

---

## **Control of Contractors Policy & Procurement**

**Joint Report by Chief Financial Officer  
& Corporate Transformation and Services Director**

---

### **EXECUTIVE COMMITTEE**

**18 AUGUST 2015**

---

#### **1 PURPOSE AND SUMMARY**

- 1.1 This report provides an update on the requirement for Constructionline accreditation as part of the Control of Contractors Policy (Design, Construction, Maintenance and Repair).**
- 1.2 The policy defines how the Council will uphold its Health and Safety responsibilities, and the principles contained within it extend to all employees, and those employed to undertake contracted works for and on behalf of the Council.
- 1.3 The policy is owned and managed by Wellbeing & Safety Management Services and contains a requirement that SBC only employs contractors who are fully accredited SSIP (Safety Schemes in Procurement) members of Constructionline and have green status.
- 1.5 The requirements of the policy are applied to all relevant Construction, Maintenance and Repair procurement exercises, including the recent Repair & Maintenance Framework Agreement.

#### **2 RECOMMENDATION**

- 2.1 It is recommended that the Executive Committee notes the update on the requirement for Constructionline accreditation as part of the Control of Contractors Policy (Design, Construction, Maintenance and Repair).**

### **3 BACKGROUND**

- 3.1 The Council adopted the Control of Contractors Policy during May 2014. The policy requires that SBC will only employ contractors who are fully accredited SSIP (Safety Schemes in Procurement) members of Constructionline and have green status. The full policy is attached to this report as **Appendix 1**.
- 3.2 The Authorities Benchmarking Committee (across 11 local authorities) considers the Control of Contractors Policy to be an essential policy for a Local Authority to be deemed compliant with regards to Health and Safety management.

### **4 CONTROL OF CONTRACTORS POLICY**

- 4.1 SBC is committed to achieving a culture that ensures it complies with all current Health and Safety legislation and in so doing endeavours to provide safe places and safe systems of work. This principle extends to all employees including those employed to do contracted works for and on behalf of the Council by ensuring they are provided with all necessary information and instruction. The Council discharges its duties with all due care and diligence so far as is reasonably practicable and promotes Health and Safety as a main consideration.
- 4.2 The Health and Safety at Work etc. Act 1974 requires safe places and safe systems of work with minimised risks to employees or others affected by the organisations undertakings.
- 4.3 In general contractors are less familiar with the workplace than staff based at that workplace or visiting and yet they are often carrying out tasks more hazardous than those normally occurring there.
- 4.4 The policy is aimed at defining how SBC will uphold its responsibilities, how these responsibilities will be carried out, who has responsibility and to provide guidance to those persons.
- 4.5 The policy covers all premises, sites owned or leased by the Council along with sites on which the Council may be working and covers matters of Health and Safety and good working practices in relation to contracted employees.
- 4.6 It is the intention of the policy to provide control which will ensure the Health and Safety of all persons on SBC premises where a contractor is employed and the contractor themselves.
- 4.7 From a legal perspective, the Council is the Client for all works orders and therefore has a legal duty to provide a safe working environment. Any absence of a suitable accreditation would require Officers to assess every contractor/tradesmen for every piece of work carried out. This is not possible for any of logistical, resource, time and associated cost reasons.
- 4.8 The adoption of the requirement for Constructionline accreditation supports a streamlined tendering process for Construction Works by minimising bureaucracy, and for the lower value reactive and planned maintenance works, ensures all trades working for the Council are compliant with Health and Safety requirements.

## **5 CONSTRUCTIONLINE**

- 5.1 Constructionline is the UK's leading procurement and supply chain management service that collects, assesses and monitors standard company information through a question set that is aligned to the standardised pre-qualification questionnaire (PQQ). This PQQ has been developed by the British Standards Institution and aims to reduce duplication within the construction industry.
- 5.2 Constructionline was established in 1998 by the predecessor UK Government Department of Business, Innovation and Skills. The key ambition was to reduce the pre-qualification burden on the construction industry by providing a single point for the collection of all standard pre-qualification data that can then be used by a range of clients.
- 5.3 Until January 2015, Constructionline was owned by the UK Government and operated by Capita under a concession contract. Capita have now bought the company from the UK Government and have a key objective to ensure a safe and efficient continuation of service to existing Constructionline customers. This change of ownership will be monitored to ensure the service continues to operate efficiently and effectively.
- 5.4 The aim is to provide efficiency savings to public and private sector buyers and the construction industry as a whole by streamlining procurement procedures and improving the supply chain management processes by reducing risk, creating cost efficiencies and helping buyers engage with new suppliers, including SMEs and local companies.
- 5.5 Fees relating to this accreditation are scaled based on turnover and business size. Membership offers additional benefit to micro and SME businesses through being pre-qualified for other contract opportunities with an associated reduction in time and cost of filling out paperwork. For instance, access to Constructionline allows local contractors to be included in tender lists for work beyond the Scottish Borders.
- 5.6 The fees relating to Constructionline accreditation range from £90.00 (net of VAT) for a business with a turnover up to £99,999, to a maximum fee of £1565.00 (net of VAT) for a business with a turnover beyond £50 million.

## **6 USE OF PROCUREMENT TO ACHIEVE POLICY**

- 6.1 Procurement processes are a mechanism to achieve Council policy across a significant number of areas. These can include Health and Safety requirements, Data Protection, Quality Management and Equalities considerations.
- 6.2 In the case of the Repairs and Maintenance Framework Agreement (an agreement for reactive and planned maintenance covering 11 trade services including joiners, glaziers, plumbers, electricians, builders and roofers) the procurement process included the requirement noted at 3.1.
- 6.3 With over 10,000 orders per annum and a budget of circa £1.8m, management of this volume of activity does not allow for direct supervision of each job, therefore external verification of each contractor's compliance with appropriate legislation is crucial to minimise risk to both the Council, the public and the contractors themselves.

## **7 CONTRACTOR SUPPORT**

- 7.1 In order to support and facilitate contractors with the Repair and Maintenance tender process a series of 5 workshops were held in Peebles, Chirnside, Kelso, Galashiels and Hawick before the tender was formally launched. Representatives from the Procurement, Property Management and Wellbeing and Safety teams, as well as Constructionline were in attendance.
- 7.2 The tender document for the Repairs & Maintenance Framework Agreement included clear guidance and noted the requirement for any potential contractor to be willing to undertake Constructionline registration before being fully admitted to the participation list.
- 7.3 The information provided with the tender document allowed sufficient time for those admitted to the Framework Agreement to complete their registration with Constructionline and SSIP accreditation – the timescale was subsequently extended to 20th July 2015 to allow contractors to commence the process.
- 7.4 A further engagement event was more recently held at Springwood Park, Kelso with over 60 contractors attending to hear a presentation from Constructionline followed by the opportunity to discuss accreditation directly with Constructionline.
- 7.5 While there have been isolated instances of resistance, this significant change process has been adopted positively by the majority of our local tradesmen.
- 7.6 138 Contractors are participating in the Repair and Maintenance Framework Agreement. As at 10<sup>th</sup> August 2015, 72% (99) of these contractors are fully registered with Constructionline. Of the remaining contractors, all are in the process of registration.
- 7.7 The SSIP requirement (which complements Constructionline registration) can be fulfilled through a number of options and so is a matter of choice for each contractor. Of the contractors fully signed up to Constructionline 58% (57) were already or have subsequently registered with the organisation of their choice.
- 7.8 These figures are being monitored daily by Property Services, Procurement and Constructionline. The trend is positive with those achieving full registration increasing on a day to day basis.

## **8 IMPLICATIONS**

### **8.1 Financial**

- (a) There are no direct financial implications to this report.

### **8.2 Risk and Mitigations**

- (a) The Control of Contractors Policy supports the legal duty to provide a safe working environment and so mitigates any risk to the Council of not doing so.
- (b) There is a risk that any amendment to the requirements of the Control of Contractors Policy will compromise Councils Health and

Safety responsibilities and disaffect any contractor who has completed the accreditation process.

**8.3 Equalities**

- (a) This is an information only based report and as such there are no equalities implications.

**8.4 Acting Sustainably**

- (a) This is an information only based report and as such there are no sustainability implications.

**8.5 Carbon Management**

- (a) This is an information only based report and as such there are no carbon management implications.

**8.6 Rural Proofing**

- (a) Not applicable

**8.7 Changes to Scheme of Administration or Scheme of Delegation**

- (a) No changes required

**9 CONSULTATION**

- 9.1 The Monitoring Officer, the Chief Legal Officer, the Service Director Strategy and Policy, the Chief Officer Audit and Risk, the Chief Officer HR and the Clerk to the Council have been consulted with comments received incorporated into the report.

**Approved by**

**David Robertson**  
**Chief Financial Officer**

**Signature .....**

**Rob Dickson**  
**Corporate Transformation and Services Director**

**Signature .....**

**Author(s)**

| Name             | Designation and Contact Number                |
|------------------|---|
| Kathryn Dickson  | Procurement & Payment Services Manager x 6646 |
| Graham Cresswell | Senior Wellbeing & Safety Adviser x 6627      |
| Stuart Mawson    | Property Manager x 6550                       |

**Background Papers:**

**Previous Minute Reference:** Scrutiny Committee, 28th May 2015

**Note** – You can get this document on tape, in Braille, large print and various computer formats by contacting the address below. Kathryn Dickson can also give information on other language translations as well as providing additional copies.

Contact us at Kathryn Dickson, Scottish Borders Council, Council Headquarters, Newtown St Boswells, Melrose, TD6 0SA, email: [Kathryn.dickson@scotborders.gov.uk](mailto:Kathryn.dickson@scotborders.gov.uk)