

Common Minimum Standards

For the procurement of built environments in the public sector

Standards for construction procurement mandated* with immediate effect

Where a business case for a new programme or project includes a construction element, departments should ensure that this is undertaken with full reference to the **CMS – see pages 2-11 below**. Project team members including Investment Decision Makers, Senior Responsible Owners, Project Sponsors and Project Managers should take steps to understand and implement the CMS.

Background

Ministers are committed to obtaining value for money through improvements to the procurement of built environments that provide facilities for the public sector. They are conscious that public sector procurers are subjected to a range of policy initiatives of differing levels of importance and considered it was essential to adopt a consistent benchmark to delivering value for money and to provide a coherent approach to the market.

To this end, OGC was asked to establish a group of cross-government senior policy officials (SOPG). The SOPG's objective was to identify and promulgate a set of key minimum procurement standards, which would improve the coherence and integration between the different policy agenda impacting in this area.

Ministers have now agreed the key minimum procurement standards, which are *mandatory across central government, including departments, executive agencies and the non-departmental public bodies for which they are responsible. *They will apply to any procurement of a built environment carried out in England for a public sector client, whether through a capital procurement, a private developer scheme or a Public Private Partnership/Private Finance Initiative. (These standards will not apply to the devolved authorities, nor to projects carried out overseas.) Departments will be expected to take all reasonable measures to ensure that the standards are also adopted throughout the wider public sector, where responsibility for the expenditure of public funds has been devolved – such as to local authorities, health trusts and the police.* OGC and ODPM will produce a specific version of these standards to reflect local authority practice and language.

These standards are not new and some are already mandatory.

It should be noted that the standards do not cover legislative requirements, which are in any event mandatory.

Compliance with these standards is considered to represent cost effectiveness, however their practical application by individual procurers should be considered on a project specific basis, within the context of practicality, achievability and value for money, defined as the optimum combination of whole life cost and quality to meet user requirements. Procurers will be expected to comply with these standards unless it can be clearly demonstrated that one or more of them fall outside the above criteria.

The standards have been assessed by policy making departments, key departments delivering programmes and projects with a significant construction phase, the Office of the Deputy Prime Minister with the local government sector in mind and by industry-body representatives. Their comments have been taken into account. The consensus of the consultation confirmed that the standards are comprehensive, practical and achievable, as well as cost effective.

Web links within the CMS that form the balance of this document allow simple reference to supporting detail and implementation guidance.

The first and 'General' Standard' refers to adherence the OGC Achieving Excellence in Construction (AEC) initiative, which encompasses all the CMS within its best practice principles for managing and delivering construction projects. A direct link to the AEC guidance is available at: www.ogc.gov.uk/sdtoolkit/reference/ogc_library/achievingexcellence/index.html

Further Information

Any queries or requests for further information about the CMS should be directed in the first instance to the OGC Service Desk by telephoning 0845 000 4999 or by e-mail at ServiceDesk@ogc.gsi.gov.uk.

COMMON MINIMUM STANDARDS FOR THE PROCUREMENT OF BUILT ENVIRONMENTS IN THE PUBLIC SECTOR

| | Standard | Background | Further Information |
|----------|---|--|---|
| 1 | General | | |
| 1.1 | All construction projects are to be carried out in accordance with the best practice principles set out in the OGC Achieving Excellence in Construction initiative. Deviations from this best practice are only permissible if there are demonstrable whole life value benefits to be achieved | Achieving Excellence calls for the use of integrated supply teams, the development of long-term relationships with suppliers, the reduction of financial and decision-making approval chains, improved skills development and empowerment, the adoption of performance measurement indicators and the use of tools such as value and risk management and whole life costing in order to support and deliver innovative solutions to meet business needs. | The suite of Achieving Excellence guidance is available at http://www.ogc.gov.uk/sdtoolkit/reference/ogc_library/achievingexcellence/index.html |
| 2 | Project and Programme Procurement | | |
| 2.1 | Procurement strategies and contract types must support the development of collaborative relationships between the government client and its suppliers and shall facilitate the early appointment of integrated supply teams (each part of which should incorporate an integrated supply chain). | Procurement routes should be limited to those which support integrated team working (the 3 recommended procurement routes are PPP/PFI, Design & Build and the Prime-type Contracting approach ¹). Traditional, non-integrated procurement approaches should not be used unless it can be clearly shown that they offer best value for money – this means, in practice they will seldom be used. | |

¹ Prime type contracting is where a supply team is appointed with a single point lead who takes overall responsibility for the design and construction of the project and gives commitments on the operational costs of or takes responsibility for the operation and maintenance of the facility for a defined period

COMMON MINIMUM STANDARDS FOR THE PROCUREMENT OF BUILT ENVIRONMENTS IN THE PUBLIC SECTOR

| | Standard | Background | Further Information |
|-----|---|---|--|
| 2.2 | Pre-qualification and tendering processes should be appropriate for the project, meeting legal obligations and avoiding unnecessary bureaucracy and costs for suppliers | Construction firms incur significant nugatory costs from pre-qualifying to bespoke buyer formats, which can themselves go beyond legal requirements for the pre-qualification phase of procurement. Consistent use by the public sector of a single national pre-qualification database was a recommendation of Sir Michael Latham's 1994 report "Constructing the Team". It remains a strong construction industry desire. | Clients can move to meet this aspiration by making use of <i>Constructionline</i> , a government-owned, pre-qualification tool, a central repository of current, accurate, core data that mitigates for suppliers and buyers the expense of providing or soliciting commonly required information. <i>Constructionline</i> is being developed to support emerging best practice in construction procurement, within the legislative and regulatory procurement framework. It displays data on firms' health & safety performance and processes, and on workforce skills. It also helps suppliers seeking to form integrated teams to identify suitable partners. www.constructionline.co.uk |
| 2.3 | Construction projects are to be monitored for their performance against the OGC Achieving Excellence Strategic Targets. | Applicable to projects (including the construction phase of PPP/PFI projects) undertaken using public funds for central government departments, agencies and NDPBs as well as those in the education and health sectors. | OGC <i>Information Note 3/2004</i> , available at http://www.ogc.gov.uk/embedded_object.asp?docid=1001712 . |

COMMON MINIMUM STANDARDS FOR THE PROCUREMENT OF BUILT ENVIRONMENTS IN THE PUBLIC SECTOR

| | Standard | Background | Further Information |
|-----|--|---|---|
| 2.4 | Procurement options and decisions are to be taken based on option and project appraisals and evaluation techniques. | | Further details in the HMT Green Book, " Appraisal and Evaluation in Central Government ". |
| 2.5 | The appraisal of procurement options and the selection of the preferred project scheme must take account of whole life value for money ² (including costs for operation & maintenance and taking account of the opportunity to provide long term flexibility). Such decisions must not be based solely on capital cost. | This assessment should include justification for any decision to procure new facilities rather than to re-use existing facilities and should take account of the likely economic, environmental and social costs and benefits, where it is possible and practical to do so. | |
| 2.6 | OGC Gateway TM Risk Profile Assessments and the appropriate Gateway TM Review process (or a similar departmentally approved process) shall be undertaken on all programmes and projects. | | Further details of the Gateway process are available at http://www.ogc.gov.uk/index.asp?id=377 . |
| 2.7 | Clients are to ensure that appropriate expert support has been procured to advise on design, sustainability and health & safety issues. | | |

² Value for money is defined as the optimum combination of whole life cost and quality to meet user requirements

COMMON MINIMUM STANDARDS FOR THE PROCUREMENT OF BUILT ENVIRONMENTS IN THE PUBLIC SECTOR

| | Standard | Background | Further Information |
|----------|---|---|--|
| 2.8 | Clients are to ensure that a Design Champion is appointed for all construction projects above a departmentally agreed threshold. | | See OGC/CABE publication <i>“Improving Standards of Design in the Procurement of Public Buildings”</i> available at http://www.ogc.gov.uk/sdtoolkit/reference/ogc_library/achievingexcellence/stds_design.pdf |
| 2.9 | Public sector clients are to pay all monies properly due promptly and in any event within the contractually required timescales. | Where practicable, payment mechanisms should be chosen to reflect the opportunities offered by integrated team working. | Guidance on exemplar payment mechanisms is being considered by the Fair Payments Task Group, chaired by OGC. |
| 3 | Health and Safety | | |
| 3.1 | All clients are to follow OGC’s Achieving Excellence in Construction Procurement Guide 10, Health and Safety. In particular, 3.2 - 3.5 below sets out the key issues that must be followed. | | |
| 3.2 | Clients are to have in place systems to collect and analyse health & safety performance data (Accident Incident Rates) for all construction projects on which they have a duty of responsibility. | The measurement process is to include the performance of all parts of the supply team (contractors, sub-contractors and designers). | OGC <i>Information Note 4/2003</i> , available at http://www.ogc.gov.uk/embedded_object.asp?docid=1001824 |

COMMON MINIMUM STANDARDS FOR THE PROCUREMENT OF BUILT ENVIRONMENTS IN THE PUBLIC SECTOR

| | Standard | Background | Further Information |
|-----|--|---|--|
| 3.3 | Clients are to assess the health & safety performance and processes of their shortlisted supply teams as a fundamental part of the pre-qualification assessment process. | Suppliers with inadequate processes and/or poor health & safety performance records on comparable projects should be excluded from the tender lists. Feedback should be given to such suppliers to allow them to remedy such failings for the future. | |
| 3.4 | Clients are to include within all contracts involving construction a requirement for their constructors to be registered with a suitable site management / good neighbour scheme such as the Considerate Constructors Scheme and to comply with the scheme's Code of Considerate Practice. | | OGC <i>Information Note 10/2002</i> , available via the OGC Service desk at http://www.ogc.gov.uk/embedded_object.asp?docid=1000062 or from ServiceDesk@ogc.gsi.gov.uk or by telephoning 0845 000 4999. |
| 3.5 | Clients are to include a contract clause requiring that all members of their supply teams who are workers on or regular visitors to a construction site are registered on the Construction Skills Certification Scheme (CSCS) or are able to prove competence in some other appropriate way. | Whilst the CSCS scheme does not yet provide certification for all skills, as a minimum site workers should hold the Operative level card, which includes basic safety training. | OGC <i>Information Note 5/2003</i> , available at http://www.ogc.gov.uk/embedded_object.asp?docid=1001421 |

COMMON MINIMUM STANDARDS FOR THE PROCUREMENT OF BUILT ENVIRONMENTS IN THE PUBLIC SECTOR

| | Standard | Background | Further Information |
|----------|--|------------|--|
| 4 | Design | | |
| 4.1 | All clients will aim to deliver design excellence in accordance with the principles set out in <i>Achieving Excellence 9: Design Quality</i> (OGC, 2004). In order to achieve this: | | OGC <i>Achieving Excellence Guide 9: Design Quality</i> , is available at http://www.ogc.gov.uk/sdtoolkit/reference/ogc_library/achievingexcellence/ae9.pdf |
| | <ul style="list-style-type: none"> ○ Clients will signal the importance of design as a project selection criterion from the outset of the selection process (including the selection of the weightings used for bid evaluation) through the development of the output specification, of contractual documentation and of the sign-off procedures. | | More detailed guidance is available in CABE's <i>Creating Excellent Buildings: A Guide for Clients</i> (CABE, 2003) that can be found at http://www.cabe.org.uk/pdf/Client%20Guide_navigable%20PDF.pdf |
| | <ul style="list-style-type: none"> ○ Clients should develop a clear project design brief that addresses current and future service requirements, the client's aspirations for the building and the project's physical and social context. | | |
| | <ul style="list-style-type: none"> ○ Tender design proposals and/or strategies and the competence of the proposed design team should be reviewed before selection of any final bidder who will be carrying out any design work, as well as at other key | | |

COMMON MINIMUM STANDARDS FOR THE PROCUREMENT OF BUILT ENVIRONMENTS IN THE PUBLIC SECTOR

| | Standard | Background | Further Information |
|----------|---|--|--|
| | stages in the procurement process. | | |
| | <ul style="list-style-type: none"> ○ Clients are to involve all stakeholders, including end-users, before, during and after delivery of a programme or project, in the development of the output specification and design brief, and in the assessment of project success. | It is recommended that clients consider the use of a structured mechanism such as Design Quality Indicators (DQI's) to assist in this process. | Further information on DQIs can be found at www.dqi.org.uk . |
| 4.2 | In considering design excellence clients should take into account not just aesthetics, but buildability, functionality (including fitness for purpose), maintainability, sustainability and future flexibility of use. | | |
| 5 | Historic Estate | | |
| 5.1 | All projects or programmes that impact on the historic estate are to comply with the requirements of the " <i>Protocol for the Care of the Government Historic Estate</i> " (Department for Culture, Media and Sport, 2003). | | Available on the DCMS web site at http://www.culture.gov.uk/NR/rdonly/res/E0665AB1-B348-4FBB-9955-07954F3D7386/0/BCRprotocol.pdf . (Hard copies can be obtained from the Government Historic Estates Unit (English Heritage, 23 Savile |

COMMON MINIMUM STANDARDS FOR THE PROCUREMENT OF BUILT ENVIRONMENTS IN THE PUBLIC SECTOR

| | Standard | Background | Further Information |
|----------|---|------------|--|
| | | | Row, London, W1S 2ET. Telephone 020 7973 3801). |
| 6 | Sustainability | | |
| 6.1 | Project and programme procurement strategies will take full account of the Government's commitment to sustainable development and of the economic, environmental and social impacts of its decisions. All clients are to follow OGC's Achieving Excellence in Construction Procurement Guide 11: Sustainability. In particular, clients shall: | | OGC <i>Achieving Excellence Guide 11:Sustainability</i> . http://www.ogc.gov.uk/sdtoolkit/reference/ogc_library/achievingexcellence/ae11.pdf |
| | <ul style="list-style-type: none"> ○ All construction projects shall be designed, within the context of value for money and functionality, to maximise the efficiency of energy, water and waste management, minimise and where possible avoid negative but enhance positive impacts on biodiversity, and take account of the likely impact on staff, transport systems and local communities. | | |
| | <ul style="list-style-type: none"> ○ The specification and design of all construction projects undertaken for central government departments and their agencies shall take due account of the contribution the project can make to achieving the departmental targets and Framework strategies | | The Framework is available at http://www.sustainable-development.gov.uk/delivery/integrating/estate/estate.htm |

COMMON MINIMUM STANDARDS FOR THE PROCUREMENT OF BUILT ENVIRONMENTS IN THE PUBLIC SECTOR

| | Standard | Background | Further Information |
|-----|--|--|--|
| | developed from the <i>Framework for Sustainable Development on the Government Estate</i> (coordinated by DEFRA). | | |
| 6.2 | An appropriate environmental assessment process such as BREEAM or an equivalent (e.g. CEEQUAL, DREAM etc.) appropriate to the size, nature and impact of the project must be carried out on all projects. Where BREEAM is used, all new projects are to achieve an “excellent” rating and all refurbishment projects are to achieve at least “very good” rating, unless site constraints or project objectives mean that this requirement conflicts with the obligation to achieve value for money. Where an alternative environmental assessment methodology is used, projects should seek to achieve equivalent ratings. | The Code of Sustainable Buildings Practice proposed by the Sustainable Buildings Task Group is currently under development. If its development is successful it will be considered for adoption as a standard for building across the public sector. | |
| 6.3 | The requirements of the OGC/DEFRA “ <i>Quick Wins</i> ” specifications shall be followed for the procurement of all construction products included in these specifications. | | The schedule of products is available at http://www.ogcbuyingsolutions.gov.uk/environmental/products/environmental_quickwins.asp |
| 6.4 | All timber or timber products (including timber used solely during the construction process such as temporary fencing, hoardings or shuttering) are to be purchased in accordance | This requires that central government departments will actively seek to ensure that the trees from which timber and other products are derived were legally harvested | See the Defra Timber Procurement Advice Note: January 2004 http://www.sustainable- |

COMMON MINIMUM STANDARDS FOR THE PROCUREMENT OF BUILT ENVIRONMENTS IN THE PUBLIC SECTOR

| | Standard | Background | Further Information |
|-----|---|---|---|
| | with the Government's timber procurement policy. | and grown in a well-managed sustainable forest or plantation. | development.gov.uk/delivery/integrating/estate/documents/DefraTimberAdviceRevised28Jan04.doc |
| 6.5 | Any new procurement project (whether new build, refurbishment, purchased, leased or the procurement of a service - e.g. managed workspace) must fall into the upper quartile of energy performance for the building type, except where specific operational requirements prevent this | If no suitable building is available, the reasons for an alternative choice must be justified and all reasonable, cost-effective energy efficiency measures must be implemented, appropriate to the type and duration of the procurement. Guidance to procurers on the measurement and achievement of this target is currently under development. | <p>Commitment made in the "<i>Energy Efficiency Implementation Plan: Government Plan for Action</i>", available at http://www.official-documents.co.uk/document/cm61/6168/6168.htm</p> <p>Details and a weblink for the measurement process will be provided here as soon as the guidance is available.</p> |