

## Build UK and CECA Pre-Qualification Reform Soft Launch

### Vision

Build UK and CECA are aiming to reduce bureaucracy and cost in the construction pre-qualification (PQ) system by establishing a single assessment standard for stage 1 (business assurance).

Companies will be audited once a year, by a recognised assessment body, against the industry-agreed 'Common Assessment Standard', and they will need to update key information during the year as required. This would be accepted by Clients and Contractors providing assurance that their supply chains are competent and they would not specify a particular assessment body.

### Background

The current PQ system is complex, bureaucratic and repetitive and costs the industry up to £1 billion a year.

In 2017, the Construction Leadership Council (CLC) welcomed the work to be undertaken by Build UK and CECA as a "*real and practical way of reducing bureaucracy and improving quality in the procurement process*". The CLC confirmed it would be encouraging adoption of the revised standard throughout Government construction procurement.

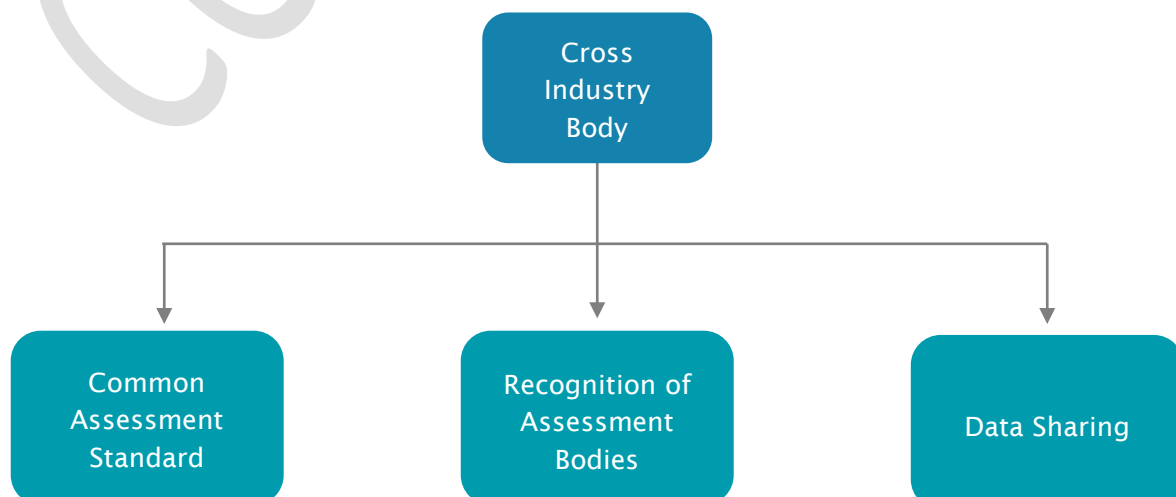
Now identified as a specific action within the Construction Sector Deal, Government is committed to '*developing a standardised cross-industry pre-qualification process and Pre-Qualification Questionnaire (PQQ) that can be adopted across the public and private sectors*'.

This paper sets out a plan for working towards a soft launch of a new PQ system which will be available to Build UK and CECA members from **March 2019**. It is anticipated that the system will be developed as it is rolled out to the wider industry in 2019/20.

### Cross Industry Body

A Cross Industry Body will oversee the new PQ system which will include:

1. Implementation and review of the Common Assessment Standard
2. Recognition of assessment bodies to audit companies against the Common Assessment Standard
3. The sharing of verified PQ data.



The former Build UK and CECA PQ Reform Steering Group has become an Interim Cross Industry Body to deliver the next phase of the project and oversee the new PQ system in the short term. Membership has been expanded to include Government and assessment body representatives.

The Interim Cross Industry Body is facilitated by Build UK working with CECA.

**A membership list can be found at appendix A.**

### **Common Assessment Standard**

The new Common Assessment Standard comprises a question set based on existing PQQs, including PAS 91, and desktop and site/premises-based assessment standards. Guidance on completing the question set has also been developed. This includes important exemptions where other third-party audited certifications, such as ISO standards, are held.

We carried out a pilot scheme in summer 2018 and final revisions to the Common Assessment Standard were approved by the Steering Group. Build UK/CECA members and the CLC are now being consulted to confirm their implementation of the Common Assessment Standard.

The format and branding of the Common Assessment Standard will be finalised prior to publication in early 2019.

From March 2019, companies will be able to be audited against the Common Assessment Standard, at either a desktop or site-based level depending on what is most appropriate for their business, with the intention that this will satisfy all stage 1 PQ requirements.

Build UK will collate and publish the various desktop and site-based audit requirements of its Client and Contractor members to provide clarity for the supply chain.

The Cross Industry Body will be responsible for reviewing and updating the Common Assessment Standard in line with changes to legislation and industry standards.

### **Recognition of Assessment Bodies**

To deliver quality control and ensure confidence in the new PQ system, assessment bodies will need to prove their capability to audit companies against the Common Assessment Standard. Assessment standards have been agreed for verifying companies' responses to all questions and these will be applied by each assessment body to provide Clients and Contractors with a verified supply chain.

Assessment bodies will apply to be recognised, demonstrating that they meet the agreed criteria, which include both organisational and assessor competence. This recognition will be reviewed on an annual basis.

The following assessment bodies have indicated their intention to become recognised for the soft launch assuming that they meet the criteria:

- Achilles
- Avetta
- CHAS
- Constructionline.

Applications from other assessment bodies will be considered as the new system is rolled out in 2019/20. It is also intended that trade bodies running a third party audit scheme of their members would become recognised if they meet the criteria.

## Data Sharing

To enable Clients and Contractors to access verified PQ data and reduce duplication within the industry, a means of sharing data will be created and implemented as part of the new PQ system.

For the soft launch, we are looking at whether assessment bodies can share key verified PQ data with each other through an application programming interface (API) or an equivalent data sharing mechanism. This would mean that, even where an assessment body had not carried out the audit of a company, it would still be able to provide access to that company's key verified data.

This would ensure that existing data sharing mechanisms such as APIs would continue to provide verified PQ data without Clients and Contractors being required to set up additional arrangements with every recognised assessment body which would be complex, costly and time consuming.

It is anticipated that verified data will be shared in relation to an agreed list of key questions and where companies receive an advisory ('minor fail') against a question.

As the number of recognised assessment bodies increases, the model may need to be revisited.

## Key Milestones

<b>December 18</b>	Consultation with members on Common Assessment Standard concludes Agreement in principle from first assessment bodies
<b>January 19</b>	First meeting of Interim Cross Industry Body Publication of Common Assessment Standard
<b>February 19</b>	First assessment bodies are recognised to audit companies against Common Assessment Standard PQ webpages go live
<b>March 19</b>	Soft launch of new PQ system

**December 2018**

## Appendix A – Interim Cross Industry Body – Membership

Name	Company	Type
Neil Mant	Chairman - Vinci plc	Contractor
Paul Reeve	Vice Chairman - ECA	Trade Association
Clive Johnson	LandSec	Client
John Simons	Scape Group	Client
Bill Nash	Balfour Beatty	Contractor
Richard Howell	Costain	Contractor
Mark Ramessa	Kier Group plc	Contractor
Brian Moone	Mace Construction	Contractor
Phil Greenman	Skanska	Contractor
Anne Smales	Bouygues UK	Contractor
Adam Binns	Binns Fencing	Specialist Contractor (AFI)
Mark Wadsworth	Tamdown	Specialist Contractor (CONSTRUCT)
Sarah McCann-Bartlett	BCSA	Trade Association
John Welch	Crown Commercial Service	Government
Ian McKinnon	CHAS	Assessment Body