

DOSE OF REALITY NEEDED SUGGESTS THE CRA

Thirty years ago it was all quite straightforward, comments the UK **Concrete Repair Association (CRA)**. You tendered for a job and almost always the lowest price won it. Then people began talking about quality and price; a balanced approach that would deliver 'best value'. Then 'continuous improvement' came into vogue, together with 'full local employment' and an end to 'global warming'.

In the public sector these 'initiatives' have evolved into what is known today as the 'procurement process' and has become a giant self-perpetuating industry. Since the process generally demands reams of verbiage, it must cost taxpayers a sizeable chunk of the public sector services budget, says the Association. Yet surprisingly, even in a 70/30 quality/price evaluation, in most situations the lowest bottom line still appears to win the day.

The CRA also believes that the length of tender lists is getting a little bit out of hand. It is not uncommon nowadays to discover that seven or eight contractors are bidding the same piece of work, says the Association. But just what is the point? Clients are obviously under the misapprehension that more tenders mean cheaper bids. But, how wrong can they be?

The CRA is proposing that somewhere along the way the industry needs a reality check on how the public sector decides where to spend what is, after all, the taxpayer's money. In other words, says the CRA, tender list numbers and contract Pre-Qualification Questionnaires (PQQ) should be radically reviewed.

If a contractor is regularly bidding against seven or eight competitors, on average his estimating department has to price seven or eight contracts to win just one. Traditionally, the list would be three or four, so the contractor's estimating costs have just doubled. And who pays these additional costs? Inevitably they must get passed onto the client. It sounds like an almighty 'lose, lose' situation, claims the Association. Since the vast majority of specialist contractors involved in the UK structural refurbishment market are members of the CRA, it shouldn't be too difficult to select a short list of the most appropriate contractors, before negotiating the best deal with them.

With regard to PQQs there is a limit as to how much impact the contractor can have on local employment and the effect of his company's work will have on endangered species in the project area, stresses the Association. But he is still required to make a statement about it, together with whether his company complies with the law on race/gender/safety, what his company will do to improve the environmental impact of its operations and so on.

In addition, ten bound hard copies of the submission are required, together with copies of three years accounts, copies of the company's health and safety policy and other certification, etc. Details supplied on CD-ROM are not normally permitted. Paper submissions of this complexity, suggests the Association, probably deforests an area the size of Hampshire annually! Yet, amazingly, one CRA member recently reported that having gone through the entire exercise the presiding Consultant whispered to him, "It looks hopeful. You were quite competitive in your pricing!"

If the UK is serious about reducing its current indebtedness, it should resurrect some of its former ideas and allow contractors to get back to providing decent refurbishment work at a fair price, says the CRA. The CRA and its members can be accessed at: www.cra.org.uk

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