**Construction Capability Assessment (pilot) Question Set**

* The purpose of this pilot Construction Capability Assessment is to test a method of assessing your organisation’s construction capability. The pilot is part of a process of continuous improvement and is designed to encourage reflection and discussion.
* Please complete the questions starting on this page, regarding your organisation.
* Sections A-F concern construction capability. These consist of Yes/No questions (with a drop-down box) and open questions (with a free text box). Each question should prompt reflection and discussion and should lead to a conclusion about how construction works and services and projects are delivered in your organisation.
* It should be noted that there is no standard template to answering these questions as all organisations are different and what is appropriate for one organisation may not be appropriate for another. Therefore, the important part of completing this form is to consider what you organisation’s answers mean, in terms of its ability to deliver construction and how that should impact on your procedures and policies.
* We would be grateful if you would complete the additional feedback questions in **Section G** and return the form back to ConstructionPolicy@gov.scot by **30 June 2019**. as part of the development of the finalised question set. We will not routinely publish any of the responses or findings, and any that we do will be in an anonymised form. Alternatively, if you do not wish to return your completed form, we would greatly appreciate any feedback on this pilot process.

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| Name of organisation.      |
| Nature of organisation.      |
| Who is the lead for construction procurement in your organisation? (provide contact details) |
| Please give a brief description of construction projects and construction related services your organisation typically procures.     |
| How many construction projects will your organisation procure in the next year?      |
| How many construction consultancies will your organisation procure in the next year?      |
| What value of consultancy contracts will your organisation let in the next year?  |
| What value of construction contracts will your organisation let in the next year?  |
| Smallest contract value      |
| Average contract value      |
| Largest contract value      |

**Section A: Procurement Team** (Questions 1 – 11)

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| 1 | Does your construction procurement team have appropriate construction procurement expertise and an appropriate management structure for the types of project you are likely to undertake? |
| 2 | If you answered "no" to question 1, how do you intend to assemble an appropriate team when required?      |
| 3 | If you answered "yes" to question 1, does that include the ability to take on projects of a greater complexity than you normally do? |
| 4 | Does your organisation have individuals with the necessary skills/expertise to select appropriate forms of construction contract? |
| 5 | If modifications to standard form contracts are essential, does your organisation have individuals with the necessary skills/expertise to make these modifications, ensuring that they are set out in a simple and clear manner and that all parties can easily identify the modifications and understand their implications? |
| 6 | Does your organisation have individuals with the necessary skills/expertise to assess the financial strength/ competency of tenderers, as set out in [Chapter 7](https://www.gov.scot/publications/construction-procurement-handbook/pages/7) of the Construction Procurement Handbook? |
| 7 | Do you have appropriately skilled individuals to prepare consultant briefs, and to score the consultant returns? |
| 8 | If you have answered "no" to any of the above four questions (4-7), what contingencies do you have in place?      |
| 9 | How does your organisation develop construction procurement individuals and future talent effectively?      |
| 10 | How does your organisation effectively promote commercial competence and ensure that it is embedded within its culture?      |
| 11 | How does your organisation implement the Scottish Government (or equivalent) [Counter Fraud Strategy](https://www.gov.scot/publications/scottish-public-finance-manual/fraud-and-gifts/annex-1-counter-fraud-strategy/), [Policy](https://www.gov.scot/publications/scottish-public-finance-manual/fraud-and-gifts/annex-2-counter-fraud-policy/) and [Response Plan](https://www.gov.scot/publications/scottish-public-finance-manual/fraud-and-gifts/annex-3-fraud-response-plan/) and provide training on this to all staff involved in procurement?      |

**Section B: Fair Payment** (Questions 12 – 20)

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| 12 | How does your organisation assure adherence to the [statutory](https://www.gov.scot/publications/statutory-guidance-selection-tenderers-award-contracts-addressing-fair-work-practices/) and [best practice](https://www.gov.scot/publications/addressing-fair-work-practices-including-real-living-wage-procurement-best/) guidance provided by Scottish Government, on "addressing fair work practices, including the living wage, in procurement"?      |
| 13 | What actions has your organisation taken with regards to 30 day payment terms, as detailed in [SPPN 08/2009](https://www.webarchive.org.uk/wayback/archive/20180514215744/http%3A/www.gov.scot/Topics/Government/Procurement/policy/SPPNSSPANS/policy-notes/sppn0809), and under [Section 15(5)d of the Procurement Reform (Scotland) Act 2014](https://www.legislation.gov.uk/asp/2014/12/section/15)?       |
| 14 | Does your organisation require contractors to report on their supply chains payment performance? |
| 15 | If you answered "yes" to question 14, how is this administered?      |
| 16 | Does your organisation use cash retentions routinely on all construction contracts? |
| 17 | If you answered "no" to question 16, what is you approach to retentions?      |
| 18 | If you answered "yes" to question 16, how do you ensure their fair use down the supply chain?      |
| 19 | Does your organisation have sufficient resource to ensure that contracts are properly managed in respect of fair payment? |
| 20 | How does your organisation consider the use of Project Bank Accounts on its construction projects, as per [SPPN 10/2016](https://www.gov.scot/publications/implementation-of-project-bank-accounts-in-construction-contracts-sppn-102016/) and [CPN 1/2019](https://www.gov.scot/publications/cpn-1-2019-project-bank-accounts---revised-thresholds-and-procedures/)?      |

**Section C: Project Assurance** (Questions 21-23)

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| 21 | Does your organisation have a policy for the delivery of project assurance? |
| 22 | If you answered "yes" to question 21, can you summarise your approach and how frequently you apply this?      |
| 23 | Does your organisation undertake lessons learned reviews? |

**Section D: Sustainability and Community Benefits** (Questions 24-26)

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| 24 | How does your organisation take account of sustainability in its procurement activity? N.B This includes Community Benefit Clauses (CBCs) and capacity building for SMEs (including Third Sector).      |
| 25 | Does your organisation consider inviting supported businesses to bid for contracts, in line with the Scottish Government's policy note [SPPN 04/17](https://www.gov.scot/publications/reserving-contracts-for-supported-businesses-sppn-042017/)? |
| 26 | Does your organisation have an appropriate procurement strategy for ensuring frameworks do not discriminate against Scottish SMEs, as per the guidance in [CPN 3/2017](https://www.gov.scot/publications/use-of-frameworks-3-2017/)? |

**Section E: Procurement Strategy** (Questions 27-36)

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| 27 | How does your organisation manage works and consultancy contracts?      |
| 28 | Is your Construction Procurement Strategy linked to your organisation's corporate strategy and is it delivering the strategic objectives relevant to the sector. E.g. Local Economic Development, National Performance, etc.? |
| 29 | How does you organisation determine funding for construction projects?       |
| 30 | Does your organisation prepare business cases in line with "[The Green Book: appraisal and evaluation in central government](https://www.gov.uk/government/publications/the-green-book-appraisal-and-evaluation-in-central-governent)", produced by HM Treasury? |
| 31 | Does your organisation have a policy in place to assist in the appropriate assessment and allocation of risk in construction projects, in line with HM Treasury "[The Orange Book Management of Risk - Principles and Concepts](https://www.gov.uk/government/publications/orange-book)",? |
| 32 | Does your organisation participate in early engagement with clients, users, designers and contractors, including pre-market engagement as detailed in [Chapter 4](https://www.gov.scot/publications/construction-procurement-handbook/pages/4/) of the Construction Procurement Handbook? |
| 33 | How does your organisation ensure that the various standard forms of contract are available for construction projects and does it consider the guidance on these in [Chapter 5](https://www.gov.scot/publications/construction-procurement-handbook/pages/5/) of the Construction Procurement Handbook?       |
| 34 | How does your organisation ensure the appropriate use of a painshare/gainshare mechanism when appropriate in construction contracts, as per the guidance in [CPN 5/2017](https://www.gov.scot/publications/operation-of-target-cost-contracts-cpn-5-2017/)?      |
| 35 | How does your organisation consider the use of whole life costing, such as referred to in [CPN 6/2017](https://www.gov.scot/publications/whole-life-appraisal-tool-built-environment-cpn-6-2017/), while tendering construction projects?      |
| 36 | Does your organisation consider potential collaboration with other procuring authorities, as per [CPN 4/2019](https://www.gov.scot/publications/collaboration-between-contracting-authorities-cpn-4-2017/)? |

**Section F: Continuous Improvement** (Questions 37 – 47)

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| 37 | How does your organisation take measures to ensure that it is continually improving construction procurement activity?      |
| 38 | How does your organisation determine impacts and outcomes and ensure that the outputs deliver them?      |
| 39 | Does your organisation have a plan to implement new technology such as BIM (Building Information Modelling) into the construction procurement process? |
| 40 | Does your implementation of BIM comply with Scottish Government guidance in [CPN 8/2017](https://www.gov.scot/publications/building-information-modelling-in-construction-cpn-8-2017/)? |
| 41 | Does your organisation use frameworks for construction projects? |
| 42 | If you answered “yes” to Question 41:* What frameworks do you routinely use?
* What are the headline forms of contracts used? For example SBCC, NEC3 etc?
* What is the value of the contracts you let through frameworks?
* What activity do you let through frameworks? For example, civils, M&E, design, project management, etc.?

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| 43 | Does your organisation have systems in place to monitor, record and understand its spend, in order to drive best value? |
| 44 | How does your organisation analyse markets and assess opportunities in order to shape the appropriate procurement strategy?      |
| 45 | Does your organisation work with contractors and consultants throughout the life of a contract, to ensure contractual obligations are met and to identify and deliver additional benefits to both parties? |
| 46 | Does your organisation have systems in place to effectively measure the achievement of business case objectives, whole-life costs and benefits against those forecast, and other benefits, expected and realised? |
| 47 | What procedures does your organisation have in place to provide assurance of "quality" within construction products, such as that described in [CPN 1/2017](https://www.gov.scot/publications/site-inspection-and-assurance-cpn-1-2017/)?      |

**We would be grateful if you could answer the following questions:**

**Section G: Feedback on this Form**

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| 48 | Did you find this form useful in helping to get a better sense of your construction capability? Please give details:      |
| 49 | Can you suggest any changes/ improvements to this form that would better help in the assessment of your construction capability?      |
| 50 | Are there any further comments you wish to make?      |