an employer meeting is requested during onshore rest periods, employees will receive payment for hours in attendance at their base rate of pay. This will be calculated from training course or meeting start time until the training course or meeting ends. For CBT, payment will be based on the average time taken for completion of allocated CBT.

Should an overnight³³ stay be required either prior to attending or at the end of a training course within designated onshore rest period, accommodation will be arranged by the employer and a payment of 12 hours will be made. This payment is inclusive of the time paid to attend the training course. In the case that an employee has been required to spend the night prior to and at the end of training, they will only qualify for one 12-hour payment¹⁶.

Where applicable and defined within terms and conditions of employment, an allowance may be included in all-inclusive day rated or salaried remuneration models to cover the completion of mandatory training including any CBT.

2.1.10 Overtime

Working more than the scheduled working hours shall be avoided where possible. However, employees must be available to work additional hours to cover essential work to meet operational requirements.

Payment will be made for any pre-approved and completed additional hours worked above the normal 12-hour shift, as set out in Appendix 3: Schedule of Rates. Allowance may be made in all-inclusive day rates or salaried remuneration models to cover working additional hours where this is expected to be a regular occurrence as stated within the terms and conditions of employment.

2.1.11 Night Shift Allowance

Equal allocation/opportunity of night shift working will be provided for all employees, so far as reasonably practicable, within the scheduling and planning of the work.

Night shift allowance will be paid as outlined in Appendix 3: Schedule of Rates for each night shift completed. This allowance may be included in all-inclusive day rated or salaried remuneration models to cover night shift working where this is expected to be a regular occurrence as stated within the terms and conditions of employment.

2.2 Statutory Leave

2.2.1 Annual Leave and Holiday Pay

Annual leave entitlement, inclusive of all bank holidays¹⁶, will be 28 days (four weeks of seven days) per annum, pro rata, taken in no less than 1-week blocks. All annual leave will require to be approved in line with operational requirements.

Employees working on an equal time rotation, (equal number of days worked and rest days) are entitled to request one work rotation off in each annual leave period. Such requests will not be unreasonably refused; however, it must be recognised that employers are bound by the rotations and logistics determined by installation Operators. Therefore, employees may be required to take paid holidays during designated rest periods, albeit every effort will be made to accommodate holidays and the promotion of a healthy work-life balance.

Employees working on non-equal time rotations (where rest periods exceed the number of days worked) will have annual leave built into the rota pattern and this will be highlighted within the terms and conditions of employment.

Due to the number of different working rotations in operation, specific rules regarding annual leave entitlement and the process to request leave as outlined above will be defined within the terms and conditions of employment or within the employer's policies and procedures. These may differ per sector and per the employer's contract for services with their clients.

Payment for time taken as annual leave/paid holiday from equal time rotations, either from designated working time or during rest periods will be calculated and paid at the equivalent base rate of pay for hourly and day rated remuneration models. Annual salaries are calculated based on number of days paid, including payments for annual leave.

To ensure payments made whilst on annual leave are in line with actual earnings and comply with legislation, employers will make an additional payment based on a calculation of average earnings over a reference period of the previous³⁴ 52 working-weeks or relevant period if less than 52 weeks.

Elements of pay to be included in the calculation of the additional payment based on average earnings over the previous 52 working week period are outlined below:

- All overtime paid.
- Any additional days or hours paid (whether onshore or offshore).
- Chargehand allowance.
- Christmas and New Year allowance.
- Industrial Rope Access allowance.
- Nightshift allowance.
- Onshore Training undertaken in rest period.

2.2.2 Sickness Absence

Each employer’s absence policy must be adhered to, including any requested documentation, qualifying periods for enhanced payment entitlements and attendance at employer Occupational Health providers for any necessary assessments.

Due to the nature of offshore work and in line with OEUK Guidelines, employees are required to attend a Fit to Return to Work assessment, prior to returning offshore after sickness absence. Every effort will be made to arrange this to coincide with sickness certificate expiry.

Statutory Sick Pay (SSP) is payable in line with the government scheme. To enable the payment of SSP employees must self-certify in line with their employer’s absence policy for the first 7-days of absence and a doctors’ certificate “Fit Note” must be provided to cover all absence after the first 7-days including rest periods.

Enhanced Sick Pay (ESP) is payable at the rates detailed in Appendix 3: Schedule of Rates to employees who reach a qualifying period of 13 weeks continuous service. ESP is paid in addition to SSP.

ESP is payable for a maximum of 28 weeks in any rolling 52-week period. This can be made up of consecutive or cumulative 28 weeks. ESP will reset once the employee has exhausted 28 weeks and has been back at work for a consecutive 24 calendar weeks.

SSP and ESP will continue to be payable until the Fit to Return to Work assessment is completed by Occupational Health (where entitlement has not been exhausted). Payment in accordance with terms and conditions of employment will re-commence when the employee remobilises to installation. Any enhancement to this payment is at the employer’s discretion.

Any contractual enhancement to ESP provided by the employer will be detailed within the term and conditions of employment.

Employees who become certified sick whilst offshore will receive a maximum of 12 hours at base rate of pay per day. Payment will cease on arrival at the employer’s onshore base and re-commence when the employee remobilises to installation.

Suitably qualified and nominated Emergency Response Team (ERT) members, who are prevented from working due to injuries sustained whilst carrying out their ERT duties, including offshore drills, will receive a payment during any relevant period of incapacity for up to a maximum of 52 weeks, and subject to the employer’s absence policy. This payment will be calculated using the base rates of pay outlined in Appendix 3: Schedule of Rates following the employee's designated rota. This payment will be inclusive of any entitlement to SSP or ESP.

2.2.3 Compassionate Leave

A request for compassionate leave should be made in line with the employer’s policy. All absence for compassionate reasons, other than bereavement, will normally be unpaid. Payment in accordance with terms and conditions of employment will cease on arrival onshore and re-commence when the employee remobilises to installation. Any enhancement to this arrangement is at the employer’s discretion.

2.2.4 Bereavement Leave

A request for bereavement leave should be made in line with the employer's policy. Employees will be granted paid bereavement leave on the death of a Spouse/Partner, Child, Grandchild, Parent or Parent of Spouse/Partner, Brother, or Sister. Bereavement leave will be payable at the equivalent base rate of pay for 12 hours as set out in Appendix 3: Schedule of Rates for up to 5 days. Paid bereavement leave will only apply for days lost as part of the designated work rotation i.e., where the employee had to miss a worked shift. Additional Parental Bereavement Leave will be paid in line with government statutory scheme.

Where reasonable and necessary, longer periods of unpaid leave may be permitted if agreed in advance with the employer.

Subject to the agreement of the employer, an employee may request bereavement leave for a person other than those listed above, where the employee has special responsibility towards the deceased person.

Payment in accordance with terms and conditions of employment will re-commence when the employee remobilises to installation. Any enhancement to this arrangement is at the employer's discretion.

2.3 Allowances and Expenses

2.3.1 Chargehand/Foreman/Supervisor¹⁶ Allowance

An additional allowance will be paid to those designated as Chargehand, Foreman or Supervisor¹⁶ for all hours worked, in addition to their respective ESA basic grade or discipline as outlined in Appendix 3: Schedule of Rates. Where applicable and clearly defined within terms and conditions of employment this allowance may be included in all-inclusive day rated or salaried remuneration models to cover the additional payment during this period.

2.3.2 Christmas / New Year Allowance¹⁶

An additional daily allowance will be payable to employees who work offshore on any day between 25th, December and 2nd January as outlined in Appendix 3: Schedule of Rates. This payment is also applicable when an employee has checked-in and is available to start their journey to or from an offshore installation.

Where applicable and clearly defined within terms and conditions of employment an allowance may be included in all-inclusive day rated or salaried remuneration models to cover the additional payment during this period.

2.3.3 Industrial Rope Access Allowance

An additional proficiency allowance at the applicable level¹⁶ as outlined in Appendix 3: Schedule of Rates will be paid for each day worked, to designated Rope Access Operatives who are engaged in the activity of rope access and who meet both points below:

- Are qualified and independently certified to IRATA Rope Operatives requirement.
- Where this specific competency is required to complete the work.

2.3.4 Retention Allowance

Employees who are employed on a rolling ad-hoc contract with no fixed rotation/project (other than those on salaried or the PRC payment structures) and who are awaiting reassignment will be paid Retention Allowance as outlined in Appendix 3: Schedule of Rates. Appendix 5: Payment Scenario Matrix provides examples and illustrations of circumstances in which retention allowance payments may be payable.

2.3.5 Temporary Accommodation Allowance

Should an employee not be able to return to their normal accommodation on their designated offshore installation, they will receive a temporary accommodation allowance paid per night as outlined in Appendix 3: Schedule of Rates. Only one payment will be applicable in the same 24-hour period.

- Scale 1 covers employees who cannot return to their normal accommodation and are required to be accommodated in a temporary cabin or on another installation.
- Scale 2 covers employees who are required to spend the night in temporary sleeping quarters utilising for example sleeping bags on camp beds.

2.3.6 Expenses

Expenses for attending designated training courses, medicals or employer meetings will be paid in line with the Travel, Accommodation and Expenses Code of Practice and the employer's expenses policy. No payment will be made for time spent traveling to and from attending work, training, meetings, or medicals.

2.4 Statutory Entitlement

2.4.1 Pension and Life Assurance

The employer will provide a pension scheme in line with current legislation. Details of the scheme will be provided on commencement of employment.

The employer will provide life assurance for all employees covered by the ESA as set out in Appendix 3: Schedule of Rates subject to the rules of the relevant scheme and as outlined within terms and conditions of employment.

2.4.2 Notice Pay

Notice periods required by both employers and employees will be outlined within terms and conditions of employment in line with the Employment Rights Act 1996. Designated rest periods will count towards notice periods for employees who are required to work during their notice period.

Payment in lieu of notice for employees on a regular rotation will be made in line with scheduled work rotation with employees receiving the same payment as if they had been requested to work.

Payment in lieu of notice for employees with no regular rotation will be calculated based on average earnings over the previous 12-weeks worked, even where a week may include periods of rest. Any working weeks in which there were no earnings will be replaced with a working week in which there were earnings if applicable.

3 SECTION THREE

3.1 DISPUTE RESOLUTION PROCEDURE

This section covers issues of interpretation, collective grievances received in relation to a matter within the ESA and collective disputes that may arise between the employers and the trade unions.

3.1.1 Interpretation and Collective Grievances

To assist with any interpretation issues that have resulted in a collective grievance being raised within an employer organisation, which are directly related to the ESA, a referral should be made to the person appointed to support the administration and facilitation of the ESA on behalf of the signatories. Should the issue remain unresolved a resolution panel will be established. Once considering all the facts and having spoken with all parties involved, the panel will reach a final decision, which should then be actioned as intended. Should either side disagree with the outcome they are requested to raise a failure to agree.

The panel will be made up of signatories not directly involved in the issue requiring resolution and facilitated by OEUK. Selection of panel members will be in line with Competition Law requirements, to ensure no conflict of interests arise, this will be outlined in the ESA Governance guidance document.

3.1.2 Collective Disputes

Should a failure to agree arise between all employers and trade unions on matters relating to the ESA the following steps will be taken to reach a resolution.

Stage 1

- A meeting will be arranged between both the employers and trade unions, to discuss the matters and seek resolution agreeable to all parties. Each area of concern should be discussed in detail, evidence provided to back up the reason for the current position and suggestions from all parties on how a resolution could be achieved. It is recognised that compromise will be required from all parties to reach an agreed outcome.

Final Stage

- Should this not result in a resolution, a meeting will be arranged between the National Trade Union Officials of the trade unions, a selected group of senior representatives from the employers, plus one other from the organisation administering the ESA on behalf of all signatories to endeavour to resolve the issues as quickly as possible.
- All parties are obliged to work towards a resolution of the issue. The agreed resolution should seek to recommend ways to avoid any disputes of a similar nature arising in the future.

- Consideration should be given to bringing in a third party to assist with conciliation where no resolution can be reached between the employers and the trade unions.
- Once resolution has been reached, the decision will be communicated and implemented (where appropriate) within the timeline agreed as part of the dispute resolution.

All signatories agree that whilst this procedure is in use, the status quo, (i.e., whatever conditions, practices, or agreements on working and management that applied prior to the issue being identified) will be maintained until resolution has been reached or exhaustion of this procedure has been confirmed in writing by OEUK who facilitate the ESA and outlined in the ESA Governance guidance document.

This means there will be no departure from normal operations, behaviours, relationships or working under these conditions of employment or any other steps to effect stoppage of work or any other form of industrial action until formal declaration of exhaustion of this procedure has been confirmed in writing by OEUK who facilitate the ESA as outlined in the ESA Governance guidance document.

3.2 NOTICE AND TERMINATION

Termination of the ESA must be made in writing on behalf of all employers or by all the trade unions signatories by providing no less than 6 months' notice.

Should an individual employer wish to withdraw from the ESA they should provide 6 months' notice in writing to all signatories.

The 6 months' notice periods may be waived by mutual agreement.

Appendices

A.1 Appendix 1: Signatories to the ESA

Company	Authorised Signatory	Position	Date
Aker Solutions Ltd	Mark Piggott ³⁹	VP UK Europe and Angola Operations	19.02.2021
Altera Infrastructure	John Skanche	HR Director	19.02.2021
ASCO Group ¹⁸	Allan Scott	Group Materials & Innovation Director	28.03.2023
Bilfinger UK Ltd ^{14.1}	Rod Agnew ³⁹	Vice President Offshore Services	19.05.2022
Brand Energy & Infrastructure Services	David Strang ¹⁷	UK Offshore Director	19.02.2021
KAEFER UK	Paul Leneghan ¹⁹	Head of HR	19.02.2021
Altrad Energy Support Services ¹⁴	Innes Haughey	Operations Manager	15.03.2022
Kent PLC ⁴³	Matt Morton	Associate Director Asset Integrity	18.05.2026
Navitas International Solutions	Alan Mathers	Managing Director	19.02.2021
ODE Asset Management Ltd	Sandy Reid ²⁶	Regional Operations Director	19.02.2021

Oleochem Project Management Ltd	Ally Macsporrán	Technical Director	19.02.2021
Petrofac	Craig McCartney ⁴³	Head of UK & Europe Asset Solutions	18.05.2026
Ponticelli	Benoît Lamoussiere ²⁵	PBS GMOC Director	19.02.2021
Semco Maritime Ltd	David Hutchinson ¹⁷	Managing Director	19.02.2021
Altrad Integrity Services Ltd ³⁸	Stuart Strachan ⁴³	Business Unit Director	18.05.2026
Superior Recruitment Group	Gareth Allen ³¹	Group CEO	01.10.2024
THREE60 OPERATIONS SERVICES LIMITED ³⁷	John Simpson ³⁷	Operations Director	01.04.2025
Wood Group UK Limited	Steve Nicol ²⁷	Executive President Operations	19.02.2021
Worley	Chris Behan ⁴⁰	Vice President Operations	19.02.2021
GMB	Ross Murdoch	National Officer	19.02.2021
RMT	Darren Procter	National Secretary	19.02.2021
Unite	Tony Devlin	National Officer	19.02.2021

A.2 Appendix 2: Grades and Disciplines

APPENDIX 2: GRADES AND DISCIPLINES			
Grade	Discipline		
1	Communication	Control Room Operator	Core Operator
	Crane Mechanic/Operator ¹⁰	Electrical Technician ¹¹	Fire and Gas Technician ³
	Instrument Technician ¹¹	Laboratory	LOLER
	Marine Cargo Operative	Marine Plant Operatives	Materials Controller
	Mechanical Technician ¹¹	Metering Technician	Medic ⁴¹
	Operations Technician	Process Technician	Production Technician
	Radiological Protection Supervisor	Rotating Equipment Technician	Safety
2	Advance Scaffolder	Multi Coded Welder ¹⁶	
3	Crane Mechanic	Crane Operator	Crane Operator / Helideck Landing Officer
	Deck Forman	Electrician ¹¹	Helideck Landing Officer
	Instrument Pipe Fitter	Insulator ¹¹	Joiner
	Mechanical Fitter	Pipefitter ¹¹	Plater ¹¹
	Rigger	Scaffolder ¹¹	Sheet Metal Worker
	Welder		
4	Administrator	Asbestos Remover	Cold Cutting Operator
	Deck Operator	Fire Proofer	Helideck Attendant
	Industrial Cleaner	Painter / Blaster ¹¹	Radio Operator
	Specialist Cleaning Operative	Storeman	
5	General Assistant		

A.3 Appendix 3: Schedule of Rates ⁴²

APPENDIX 3: SCHEDULE OF RATES JANUARY 2026

* Annual salary has been calculated using 189 days paid, including holiday pay as a working example. Actual salary calculations may vary dependant on number of days paid including holidays as advised in terms and conditions of employment.

** Permanent Retained Contract has been calculated using 154 days worked as a working example, holiday pay has been stated separately based on this worked example.

Grade	Paid Rate (189 days paid)*	Permanent Retained Contract Base Salary - (based on 154 days worked)**	Permanent Retained Contract Holiday Pay	Permanent Retained Contract Daily Uplift	Paid Rate	Base Rate 2026	Paid Rate 2026	Overtime Rate	Retention Allowance 2026 Paid Rate	Chargehand Allowance	Foreman Allowance ¹⁶	Supervisor Allowance ¹⁶	Night-shift Allowance	Temporary Accommodation Allowance		Christmas / New Year Allowance 25 Dec to 2nd Jan ¹⁶	Exceptional Circumstances Allowance (when applicable) ²²	Ind Rope Access Allowance		
														Scale 1	Scale 2			Level 1	Level 2 ¹⁶	Level 3 ¹⁶
														Annual	Annual			Annual	Daily	Daily
Grade 1	£69,695.64	£18,929.68	£10,325.28	£245.85	£368.76	£30.52	£30.73	£46.10	£113.10	£2.15	£4.30	£5.80	£31.00	£19.00	£38.00	£85.00	£0.21	£30.48	£42.48	£60.00
Grade 2	£66,837.96	£18,153.52	£9,901.92	£235.77	£353.64	£29.27	£29.47	£44.21	£107.72	£2.15	£4.30	£5.80	£31.00	£19.00	£38.00	£85.00	£0.20	£30.48	£42.48	£60.00
Grade 3	£64,796.76	£17,599.12	£9,599.52	£228.57	£342.84	£28.38	£28.57	£42.86	£105.22	£2.15	£4.30	£5.80	£31.00	£19.00	£38.00	£85.00	£0.19	£30.48	£42.48	£60.00
Grade 4	£61,530.84	£16,712.08	£9,115.68	£217.05	£325.56	£26.95	£27.13	£40.70	£99.88	£2.15	£4.30	£5.80	£31.00	£19.00	£38.00	£85.00	£0.18	£30.48	£42.48	£60.00
Grade 5	£43,205.40	£11,734.80	£6,400.80	£152.41	£228.60	£18.92	£19.05	£28.58	£71.15	£2.15	£4.30	£5.80	£31.00	£19.00	£38.00	£85.00	£0.13	£30.48	£42.48	£60.00

Enhanced Sick Pay and Accident Benefits: -			
Enhanced sick pay and accident benefit payable for absence from work due to sickness or injury. These payments are in addition to SSP at the current rate set annually by government (excluding the first 3 days of absence from work, SSP 8 weeks linking rule applies). Qualifying period of 13-weeks continuous service required before enhanced sick pay is payable. (Maximum 28 weeks)		Weeks 1-13	£249.56 per week
		Weeks 14- 28	£648.86 per week
Life Assurance Benefits: ⁻⁽³⁵⁾			
Death due to any cause		£75,000	
Disablement – due to an occupational accident			
Permanent total disablement from resuming any occupation for remuneration or reward as a result of an occupational accident. (payable as soon as practicable after 28 weeks consecutive disability)		£50,000	
Loss of sight	One eye	£10,000	
	Both eyes	£25,000	
Total loss by amputation or permanent loss of use of	One limb (hand, arm, foot, or leg)	£10,000	
	Two or more limbs	£25,000	
	Big Toe	£1,000	
	Any other toe	£500	
		Left	Right
Loss by amputation of	one thumb or 4 fingers	£2,000	£2,000
	one forefinger	£950	£1,250
	any other finger	£450	£750
If the injured person is left-handed, the payment set out above for the various disabilities of the right upper limb and left upper limb shall be transposed.			

Allowance	Changes following review of allowances – effective 1 November 2022 ²⁹ - (added for information, reference, and guidance)
Overtime Premium	Overtime will increase to 1.5 times base hourly rate. This will be applicable for pre-approved and completed additional hours worked above the normal 12-hour shift. Pre-arranged additional days will be paid at base rate for the first 12-hours per day, then overtime rate thereafter. If overtime has been built into an all-inclusive day rate or salary as stated within current terms and conditions, this will be reviewed and amended accordingly.
Nightshift Allowance	Nightshift allowance will increase to £31.00 per night. If nightshift allowance has been built into an all-inclusive day rate or salary as stated within current terms and conditions, this will be reviewed and amended accordingly.
Christmas & NY (Festive Period Allowance	Christmas and New Year allowance will revert to 9 days , and the allowance of £85.00 will be payable to employees who work offshore on any of the days between 25th December to 2nd of January . If Christmas and New Year allowance has been built into an all-inclusive day rate or salary as stated within current terms and conditions, this will be reviewed and amended accordingly.
Expenses – Lunch/ Evening Meal Allowance plus Onshore Accommodation Allowance	Lunch and evening meal allowances have been reviewed to £12 per day for lunch and £25 per day for evening meals . This is to recognise the increased costs of obtaining a meal when on a training course or the night prior to mobilisation offshore where applicable. In addition to this the onshore accommodation allowance has been revised to £95.50 per night . Please refer to your employing companies' expenses policy before submitting relevant expenses claims and the ESA Travel Accommodation and Expenses code of practice.
Mobilisation Allowance	The rail fare provided will remain as standard off-peak rail fare. Where travel during peak travel times is unavoidable, employers will provide the equivalent to a return any-time rail fare. Employees should seek upfront approval and may be requested to provide back up evidence in support of this.
Delay Allowance	The ESA agreement does not have a provision for a delay allowance, however in recognition for the inconvenience caused by delays, which are un-avoidable at times, employees will receive payment based on the overtime rate of 1.5 x base rate for each hour worked beyond their normal departure time. This payment is only applicable to delays beyond normal departure time and is not applicable when additional days have been agreed beyond end of normal designated trip.
Training Payment	Training payment will continue to be made for number of hours in attendance, with two exceptions where applicable and discussed with the employer prior: <ul style="list-style-type: none"> • When training has been organised and the individual must travel the day before and spend the night prior to the day of training, the employee will receive 12 hours payment for that day's training, and the employer will organise the overnight accommodation required.

	<ul style="list-style-type: none"> When training has been organised and the individual is unable to return home at the end of training, the employee will receive 12 hours payment for that day's training, and the employer will organise the overnight accommodation. In the case that an employee has been required to spend the night prior to and at the end of the training, they will only qualify for one 12 hours payment.
Permanent Retained Contract	Those employees who are employed via the permanent retrained contract model and who have travelled to their point of departure, but have not checked in, and are unable due to operational reasons to commence work, will receive an additional payment equivalent to 4 hours at the base hourly rate.
Rope Access Allowance	The rope access allowance will increase to £30.48 per day. At this point 2 additional rope access allowances will be implemented. Rope Access Level 2 at £42.48 per day and Rope Access Level 3 at £60.00 will become payable based on meeting the stated qualifications and certifications for at each level.
Chargehand Allowance	Increased from £1.85 to £2.15 - 17%
Foreman and Supervisor Allowance	The ESA agreement will introduce a Foreman and Supervisor Allowance, bring both job roles into the agreement. The foreman allowance of £4.30per hour and supervisor allowance of £5.80per hour will be payable in line with the current chargehand allowance. This will cover those individuals who temporarily step up into the role and for those who are permanently employed in the position the value will form part of their current terms and conditions. Employers will clearly communication the makeup of the hourly rate/day rate or applicable salary by using the relevant ESA grade and allowance. This payment is not intended to be over and above what is currently paid but to aid clarity of how the foreman and supervisor rates are calculated.
Advanced Scaffolders Grade	The ESA will add Advance Scaffolder into Grade 2 within Appendix 2 Grades and Disciplines. Within Appendix 3 Schedule of Rates Grade 2 will increase in value to £25.37 per hour. An updated Appendix 3 will be issued to reflect this change.
28 days Holidays	The ESA agreement will be updated to state the holiday entitlement of 28 days is inclusive of bank holidays.
Temporary Accommodation Allowance	Temporary Accommodation Allowance will increase £19.00 and £38.00 per day respectively. (Also known as Hard lie/Soft lie)

A.4 Appendix 4: Rate Adjustment Mechanism (RAM)

Taking effect from 19 February 2021, the Rate Adjustment Mechanism (RAM) outlined below will become the only means available to review the minimum base rates of pay annually. The outcome from the RAM is only applicable to the base rates of pay, and it will be at the discretion of each respective employer whether to increase any enhanced elements. All signatories have agreed to the principles of the RAM, which is to increase transparency, predictability and to automate the annual review of the minimum base rates of pay without the need for annual pay negotiations.

OEUK will calculate the annual adjustment and communicate the outcome by issuing the updated sector specific Schedules of Rates (Appendix 3), which detail the minimum base rates of pay in the Energy Services Agreement by the end of August⁵. The employer signatories will implement any adjustment to the minimum base rates of pay with effect from 1 January of the following year.

The structure, content and parameters of the RAM has been verified and agreed by all UKCS Operators via OEUK, to increase transparency and aid the annual approval and implementation process.

Unless agreed otherwise by all signatories, the structure and make-up of the RAM will remain in place for a minimum of 3 years from 19 February 2021. A review will be carried out 6 months ahead of the final calculation date, unless agreed by all signatories to review ahead of schedule anniversary date, due to exceptional circumstances. At that time, representatives from the signatories will meet to review and agree any adjustments to the RAM. This is also applicable to all other financial content and structure of the ESA.

It is agreed and accepted by all signatories there will be no departure from normal working, or stoppage of work, in support of any claim falling within the agreed terms of the RAM and the ESA during the respective and agreed review periods.

²⁰Effective January 2025, following the 2023 RAM review recommendations, the following updates to the RAM were agreed by the ESA Signatories.

- The ESA Base Rate will be adjusted annually based on the average CPI% from 1st August to 31st July the following year.
- CPA (Commodity Price Adjustment) parameters have been updated to use data from North Sea Transition Authority (NSTA) that represents average costs per barrel on combined oil and gas production for the UKCS. This figure will form the midpoint with a high point of +\$25 and low point of -\$25 from that midpoint. This removed the need to weight oil and gas based on production levels.
- The CPA% will continue to provide the potential to gain up to a further 2% or adjust the CPI% down by up to 2%. Any payment as a result of the CPA% will be paid as an allowance and applicable against all hours worked for the year it applies to.
- In any one year the total CPI% and CPA% cannot exceed the CAP which is 4%
- A secondary mechanism known as the Exceptional Circumstance Allowance (ECA) that will deal with exceptional circumstances relating to higher-than-normal inflation will be introduced payment effective January 2025. This will come into effect should the CPI% for two consecutive quarters be above 6%. This allowance will remain in place until CPI% has returned to below 6%

for two consecutive quarters. This payment will be made via a separate allowance.

- The Exceptional Circumstances Allowance can only be started and stopped at the beginning and end of a quarter. This is to minimise commercial and payroll administration.

The RAM will be calculated in August of each year using the following steps:

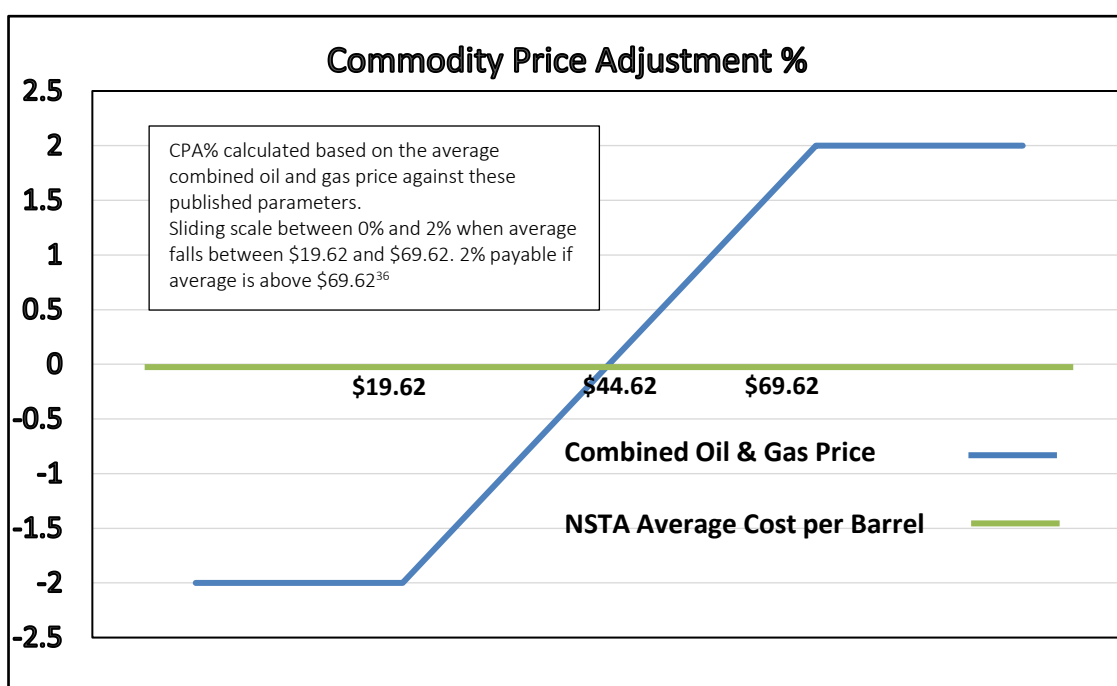
1. CPI% will be calculated using the CPI% published monthly by Office of National Statistics (ONS), this forms the ESA base rate increase.
2. CPA% will be calculated using the average combined oil and gas price measured against the NSTA cost per barrel published in February of that year.
3. The combined CPI% and CPA% will be limited to 4% in any one year. Any payment applicable as a result of the CPA% will be paid via a CPA Allowance. This allowance will be applicable for that relevant year only.
4. OEUK will publish the updated Appendix 3: Schedule of Rates that will detail the new ESA Base Rate and subsequent payments and allowances, including any relevant CPA allowance.
5. Should the Exceptional Circumstances criteria be met, requiring the CPI% for two consecutive quarters to be above 6%, employers will advise all employees covered by the ESA when this allowance will become effective from. The starting and stopping of the ECA is restricted to the beginning and end of a quarter. The ECA will remain in place until CPI% has returned to below 6% for two consecutive quarters. The relevant ECA payment will be included in Appendix 3: Schedule of Rates.

Examples to aid understanding of how RAM is calculated and applied.

Example 1	
Average CPI% =	5%
CPA% calculation =	+1.2%
Annual adjustment to ESA Base Rate =	4% (as CAP has been reached)
CPA Allowance =	No CPA allowance applicable as CAP of 4% reached.
Exceptional Circumstances Allowance =	No payment as CPI% has not averaged above 6% for two consecutive quarters.

Example 2	
Average CPI% =	2.1%
CPA% calculation =	+1.8%
Annual adjustment to ESA Base Rate =	2.1%
CPA Allowance =	Equivalent to 1.8% of ESA Base Rate for relevant grade.
Exceptional Circumstances Allowance =	No payment as CPI% has not averaged above 6% for two consecutive quarters.

Example 3	
Average CPI% =	8.4%
CPA% calculation =	2.0%
Annual adjustment to ESA Base Rate =	4% (as CAP has been reached)
CPA Allowance =	No CPA allowance applicable as CAP of 4% reached.
Exceptional Circumstances Allowance =	For 2 consecutive quarters the CPI% has been above 6% - therefore the ECA is payable. Allowance equivalent to 2% of ESA Base Rate for relevant grade.



Appendix 5: Payment Scenario Matrix

APPENDIX 5: PAYMENT SCENARIO MATRIX					
This document has been developed to provide examples and increase visibility of payments that may be payable over a range of scenarios for illustration purposes.					
Pre-Mobilisation		Hourly Paid	Day Rated	Permanent Retained Contract	Salaried
1	Mobilisation delayed. Employee has been given a date to commence employment, or to report for training or first mobilisation. Delay is notified before the employee has left home.	8 hours @base rate for each day from start of employment, completion of training until mobilisation or made redundant.		Monthly Salary	
2	Told to stay at Home. Regular Assigned Rotations Employee is on a second or subsequent trip. Employer informs employee that mobilisation is delayed or cancelled for operational reasons.	8 hours @ base rate for each day from end of unpaid rest period until mobilisation or duration of advised trip.		Monthly Salary	
Mobilisation					
3	Travelled to employers designated point of mobilisation, mobilisation is delayed and asked to return home or hotel. Delay is of sufficient duration to justify instructing employee to return to home or hotel and await instructions.	8 hours @ base rate for each day from end of unpaid rest period until mobilisation or duration of advised trip.		Monthly Salary plus additional 4- hrs at ESA base rate for that day. ¹⁶	Monthly Salary
4	Checked in and mobilisation is delayed and requested to return home. Employee has reported to Employers designated point of mobilisation for transport to installation. Transport is delayed. Delay is of sufficient duration to justify instructing employee to return to home and await instructions.	12 hours @ base rate for each day until mobilisation or duration of advised trip.	Day rate for each day until mobilisation or duration of advised trip.	Monthly Salary plus offshore day rate. ⁶	Monthly Salary

5	Checked in and mobilisation is delayed Employee has reported to Employers designated point of mobilisation for transport to installation. Mobilisation is delayed and is expected to last beyond one day, expect to mobilise the following or subsequent day held at hotel meantime.	12 hours @ base rate for each day until mobilisation or duration of advised trip.	Day rate for each day until mobilisation or duration of advised trip.	Monthly Salary plus offshore day rate. ⁷	Monthly Salary
6	De-mobilised early Employee has mobilised to installation; trip has been shortened due to operational reasons and employee is returned onshore prior to completion of scheduled trip.	12 hours @ base rate for each day for remainder of scheduled trip.	Day rate for each day for remainder of scheduled trip.	Monthly Salary plus offshore day rate.	Monthly Salary
7	De-Mob Late (held on platform) Employee has completed work cycle, but transport to beach is delayed. Where practicable, employee is instructed to return to work.	All working hours @ stated ESA overtime ¹⁶ rate until check in for departure		Monthly Salary plus ESA stated overtime ¹⁶ rate.	Monthly Salary plus all additional hours worked @ESA stated overtime ¹⁶ rate until check-in for departure
Change in Rota					
8	Change Rota - Delayed remobilisation Employee is advised to return to installation following delayed re-mobilisation. Date of mobilisation is first day of a new rota.	8 hours @ base rate for each day from end of unpaid rest period until mobilisation. New rota is then followed.		Monthly Salary	
9	Change Rota - Early demobilisation. Employee is advised prior to mobilisation of the requirement to demobilise early in order to commence unpaid rest period prior to returning to installation to change to new rota pattern. Next date of mobilisation is first day of a new rota.	Unpaid rest period. Each day from end of trip until remobilisation onto new rota.		Monthly Salary	

Retention				
10	Told to stay at Home - Not Assigned to Regular Rotation. Employee is on a second or subsequent trip. Employer informs Employee that mobilisation is delayed or cancelled for operational reasons.	Retention Allowance as per Schedule of Rates for each day from end of unpaid rest period until mobilisation or made redundant.	Monthly Salary	
11	No Work - End of Contract. Employee has completed work cycle and returned to home. Project is declared complete, and employee is instructed to await re-assignment following completion of assignment.	Retention Allowance as per Schedule of Rates for each day from end of unpaid rest period until mobilisation or made redundant.	Monthly Salary	Monthly salary, until reassigned or made redundant.
Absence				
12	Return to work - Sickness Absence - Assigned to Regular Rotation. Employee has been assessed fit to return to work after a period of sickness absence via the Company Occupational Health provider. Employee is on a regular rotation.	Payment at basic rate will re-commence on check-in for next mobilisation.	Monthly Salary plus offshore day rate will recommence on check-in for next mobilisation.	Monthly Salary will recommence on check-in for next mobilisation.
13	Return to work - Compassionate or Bereavement - Assigned to Regular Rotation. Employee has made themselves available to return to work after a period of absence due to compassionate or bereavement absence. Employee is on a regular rotation.	Payment at basic rate will re-commence on check-in for next mobilisation.	Monthly Salary plus offshore day rate will recommence on check-in for next mobilisation.	Monthly Salary will recommence on check-in for next mobilisation.
14	Return to work - Not Assigned to Regular Rotation. Employee is now able to return to work from a period of absence, Sickness, Compassionate or Bereavement. Employee is not assigned to a regular rotation.	Payment at basic rate will re-commence on check-in for next mobilisation.	Monthly Salary plus offshore day rate will recommence on check-in for next mobilisation.	Monthly Salary will recommence on check-in for next mobilisation.

Training			
15	<p>In Person Training course. Employee is required to attend a training course in person.</p> <p>Examples – <i>Employee travels on Sunday to attend 1.5-day training course.</i> <i>Payment received Monday - 12 hours.</i> <i> Tuesday - 4 hours.</i></p> <p><i>Employee travels on Monday to attend 4.5 days training course starting at 1pm Monday and finishing 5pm Friday. Employee is unable to travel home on Friday night.</i> <i>Payment received – Monday - 4 hours.</i> <i> Tuesday - 8 hours.</i> <i> Wednesday - 8 hours.</i> <i> Thursday - 8 hours.</i> <i> Friday - 12 hours.</i></p>	<p>Payment at basic hourly rate will be paid for each complete hour in attendance from designated start time until completion. For each separate day attended until completion of course.</p>	<p>Monthly Salary plus payment at basic hourly rate will be paid for each complete hour in attendance from designated start time until completion. For each separate day attended until completion of course.</p>
		<p>Training payment will continue to be made for number of hours in attendance, with two exceptions where applicable and discussed with the employer prior: ³⁰</p> <ul style="list-style-type: none"> • When training has been organised and the individual must travel the day before and spend the night prior to the day of training, the employee will receive 12 hours payment for that day's training, and the employer will organise the overnight accommodation required. • When training has been organised and the individual is unable to return home at the end of training, the employee will receive 12 hours payment for that day's training, and the employer will organise the overnight accommodation. <p>In the case that an employee has been required to spend the night prior to and at the end of the training, they will only qualify for one 12 hours payment.</p>	
16	<p>Online Training Course. Employee is completing computer- based training during unpaid rest period onshore.</p>	<p>Payment at basic hourly rate will be provided in line with average time expected to complete online training course as advised by the course provider, for each CBT Training Course.</p>	<p>Monthly salary plus payment at basic hourly rate will be provided in line with average time expected to complete online training course as advised by the course provided for each CBT Training Course.</p>
Overtime			
17	<p>Effective November 2022 - Overtime increased to 1.5 times base hourly rate. ²⁸</p> <p>* Where overtime has been built into an all-inclusive day-rate or annual salary this must be highlighted within individual terms and conditions of employment.</p>	<p>Payment at 1.5 times base hourly rate for each complete:</p> <ul style="list-style-type: none"> • pre-approved additional hour worked above normal 12-hour shift. • additional hour worked because of a delay occurring beyond the confirmed scheduled departure time. This is applicable for each hour worked until departure. (unplanned overtime) • hour worked when asked to mobilise early or demobilise later than designated rota, due to flight restrictions/changes over the Christmas and New Year period. (unplanned overtime) <p>Pre-arranged additional days will be paid at base rate for the first 12-hours per day, then overtime rate thereafter.</p>	

A.5 Appendix 6: Supplementary Project Agreement Template

Purpose

In recognition of the need for more flexibility within the Energy Services Sector whilst maintaining minimum base rates of pay, it is understood employers may be required to vary the terms of the Energy Services Agreement under specific circumstances. Should this be the case, the employer signatory to the ESA will consult with the trade unions and workforce to reach agreement on the variations ahead of any implementation and this will be documented in a Supplementary Project Agreement.

A Supplementary Project Agreement (SPA) is a signed agreement that allows for the temporary variation of specified terms provided for under the Energy Services Agreement (ESA). The SPA is agreed by the employer signatory and the signatory Trade Unions to the ESA.

A variation of terms contained within the ESA may be required to deal with exceptional circumstances due to (but not limited to):

- Nature and scope of works to be performed.
- Site or Project specific variations, safety precautions or regulations.
- Business or operational constraints, including temporary layoff options.
- Circumstances out with the control of the employer.

The signatories to the ESA will outline within the SPA:

- the reason for the proposed variation in terms.
- the specific terms and sections that will be varied.
- detailed methods of calculating and monitoring any variations.
- the specific time the variation will take effect from and to.
- any proposed review periods and the frequency.
- the section of the workforce that the variation will affect.
- the proposed consultation process, engagement, and timeline.

The SPA will be agreed and signed by the signatories with copies provided to all relevant parties including employees, to allow transparency and awareness.

Template

Page 1:

Supplementary Project Agreement (SPA)

for

(Title/Reason/Name of Project)

between

(Company Name)

and

Signatory Trade Unions

(GMB, RMT & Unite the Union)

Page 2 and Subsequent Pages:

1. Specify the Title of the Supplementary Project Agreement
2. Parties to the Agreement
 - 2.1. For the Employer – *(Insert Company Name)*
 - 2.2. For the Trade Union – GMB, RMT and Unite the Union
3. Trade Union Membership

The signatory trade unions to the ESA and this SPA are recognised to be the sole negotiating Trade Unions for employees covered by this agreement.

4. Background

Describe why a SPA is required. For example, short term nature of project, recruitment and retention issues, commercial viability, specialist skills required, market conditions.

Include a summary description on which terms are to be varied, what has been requested by the client, the timeline, and the reasons why this is necessary.

5. Effective Date and Duration

The effective date for this agreement is *(insert date applicable from)* and it will continue for *(insert duration.)* *(If required,)* an annual review of this SPA will take place on *(insert timeline)* with a potential extension agreed.

6. Workforce

All employees currently *(describe the group of employees to be covered by the SPA - Include as much details as required to identify and specify the correct group of employees that the SPA will cover)*.

7. Variation of ESA Terms

The following terms listed below, will be varied from the standard terms outlined in the ESA, due to *(insert reason)*, applying to *(insert effected employees)*, for *(insert timeline)* *(Include methods of calculating and monitoring any variation in terms.)*

Terms (examples – add or delete as appropriate)	Energy Services Agreement current terms (describe the current terms)	<i>(Company Name)</i> SPA Variation of Terms (provide details of the variations)
Payment Method		
Payment Rates		
Allowances		
Notice Period		
Holiday Provisions		
Holiday Pay		
Pension Arrangements		

8. Consultation and Engagement

Following *(insert number of days)* consultation period and the acceptance of the proposed SPA, all current employees on *(insert identifying grouping)* will receive an addendum to their current Terms and Conditions of Employment that clearly defines the ESA terms to be varied, nature and scope of work to be performed, commencement and duration, any methods of calculating and monitoring payments, workforce communication requirements and any site or project variations, safety precautions or regulations.

New employees will also receive a copy of the original base terms and conditions of employment along with the addendum outlined above.

9. Amendments/Early Termination to SPA

9.1. Amendments

(insert Company name) reserve the right to make reasonable amendments to this SPA should the circumstances laid out in section 4 change for any reason. Notification of any changes must be provided

in writing to all parties involved. A consultation period of *(insert number of days)* will be applicable before any changes become effective. All affected employees will be advised in writing of the exact changes and the date these changes will become applicable from.

9.2. Early Termination

Should *(insert Company name)* be required to terminate this SPA ahead of the specified duration of the agreement, a consultation period of *(insert number of days)* will be applicable before any changes become effective.²⁴ Notification will be provided in writing to all parties concerned detailing the reasons why early termination is necessary, the date that all supplementary terms will cease to exist from, that base ESA terms will be applicable from *(insert date)* and what communication has been issued to the affected employees.

10. Signatories – to this agreement

Company	Name	Signature	Date
<i>Insert Company Name</i>	Company Project Manager		
<i>Insert Company Name</i>	Company HR Manager		
GMB			
RMT			
Unite			

A.6 Appendix 7: Definitions and Terminologies

APPENDIX 7: DEFINITIONS AND TERMINOLOGIES	
CBT	Computer Based Training
CPI%	Consumer Price Index
CPA%	Commodity Price Adjustment
ESA	Energy Services Agreement
ICOP	Industry Code of Practice
PRC	Permanent Retained Contract
RAM	Rate Adjustment Mechanism
UKCS	United Kingdom Continental Shelf
CALCULATION DATE	Beginning of August
EMPLOYERS	Employing companies who are signatory to the ESA
EQUAL TIME ROTATION	Equal number of days worked and rest. Holidays may be requested from working and rest time.
GAS PRICE	Average of previous 12 months day ahead gas price
IMPLEMENTATION DATE	1 st January
MINIMUM ANNUAL SALARY	The minimum base annual salaries are calculated based on the number of days paid, including payments for annual leave.
MINIMUM BASE RATE OF PAY	Calculated including both CPI% and CPA% adjustments
NEW BASE RATE	Calculated including CPI% adjustment
NON-EQUAL TIME ROTATION	Number of rest days exceed the number of worked days. Periods of annual leave are built into the rotation; therefore, holidays cannot be requested separately.
NO REGULAR ROTATION	No fixed rotation, employed to complete a scope of work and then moved to another scope of work once complete.
OIL PRICE	Average of previous 12 months brent spot price
PERMANENT RETAINED CONTRACT	The minimum base PRC rates are calculated based on the expected number of days worked, holiday entitlement (prorated if applicable) and daily allowance paid when mobilised offshore.
REFERENCE PERIODS	August of the previous year through to July of current year
REGULAR ROTATION	Employees who are assigned to a regular rotation and continue to follow the assigned rotation.
TRADE UNIONS	Trade unions who are signatory to the ESA

APPENDIX 7: DEFINITIONS AND TERMINOLOGIES	
SIGNATORIES	All parties who are signatory to the ESA.
WORKFORCE ENGAGEMENT FORUM	Quarterly forums where nominated trade union and employee representatives will be invited to participate in discussions, activities and to review documentation with all signatories to the ESA.
ADDITIONAL HOLIDAY PAY^{8 34}	To ensure payments made whilst on annual leave are in line with actual earnings and comply with legislation, employers will make an additional payment based on a calculation of average earnings over a reference period of the previous ³⁴ 52 working-weeks or relevant period if less than 52 weeks.

A.7 Appendix 8: Version Control⁹

APPENDIX 8: VERSION CONTROL			
Date	Change Number	Change made	When and where agreed
17/05/21	1	Date RAM to be calculated changed to end August to accommodate publication of CPI% - 3 rd Wednesday of each month. Both ESA section 1.3.2 and Appendix 4 Rate Adjustment Mechanism.	13 May 2021 via Workforce Engagement Forum
17/05/21	2	Amendment to job title for David Stewart – Wood, Appendix 1 ESA Signatories	13 May 2021 via Workforce Engagement Forum
17/05/21	3	Fire and Gas Technician added to list of disciplines within Appendix 2 Grades and Disciplines.	13 May 2021 via Workforce Engagement Forum
17/05/21	4	Appendix 3 Schedule of Rates, Overtime rate for Grades 2,3 and 4 updated due to error in previous calculation	13 May 2021 via Workforce Engagement Forum
17/05/21	5	Date RAM to be calculated changed to end August to accommodate publication of CPI% - 3 rd Wednesday of each month. Both ESA section 1.3.2 and Appendix 4 Rate Adjustment Mechanism.	13 May 2021 via Workforce Engagement Forum
17/05/21	6	Appendix 5 Payment Scenario Matrix, update to scenario 4, to include payment at offshore date rate for each delay against Permanent Retained Contract model	13 May 2021 via Workforce Engagement Forum
17/05/21	7	Appendix 5 Payment Scenario Matrix, update to scenario 5, to include payment at offshore date rate for each delay against Permanent Retained Contract model	13 May 2021 via Workforce Engagement Forum
17/05/21	8	Clarification added to Appendix 7 Definitions and Terminologies, relating to reference periods for calculation of Additional Holiday Pay, 6 week reference period and 52 week.	13 May 2021 via Workforce Engagement Forum
17/05/21	9	Introduction of Appendix 8 Version Control, to capture any changes to ESA document and Appendix 1-7.	13 May 2021 via Workforce Engagement Forum

⁹

APPENDIX 8: VERSION CONTROL			
9/11/21	10	Crane Mechanic/Operator job title corrected within list of disciplines within Appendix 2 Grades and Disciplines.	25 August 2021 via Workforce Engagement Forum
09/11/21	11	Hyperlinks added to job titles that link direct to connected competence role profiles.	25 August 2021 via Workforce Engagement Forum
22/12/21	12	Appendix 3 Schedule of Rates updated with 2022 rates	17 November 2021 via Workforce Engagement Forum
24/02/22	13	Name change – reference to OGUK updated to OEUK to reflect name change effective 14 February 2022	23 February 2022 via Workforce Engagement Forum
15/03/2022	14	Name change – Appendix 1 ESA Signatories, Muehlhan updated to Altrad Energy Support Services Ltd to reflect purchase of Muehlhan UK by Altrad Services Ltd effective 1 January 2022	23 February 2022 via Workforce Engagement Forum and signed confirmation from AESS Ltd.
19/05/2022	14.1	Appendix 1: ESA Signatories updated to reflect Bilfinger UK becoming a signatory to the ESA.	Approved by ESA Signatories via email May 2022.
30/06/2022	15	Appendix 3 Schedule of Rates updated with increase applied from 1 July 2022.	15 June 2022 by ESA Signatories
01/01/2023	16	Updates made to capture changes to Allowances effective 1 November 2022 as agreed by all ESA Signatories	01 November 2022 by all ESA Signatories

30/01/2023	17	Advised to update Brand Energy & Infrastructure Services ESA director representative to David Strang as John Simpson will no longer have responsibility. Advised to update Brian Mercer to David Hutchinson for Semco Maritime	Email received from Signatory companies to advise of change
28.03.2023	18	Appendix 1: Signatories to the ESA was updated to reflect ASCO Group becoming a member of the ESA.	Discussed and approved at ESA Signatories meeting March 2023.
20.09.2023	19	Appendix 1: Signatories to the ESA was updated to reflect changes to ESA Director representatives, following emails received from relevant signatory organisations. Ian Ramsay replaced by Paul Leneghan for KAEFER UK	Email received from Ian Ramsay on 20 09 2023
01.01.2024	20	Section 1.3.2 updated to reflect introduction of Exceptional Circumstances Allowance as recommended by RAM review TFG April – October 2023	Approved by ESA Signatories at meeting December 2023.
01.01.2024	21	Appendix 4: Rate Adjustment Mechanism updated to reflect output from RAM review TFG recommendations. Review carried out between April and October 2023	Approved by ESA Signatories at meeting December 2023.
01.01.2024	22	Appendix 3: Schedule of Rates updated to include Exceptional Circumstances Allowance should it become applicable.	Approved by ESA Signatories at meeting on 18 October 2023.
14.11.2023	23	Appendix 1: Signatories to the ESA was updated to reflect changes to ESA Director representatives, following emails received from relevant signatory organisations. Mike Duncan replaced by Richard Stevens for Stork	Email received from M Duncan 30.10.2023
01.12.2023	24	Update to Appendix 6: Supplementary Project Agreement Section 9.2 to include requirement for relevant consultation period.	Approved by ESA Signatories at meeting December 2023.
01.01.2024	25	Appendix 1: Signatories to the ESA was updated to reflect changes to ESA Director representatives, following emails received from relevant signatory organisations. Olivier Renaud replaced by Benoît Lamoussiere for PBS effective 1 January 2024	Email received from O Renaud on 29.09.2023

01.04.2024	26	Appendix 1: Signatories to the ESA was updated to reflect changes to ESA Director representatives, following emails received from relevant signatory organisations. Andrew Ferguson replaced by Sandy Reid for ODE Asset Management Ltd	Email received from A Ferguson 09.01.2024
22/01/2024	27	Appendix 1: Signatories to the ESA was updated to reflect changes to ESA Director representatives, following emails received from relevant signatory organisations. David Stewart replaced by Steve Nicol for Wood.	Email received from A Young 22.01.2024
11/09/2024	28	Overtime example added to Appendix 5 Payment Scenario Matrix, covering additional complete hours worked on a daily basis, due to flight delays beyond normal departure time and flight restrictions over the Christmas and New Year period.	Approved by ESA Signatories Meeting 2 nd October 2024
11/09/2024	29	List of changes made to Allowances effective 1 November 2022 added for information, reference, and guidance to Appendix 3 Schedule of Rates	Approved by ESA Signatories Meeting 2 nd October 2024
11/09/2024	30	Clarification on Training Day Payments added to Appendix 5 Payment Scenario Matrix	Approved by ESA Signatories Meeting 2 nd October 2024
01/10/2024	31	Superior Recruitment Group became signatories to the Energy Services Agreement	Approved by ESA Signatories at Meeting 2 nd October 2024
01/01/2025	32	Insert into Rate Adjustment Mechanism (RAM) “The RAM will subsequently be reviewed on a 3 yearly cycle thereafter” to make reference to the 3 yearly review process.	Approved by ESA Signatories at Meeting 15 January 2025
01/01/2025	33	2.1.9 Training and Onshore Meetings and Appendix 3 Schedule of Rates – Allowances Table – Remove reference to “a full day’s training” – This was previously agree - reference line 30 above but missed from the Version 9 review	Approved by ESA Signatories at Meeting 15 January 2025
01/01/2025	34	2.2.1 Annual Leave and Holiday Pay – amending reference period from 6 to 52 weeks to bring in line with legislation changes.	Approved by ESA Signatories at Meeting 15 January 2025

01/01/2025	35	Update to Appendix 3 Schedule of Rates with 2025 rate review and changes agreed via Task Finish Group on Life Assurance and Accident Benefit.	Approved by ESA Signatories at Meeting 15 January 2025
01/01/2025	36	Appendix 4 Rate Adjustment Mechanism, parameters adjusted to reflect NSTA updated average cost per barrel.	Approved by ESA Signatories at Meeting 15 January 2025
01/04/2025	37	THREE60 OPERATIONS SERVICES LIMITED joined as a signatory with effect from 1 st April 2025. John Simpson Operations Director.	Approved by ESA Signatories at Meeting 21 May 2025
01/04/2025	38	Stork Technical Services UK Limited change of name to Altrad Integrity Services Limited effective 28 th March 2025	Approved by ESA Signatories at Meeting 21 May 2025
06/05/2025	39	Update to named signatories within Appendix 1 ESA Signatories section. Mark Piggott VP UK Europe and Angola Operations for Aker Solutions and Rod Agnew Vice President Offshore E&M UK for Bilfinger	Approved by ESA Signatories at Meeting 21 May 2025
15/05/2025	40	Update to named signatories within Appendix 1 ESA Signatories section. Chris Behan Vice President Operations for Worley.	Approved by ESA Signatories at Meeting 21 May 2025
21/05/2025	41	Add Medic to Appendix 2 Grades and Disciplines at Grade 1	Approved by ESA Signatories at Meeting 21 May 2025
January 2026	42	Update to the Appendix 3 Schedule of Rates with January 2026 rates	Approved by ESA Signatories at Meeting September 2025
18/05/2026	43	Updates to Appendix 1 ESA Signatories – New Signatory Kent Plc, Sandy Merson updated to Craig McCartney Head of UK and Europe Asset Solutions for Petrofac and Richard Steven updated to Stuart Strachan Business Unit Director for Altrad Integrity Services	Approved by ESA Signatories via email February 2026



oeuk.org.uk/energy-services-agreement

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