

Interim Guidance on use of Supplier Accreditation Services

Points for Purchasers to consider in relation to Supplier Accreditation Services

- 1 Public Bodies considering using a commercial accreditation service should be clear on their reasons for doing so, and should assess the potential impact on their SME supply base in coming to a decision as to whether or not to proceed. In this respect, they should consider contacting existing users of the service and other authorities that have considered use. They should also be aware of the legal context, and the ongoing debate as to the compliance of such a service with S22 of the 1988 Local Government Act.
- 2 In order to minimise the financial and administrative burden on suppliers through duplication of effort, purchasers may wish to ascertain whether suppliers have already undertaken accreditation in order to compete for other Public Bodies' business.
- 3 Users of commercial supplier accreditation services should be cognisant of the need to avoid creating a "closed market" by unnecessarily restricting tendering opportunities to suppliers on the accreditation service provider's database. Purchasers should be conscious of the benefits of open competition in terms of securing VFM, and accessing a diverse supplier base. Accreditation should not be a pre-requisite for competing for a purchaser's business.
- 4 Purchasers using a commercial accreditation service should ensure that the level of assessment to which suppliers are subject is in proportion to the level of risk associated with the business the suppliers are seeking. Assessment should not impose a disproportionate burden on suppliers.
- 5 Users of commercial supplier accreditation services should ensure that they monitor the impact of the service upon suppliers, and should offer suppliers a recognised channel for raising concerns over the service – at the very least suppliers should be made aware of the mechanism for reporting non-compliance with OGC's "Government Procurement Code of Practice". The purchaser's contract with the accreditation service provider should ideally contain a specified process for addressing issues raised by suppliers to the satisfaction of the purchaser.
- 6 With specific reference to the construction sector, purchasers should note that Constructionline is the government-endorsed supplier pre-qualification service for public works contracts, established in response to the Latham Report, provided under contract to DTI, and providing significant benefits to both purchasers and suppliers through the maintenance of a single central repository of supplier pre-qualification data.