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Construction Takes Major Step towards Improved Efficiency with Launch of First Phase of New Pre-Qualification System

Build UK and the Civil Engineering Contractors Association (CECA) have announced the launch of the first phase of a new pre-qualification (PQ) system designed to reduce inefficiencies that are costing the construction industry up to £1 billion a year.

The existing PQ system is complex and repetitive and a major barrier to improved productivity. The multitude of schemes currently in operation sees around 180,000 specialist contractors producing over two million pieces of paper every year for 5,000 contractors.

The new system will ultimately allow for greater consistency and efficiency in how companies become pre-qualified for work at the first stage.

The roll-out of this **first phase** of the new system includes:

- Publication of the Common Assessment Standard used to pre-qualify companies.
 Based on existing PQ questionnaires, including BSI's PAS 91, this covers 10 key areas and includes desktop and site-based assessment standards.
- Confirmation of the first recognised assessment bodies to certify companies against the Common Assessment Standard. These organisations are Achilles, CHAS and Constructionline.

The system is being overseen by an Interim Cross Industry Body consisting of experts from organisations across the sector, including public and private sector clients, contractors and trade associations.

Once the new system is fully up and running, companies will not have to be certified by more than one recognised assessment body. A data sharing arrangement is currently being developed which will allow contractors to obtain PQ information from any one of the recognised assessment bodies. Contractors will be transitioning to the new system over the coming months.

Jo Fautley, Deputy Chief Executive of Build UK, said:

"The construction industry is making great strides towards more collaborative working and this new PQ system has been developed by industry, for industry, based on standards that clients, contractors and the supply chain have all agreed on. We look forward to the

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industry getting on board with it over the coming months so we can realise the efficiency gains for everyone's benefit and boost overall productivity."

Marie-Claude Hemming, Director of External Affairs at CECA, said:

"CECA has long advocated an industry standard approach to PQ and the new system which builds on PAS 91 will simplify the process and reduce duplication and cost. Change takes time and there will be a transition period, but this marks the start of the rollout of the new system which we anticipate will play a key role in the future delivery of world-class infrastructure."

Ann Bentley, Chair of the Construction Leadership Council Business Model Workstream, said:

"The Construction Leadership Council welcomes and supports the proposed reform of the current PQ process – it is a real and practical way of reducing bureaucracy and improving quality in the procurement process. Companies will be able to demonstrate that they meet an agreed industry standard and clients and contractors will be able to rely on the certification. The CLC will be encouraging adoption of the revised standard throughout Government construction procurement."

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For further information, contact Build UK:

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Notes to Editors

- <u>Build UK</u> is the leading representative organisation for the UK construction industry. By bringing together Clients, Contractors, Trade Associations representing a wide range of Specialist Contractors, and other organisations committed to industry collaboration, Build UK represents in excess of 40% of UK construction.
- 2. The <u>Civil Engineering Contractors Association (CECA)</u> is the representative body for companies who work day-to-day to deliver, upgrade, and maintain the country's infrastructure.
- 3. The <u>Construction Sector Deal</u>, which sets out an ambitious partnership between industry and Government to transform the sector's productivity, commits to 'remov[ing] bureaucracy from the procurement process by developing a standardised cross-industry pre-qualification process and Pre-Qualification Questionnaire (PQQ) that can be adopted across the public and private sectors'.
- 4. The Interim Cross Industry Body is chaired by Neil Mant, Supply Chain and Procurement Director at Vinci Construction UK, with support from Vice Chair Paul Reeve, Director of Business and Communications at the Electrical Contractors' Association. Neil and Paul, along with other members of the Interim Cross Industry Body, are available for interviews with media on request.
- 5. The Common Assessment Standard builds on the PAS 91 question set with additional industry-agreed questions and standards to provide a comprehensive assessment of the supply chain at the first stage of PQ. Specific areas covered by the Common Assessment Standard are:
 - Identity
 - Financial
 - Corporate & Professional Standing
 - Health and Safety
 - Environmental

- Quality
- Equality
- Corporate Social Responsibility
- Information Security
- BIM
- 6. Further detail on the PQ system is available on the Build UK website: www.builduk.org/prequalification.