

Committee:	Date:
Policy & Resources Committee	16 November 2017
Subject: Outstanding action response - Options Report for External Health & Safety Appraisals for Procurement	Public
Report of: The Chamberlain	For Decision
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Summary

City Procurement recently took a recommendation to Policy and Resources committee that would require City of London Corporation suppliers to hold a Safety Schemes in Procurement (SSIP) accreditation when tendering for work with clearly identifiable health and safety (H&S) risks. Policy and Resources Committee requested further information about the impact on the small-to-medium enterprise community.

- Suppliers pay an annual fee for the SSIP accreditation and is transferable to all tender opportunities for the specialism that was assessed e.g. construction, carpentry & joinery
- 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.
- SSIP schemes are actively reducing health and safety assessment costs and bureaucracy in the supply chain. The SSIP Forum reports the industry saved £91m in FY 2016-17.
- With an SSIP accreditation, suppliers can focus more time completing project related questions instead of standard H&S questionnaires to assert their qualifications.
- City Procurement is working with corporate H&S managers to put in place H&S checks for projects where SSIP isn't appropriate e.g. Schools and Department of Community and Children Services.

Recommendation

- Members are asked to approve use of Safety Schemes in Procurement accreditation as a selection criteria for works and services contracts with a clearly identifiable health and safety risk.

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 City Corporation for the health and safety of its employees, contractors' employees and members of the public.
2. This legislation requires the City Corporation to undertake due diligence and appoint contractors that are competent and adequately resourced to complete contracts safely.

3. The SSIP Forum was designed to be proportionate and a cost effective option for small-to-medium enterprises to meet H&S 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.
4. The supplier pays an annual fee for the assessment and the accreditation is transferable to all work covered e.g. a supplier who holds an SSIP accreditation for window cleaning would need to seek a separate accreditation when expanding business into fitting windows for their clients.

Current Position

5. City Corporation 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.
6. If we do not ask for SSIP at the qualification stage we will still need to include a separate H&S questionnaire costing the supplier money and increasing the cost of officer time when evaluating tender documents
7. City Procurement is working closely with corporate H&S teams to put appropriate checks in place for services where there are clearly identifiable H&S risks but SSIP isn't the most appropriate. e.g. schools and safeguarding.

Options

8. City Procurement proposes the following options to members in order to minimise this risk:
 - Option One – require suppliers bidding for City Corporation services and works contracts (excluding deliveries) with clearly identifiable H&S risks to be accredited by any scheme recognised by the SSIP Forum.
 - Option Two – Hire a qualified H&S officer to evaluate tenders as an additional 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 delivering contracts with clearly identifiable H&S risks.
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 project specific assessments.
11. Options Two and Three would cost bidding suppliers more per tender as H&S questionnaires will be required.

Conclusion

12. 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.
13. Members are asked to approve the use of SSIP accreditation as part of selection criteria for all suppliers to CoL for supplies and works. This would allow the City Corporation to evidence suppliers have , free H&S officer time to focus on project specific assessments, and take into account the SME community by adopting a low cost industry standard assessment tool.

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