

<b>Committee:</b>	<b>Date:</b>
Finance Committee	12 September 2017
Policy & Resources Committee	21 September 2017
<b>Subject:</b>	<b>Public</b>
Supplier Health & Safety Appraisals	
<b>Report of:</b>	<b>For Decision</b>
The Chamberlain	
<b>Report author:</b>	
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### Summary

City Procurement recently took a recommendation to Health, Safety, and Wellbeing committee that would require City of London suppliers to hold a Safety Schemes in Procurement (SSIP) accreditation when tendering for work which has health and safety (H&S) risks. This was in response to queries from the committee about the H&S credentials of certain suppliers bidding for Corporation contracts. Due to the limited capacity within the corporate H&S teams and a lack of an H&S expertise in City Procurement it was approved as the best option to mitigate risk to the Corporation and insure compliance with H&S legislation.

Due to the current political climate the Health, Safety, and Wellbeing Committee approved this recommendation with immediate effect as an interim measure. City Procurement is now seeking to formally ratify this proposal through the appropriate governance structure including Committee approvals. The report below outlines the options and recommendation for use of SSIP accreditation schemes as a permanent solution. The recommendation was approved at Summit Group in August 2017.

### Recommendation

- Members are asked to approve Safety Schemes in Procurement accreditation as a mandatory requirement for suppliers delivering goods, works and service contracts that have Health and Safety implications.

### Main Report

#### Background

1. Health and Safety legislation including the Health and Safety at Work Act 1974 (HSW), the Management of Health and Safety at Work Regulations 1999 (MHSWR), and the Construction Design and Management Regulations (CDM) places a duty on the Corporation for the health and safety of its employees, contractors employees and members of the public.
2. This legislation requires the City to undertake due diligence and appoint contractors that are competent and adequately resourced to complete contracts safely.
3. CDM places full H&S responsibility on the Contracting Authority and in April 2007 the Health and Safety Executive (HSE) published an Approved Code of Practice (CDM Appendix 4). CDM Appendix 4 sets out 'core criteria' in a two stage assessment process:

- Stage One is an assessment of 'Organisational Capability'.
- Stage Two is an assessment of adequate resource and training to fulfil project specific requirements.

### **Current Position**

4. City of London (CoL) relies on in-house knowledge and capacity to undertake both stage one and stage two assessments. City Procurement does not have resource in house to undertake assessments and must rely on the limited capacity within the Corporate H&S team for support.
5. There is no existing H&S Policy which addresses procurement process or contractor behaviour.
6. The Health and Safety Executive (HSE) endorses the Safety Schemes in Procurement Forum (SSiP) which is an umbrella organisation to facilitate mutual recognition between health and safety pre-qualification schemes.
7. SSiP Forum has 23 registered members, 19 certification bodies (OHSAS 18001 certification only) and supporter members. Their online portal would allow CoL to check credentials quickly and easily upon receipt of tender response.

### **Options**

8. City Procurement proposes the following options to members in order to minimise the existing risk:
  - Option One – require suppliers bidding for City of London goods, service and works contracts (excluding deliveries) to be accredited by any scheme recognised by the SSIP Forum.
  - Option Two – Hire a qualified H&S officer to evaluate tenders as a new additional dedicated resource
  - Option Three – Outsource H&S evaluations to a third party

### **Recommendation**

9. City Procurement recommends Option One; SSIP accreditation being mandatory for CoL suppliers.
10. SSIP accreditation would allow for minimal intervention for stage one assessments allowing the current H&S resources to be focused on the more in-depth stage two assessments.
11. SSIP assessments are all judged on core criteria approved by HSE. These core criteria describe what it means for a construction business to comply with basic H&S law. Each SSIP forum member is audited each year to make sure their processes comply.
12. The SSIP Forum was designed to be proportionate and a cost effective option for small-to-medium enterprises to meet CDM responsibilities. The assessment carried out by SSIP members is a desktop scrutiny of documentation, supplemented by telephone calls and e-mails, typically lasting 2-4 hours.
13. The Corporate H&S team have drafted a 'Corporate Control of Contractors Policy' and option one would support this policy.

### **Conclusion**

14. The requirement to be SSIP accredited has been built into the current procurement procedures and communications have been sent to all existing suppliers as part of an awareness campaign. This was due to this measure being agreed as an interim solution.

15. Members are asked to approve the use ofSSIP accreditation as part of selection criteria for all suppliers to CoL for goods, services and works as a permanent measure to mitigate risk.
16. The introduction of this recommendation would allow the CoL to evidence part one of CDM requirements, free up H&S officer time to focus on part two assessments, and take into account the SME community by adopting a low cost industry standard assessment tool.

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