

Common Minimum Standards

For the Procurement of Works in the Built Environment by Local Authorities in England





INTRODUCTION

This guidance is produced to assist local authorities in ensuring that they are able to meet recognised best practice standards in their construction, refurbishment and repair projects.

BACKGROUND

In 2005 the Office for Government Commerce (OGC) published mandatory guidance for all central government departments on minimum standards which should be applied to all construction related projects under their control. These standards have been agreed by Ministers, and are to be applied to all procurement of works in the built environment carried out in England for any public client.

The standards are not new, and in some cases are already mandatory for government departments. They do not cover legislative requirements which are in any case mandatory. They should be read in conjunction with the OGC's "Achieving Excellence" documentation. Details of this can be accessed at:

www.ogc.gov.uk/sdtoolkit/reference/ogc_library/achieving_excellence/index.html

Compliance with these standards is considered to represent cost effectiveness. However their application by individual procurers should be considered on a project specific basis within the context of practicality, achievability and value for money, defined as the optimum combination of whole life cost and quality to meet user requirements. Procurers should be expected to comply with these standards unless it can be clearly demonstrated that one or more of them falls outside the above criteria.

This document has been adapted from the OGC base document to make it directly applicable to local authorities.

FURTHER INFORMATION

Any queries or requests for further information about these standards should be directed in the first instance to the OGC Service Desk by

Tel: 0845 000 4999

Email: ServiceDesk@ogc.gsi.gov.uk

You can contact the Local Government Task Force by

Tel: 020 7592 1100

Email: Natalie.clinton@constructingexcellence.org.uk

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1 General

1.1 All construction projects should be carried out in accordance with the best practice principles set out in the OGC Achieving Excellence in Construction initiative. Deviations from this best practice are only permissible if there are demonstrable whole life value benefits to be achieved.

Achieving Excellence calls for the use of integrated supply teams, the development of long-term relationships with suppliers, the reduction of financial and decision-making approval chains, improved skills development and empowerment, the adoption of performance measurement indicators and the use of tools such as value and risk management and whole life costing in order to support and deliver innovative solutions to meet business needs.

The suite of Achieving Excellence guidance is available at http://www.ogc.gov.uk/sdtoolkit/reference/ogc_library/achievingexcellence/index.html

2 Project and Programme Procurement

2.1 Procurement strategies and contract types must support the development of collaborative relationships between the local authority client and its suppliers and shall facilitate the early appointment of integrated supply teams (each part of which should incorporate an integrated supply chain).

Procurement routes should be chosen from those which support integrated team working. Non-integrated procurement approaches should not be used unless it can be clearly shown that they offer best value for money in practice, this should be the exception rather than the norm.

2.2 Pre-qualification and tendering processes should be appropriate for the project, meeting legal obligations and avoiding unnecessary bureaucracy and costs for suppliers.

Construction firms incur significant costs from pre-qualifying to bespoke buyer formats, which can themselves go beyond legal requirements for the pre-qualification phase of procurement. Consistent use by the public sector of a single national pre-qualification database was a recommendation of Sir Michael Latham's 1994 report "Constructing the Team". It remains a strong construction industry desire.

Clients can move to meet this aspiration by making use of Constructionline, a government-owned, pre-qualification tool, a central repository of current, accurate, core data that mitigates for suppliers and buyers the expense of providing or soliciting commonly required information. Constructionline is being developed to support emerging best practice in construction procurement, within the legislative and regulatory procurement framework. It displays data on firms' health & safety performance and processes, and on workforce skills. It also helps suppliers seeking to form integrated teams to identify suitable partners. www.constructionline.co.uk

2.3 Construction projects should be monitored for their performance against the OGC Achieving Excellence Strategic Targets.

Applicable to projects (including the construction phase of PPP/PFI projects) undertaken using public funds for Local Government, central government departments, agencies and NDPBs as well as those in the education and health sectors.

OGC Information Note 3/2004, available at http://www.ogc.gov.uk/embedded_object.asp?docid=1001712.

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2.4 The appraisal of procurement options and the selection of the preferred project scheme must take account of whole life value for money (including costs for operation & maintenance and taking account of the opportunity to provide long term flexibility). Such decisions must not be based solely on capital cost.

This assessment should include justification for any decision to procure new facilities rather than to re-use existing facilities and should take account of the likely economic, environmental and social costs and benefits, where it is possible and practical to do so.

2.5 OGC GatewayTM Risk Profile Assessments and the appropriate GatewayTM Review process (or a similar departmentally approved process) shall be undertaken on all programmes and projects.

Further details of the Gateway process are available at <http://www.ogc.gov.uk/index.asp?id=377>.

2.6 Clients are to ensure that appropriate expert support has been procured to advise on design, sustainability and health & safety issues.

2.7 Local Authority Clients should ensure that their authority has a designated Member Design Champion

See OGC/CABE publication "Improving Standards of Design in the Procurement of Public Buildings" available at http://www.ogc.gov.uk/sdtoolkit/reference/ogc_library/achieving_excellence/stds_design.pdf

2.8 Clients should pay all monies properly due promptly and in any event within the contractually required timescales.

Where practicable, payment mechanisms should be chosen to reflect the opportunities offered by integrated team working. Wherever possible steps should be taken to discourage the potential abuse of retentions within the supply chain.

Guidance on exemplar payment mechanisms is being considered by the Fair Payments Task Group, chaired by OGC.

3 Health and Safety

3.1 All clients are to follow OGC's Achieving Excellence in Construction Procurement Guide 10, Health and Safety. In particular, 3.2 - 3.5 below sets out the key issues that must be followed.

3.2 Clients are to have in place systems to collect and analyse health & safety performance data (Accident Incident Rates) for all construction projects on which they have a duty of responsibility.

The measurement process is to include the performance of all parts of the supply team (contractors, sub-contractors and designers).

OGC Information Note 4/2003, available at http://www.ogc.gov.uk/embedded_object.asp?docid=1001824

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3.3 Clients are to assess the health & safety performance and processes of their shortlisted supply teams as a fundamental part of the pre-qualification assessment process.

Suppliers with inadequate processes and/or poor health & safety performance records on comparable projects should be excluded from the tender lists. Feedback should be given to such suppliers to allow them to remedy such failings for the future.

3.4 Clients are to include within all contracts involving construction a requirement for their constructors to be registered with a suitable site management / good neighbour scheme such as the Considerate Constructors Scheme and to comply with the scheme's Code of Considerate Practice.

OGC Information Note 10/2002, available via the OGC Service desk at http://www.ogc.gov.uk/embedded_object.asp?docid=1000062 or from ServiceDesk@ogc.gsi.gov.uk or by telephoning 0845 000 4999.

3.5 Clients are to include a contract clause requiring that all members of their supply teams who are workers on or regular visitors to a construction site are registered on the Construction Skills Certification Scheme (CSCS) or are able to prove competence in some other appropriate way.

Whilst the CSCS scheme does not yet provide certification for all skills, as a minimum site workers should hold the Operative level card, which includes basic safety training.

OGC Information Note 5/2003, available at http://www.ogc.gov.uk/embedded_object.asp?docid=1001421

4 Design

4.1 All clients will aim to deliver design excellence in accordance with the principles set out in Achieving Excellence 9: Design Quality (OGC, 2004). In order to achieve this:

It is recommended that clients consider the use of a structured mechanism such as Design Quality Indicators (DQIs) to assist in this process.

OGC Achieving Excellence Guide 9: Design Quality, is available at http://www.ogc.gov.uk/sdtoolkit/reference/ogc_library/achieving_excellence/ae9.pdf

- Clients will signal the importance of design as a project selection criterion from the outset of the selection process (including the selection of the weightings used for bid evaluation) through the development of the output specification, of contractual documentation and of the sign-off procedures.
- Clients should develop a clear project design brief that addresses current and future service requirements, the client's aspirations for the building and the project's physical and social context.
- Tender design proposals and/or strategies and the competence of the proposed design team should be reviewed before selection of any final bidder who will be carrying out any design work, as well as at other key stages in the procurement process.
- Clients are to involve all stakeholders, including end-users, before, during and after delivery of a programme or project, in the development of the output specification and design brief, and in the assessment of project success.

More detailed guidance is available in CABE's Creating Excellent Buildings: A Guide for Clients (CABE, 2003) that can be found at http://www.cabe.org.uk/pdf/Client%20Guide_navigable%20PDF.pdf

Further information on DQIs can be found at www.dqi.org.uk.

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4.2 In considering design excellence clients should take into account not just aesthetics, but buildability, functionality (including fitness for purpose), maintainability, sustainability and future flexibility of use.

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5 Historic Estate

5.1 All projects or programmes that impact on the historic estate are to comply with the requirements of the "Protocol for the Care of the Government Historic Estate" (Department for Culture, Media and Sport, 2003).

Further Information

Available on the DCMS web site at
<http://www.culture.gov.uk/NR/rdonlyres/E0665AB1-B348-4FBB-9955-07954F3D7386/0/BCRprotocol.pdf>.
(Hard copies can be obtained from the Government Historic Estates Unit (English Heritage, 23 Savile Row, London, W1S 2ET. Telephone 020 7973 3801).

6 Sustainability

6.1 Project and programme procurement strategies will take full account of the Government's commitment to sustainable development and of the economic, environmental and social impacts of its decisions. All clients are to follow OGC's Achieving Excellence in Construction Procurement Guide 11: Sustainability. In particular.

The guidance set out in the OGC Guide "Social Issues in Purchasing" should be adopted as the norm for all Procurement.

- All construction projects shall be designed, within the context of value for money and functionality, to maximise the efficiency of energy, water and waste management, minimise and where possible avoid negative but enhance positive impacts on biodiversity, and take account of the likely impact on staff, transport systems and local communities.

OGC Achieving Excellence Guide 11:Sustainability:
http://www.ogc.gov.uk/sdtoolkit/reference/ogc_library/achieving_excellence/ae11.pdf

Social issues in purchasing available at
http://www.ogc.gov.uk/embedded_object.asp?docid=1004638

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6.2 An appropriate environmental assessment process such as BREEAM or an equivalent (e.g. CEEQUAL, DREAM etc.) appropriate to the size, nature and impact of the project must be carried out on all projects. All new projects are to achieve a BREEAM "excellent" rating and all refurbishment projects are to achieve at least "very good" rating, unless site constraints or project objectives mean that this requirement conflicts with the obligation to achieve value for money. Where an alternative environmental assessment methodology is used, projects should seek to achieve equivalent ratings.

Background

The Code for Sustainable Homes Practice proposed by the Sustainable Buildings Task Group is currently under development. If its development is successful it will be considered for adoption as a standard for building across the public sector.

Further Information

6.3 The requirements of the OGC/DEFRA "Quick Wins" specifications shall be followed for the procurement of all construction products included in these specifications.

The schedule of products is available at http://www.ogcbuyingsolutions.gov.uk/environmental/products/environmental_quickwins.asp

6.4 All timber or timber products (including timber used solely during the construction process such as temporary fencing, hoardings or shuttering) are to be purchased only from sustainable sources.

Local Authorities should actively seek to ensure that the trees from which timber and other products are derived were legally harvested and grown in a well-managed sustainable forest or plantation.

See the Defra Timber Procurement Advice Note: January 2004 <http://www.sustainable-development.gov.uk/delivery/integrating/estate/documents/DefraTimberAdviceRevised28Jan04.doc>

6.5 Any new procurement project (whether new build, refurbishment, purchased, leased or the procurement of a service - e.g. managed workspace) must fall into the upper quartile of energy performance for the building type, except where specific operational requirements prevent this.

If no suitable building is available, the reasons for an alternative choice must be justified and all reasonable, cost-effective energy efficiency measures must be implemented, appropriate to the type and duration of the procurement. Guidance to procurers on the measurement and achievement of this target is currently under development.

Commitment made in the "Energy Efficiency Implementation Plan: Government Plan for Action", available at <http://www.official-documents.co.uk/document/cm61/6168/6168.htm>

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For further information please contact:

Natalie Clinton, Local Government Task Force

T: 020 7592 1149

E: Natalie.clinton@constructingexcellence.org.uk

W: www.lgtf.org.uk