

PQQs - Money Making Scam?

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Is it not time that the Pre – Qualification money making scam is ended?

Not only do specialist contractors have to deal with late payments, reduced margins and not getting fully paid, they are forced to participate in a pre-qualification process which is incredibly time consuming, exorbitantly costly and completely unnecessary.

The process thrives on duplication and is required by Main Contractors to keep specialist contractors on their Approved Contractor lists. So, why don't Main Contractors get together and develop forms/processes that are acceptable to all? Sounds simple, well yes, it is, if there was a will to do it. Of course, the more intuitive question would be, will Main Contractors willingly cease this money-making enterprise? And the predictable answer is, no they won't!

Build UK represents many of the Main Contractors, and many of the specialist federations and associations which represent the specialist contractor supply chain. So, why has such little progress to unify the PQQ process been made when all these players are members of the same Body, and therefore should be able to sit around the same table, with equal representation, to develop a process that will be of benefit to the construction industry? Answer; Main Contractors do not feel the need to change and are reluctant to reduce their income. Unhelpfully, Build UK represents Main Contractors and the aggrieved specialist supply chain – a near impossible position, which can only result in procrastination, and does.

For those who are unaware of the time consuming and costly activities that specialist contractors reluctantly find themselves undertaking, the following is an example of PQQs and similar processes that a single specialist contractor will be involved with. The list is not exhaustive and will change with each contractor. However, it gives a good indication of the resources needed to complete PQQs and similar processes. I have not mentioned the costs involved, but they will be substantial.

Accreditations - high level independent industry awards for H&S – paid for annually

- CHAS – H&S
- SAFE – H&S
- SEDEX – Anti-Slavery

Approved Supplier

Sometimes involves registration to an online database which must be renewed annually at cost. Some are simple others require inputs similar to a full PQQ submission:

- RISQS (Achilles Link Up – specific to the UK Rail industry supply chain only & compulsory to sign up to for any company working on rail industry projects)
- Avetta (formally called “PICS”) – available for any Main Contractor to use as a supply chain management tool – currently used by JLL who are now owned by Wates Group.
- Construction Line – used by multiple Main Contractors and Facility Managers

- Achilles – used by multiple Main Contractors – must have bespoke accounts for their sole use so sign up to this can be expensive
- Altius – used by Facility Managers – must pay a permit fee every time you want to do maintenance – currently used by John Lewis.
- Builder's Profile – used by multiple Main Contractors and Facility Managers.

Client Bespoke (online) Systems – these are used to assess HSEQA competencies and usually linked to Commercial payments:

- Arcus – Galliford Try
- CORE – Balfour Beatty PROACTIS
- ICOINS – Balfour Beatty
- Worksmart – Balfour Beatty
- Bravo Solutions – Balfour Beatty
- PROACTIS – Land Securities
- Sentinel – Land Securities
- My Supply Chain – NG Bailey
- Human Focus – Skanska (this is a training service compulsory to use for any Skanska projects)
- Numerous paper based forms

Generic Supply Chain Management and HSEQA Registrations

These are growing in number year on year. They are also costly and they duplicate what CHAS, SAFE and Link Up do.

All the generic systems charge against annual turnover or profits or staff numbers.

1. Achilles
2. Altius
3. Builder's Profile
4. Construction Line
5. Avetta (formerly PICS)

Client Specific (Bespoke) Supply Chain Management and HSEQA Registrations

1. Achilles – Bovis / Lend Lease
2. Achilles – Balfour Beatty
3. Altius – John Lewis Partnership -
4. Bravo Solutions – Balfour Beatty
5. Builder's Profile – Morgan Sindall

6. Builder's Profile – Osborne Construction
7. Construction Line – for Vinci
8. Human Focus (Skanska)
9. I-Coins – Balfour Beatty
10. PICS – Wates Construction
11. Sedex – MACE

Furthermore, many Client specific bespoke online and hardcopy registrations need to be completed annually, but for which there is no registration fee. A single contractor may have to renew 100 per year.

Other systems and mechanisms used to manage HSEQA and logistics by Main Contractors and clients include:

1. Yellow Jacket online system – MACE
2. Airport – RAMS review services

We at the Confederation of Construction Specialists, believe it is time that PQQs and similar processes are unified and simplified as in the current format the process is neither efficient or effective. Furthermore, much needed resources are drained from the supply chain (specialist contractors) which detrimentally affects the construction industry.

For over 30 years the Confederation of Construction Specialists has been supporting construction specialist companies. By providing up-to date relevant contract training courses, professional advice and contractual guidance, the Confederation of Construction Specialists enables specialist companies to optimise the ways in which they operate contractual arrangements when dealing with Main Contractors or clients.

www.constructionspecialists.org

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