



Fair Payment Charter

Fair and transparent payment practices are an essential underpinning to achieve successful integrated working on construction projects. This Charter applies to parties to construction contracts with the aim of helping to create a more collaborative culture, and ensure a strong, resilient and sustainable supply chain.

This Charter builds on and complements existing legislation and policy, namely the Housing Grants, Construction and Regeneration Act 1996 (as amended); the Late Payments of Commercial Debts Regulations 2013; the Fair Payment Charter; Cabinet Office Procurement information Note 2/2010; and the Prompt Payment Code. In working with each other in good faith and in a spirit of mutual trust and respect, we agree that we will meet the 'Fair Payment' commitments set out below:

- Companies have the right to receive correct full payment as and when due. Deliberate late payment or unjustifiable withholding of payment is ethically not acceptable.
- 'Fair Payment' will apply equally between the client and lead contractor and throughout the supply chain.
- The process will be transparent in order that members of the supply chain have certainty of how much and when they will be paid.
- Companies will consider, where appropriate, operating relevant contracts on an open book basis.
- We will endeavour to use Project Bank Accounts where agreed with Contracting Authorities on Projects over f5m unless there are compelling reasons not to do so including identifying key supply chain members.
- The correct payment will represent the work properly carried out, or products supplied, in accordance with the contract.
- Any client arrangements for retention will be replicated on the same contract terms throughout the supply chain. Any withholding of payment due to defects or non-delivery will be proportionate and demonstrably justified in line with arrangements made at the time of contract.
- To ensure effective and equitable cashflow for all those involved, all contracts will provide for regular payments and have payment periods
 - not exceeding 30 days.
- We will endeavour to issue any "pay less" notices at the earliest opportunity and no later than 7 days prior to the final date for payment.
- We will have prescribed change control processes in place to enable the effects of contract variations to be agreed promptly and fairly and payments for such variations to be included in the payment immediately following the completion of the varied works.
- In order to avoid payment delays, the client and all supply chain members will agree payment procedures at the outset of their contracts. Payments will be through electronic BACS transfer and will apply throughout the supply chain.
- Monitoring and auditing and problem resolution procedures will be agreed between the parties.
- We agree that this Charter is not intended to be a legally binding document and not used in construing any contractual commitment.





Waste Resources Action Programme {WRAP) Commitment

Shaping public construction

We are committed to delivering the following and have mutually agreed these items in relation to WRAP

- Provide advice on the waste implications of design decisions.
- Help to provide practical opportunities to reduce waste to landfill during design development.
- Implement Site Waste Management Plans that exceed the regulatory requirements by setting project specific targets for waste reduction and recovery.
- Provide data at the end of every SCF Project and ensure that waste data is carefully retained for all SCF Projects to ensure effective data reporting.
- To identify opportunities that can be created if more frequent data collection is agreed.
- To report data in line with the 'Basic Data' WRAP reporting standard:
 - Value of Project
 - Tonnes of Construction Waste to Landfill
 - Tonnes of total Construction Waste
 - Tonnes of Demolition Waste to Landfill
 - Tonnes of total Demolition Waste
 - Tonnes of Excavation Waste to Landfill
 - Tonnes of total Construction Waste
- Reduce construction waste to landfill for all projects with the following minimum targets:

85 % Construction Waste diverted from Landfill

90 % Demolition Waste diverted from Landfill

90 % Excavation Waste diverted from Landfill

• Increase use of re-cycled material BY VALUE being derived from reused or recycled content in new build projects, with the following minimum target: 15% use of re-cycled material.





Health and Safety Charter

We are committed to delivering the SCF Health and Safety Charter

- All main contractors will participate and engage in a quarterly health and safety forum and commit to sending a deputy or be penalised for non-attendance.
- All main contractor's site managers will have as a minimum SMSTS accreditation or equivalent IOSH qualification.
- All our supply chain partners will ensure all operatives on site have attended 'Construction Skills 1 day Awareness Course or equivalent prior to commencing work on site.
- All our supply chain partners will have dedicated, site-based construction supervisors with SSSTS accreditation or equivalent, unless they fall under the direct supervision of the main contractor.
- As part of our commitment to CDM, SCF contractors (principal contractors) will assist all SCF clients in meeting their CDM responsibilities and provide a process to evidence that 'client compliance' has been achieved.
- At every SCF site we will gather workforce feedback on our health, safety and welfare performance, facilitated by tool box talks, through open forums and site level consultation.
- All sites will operate a 'Site Safety Observation Card' system and encourage engagement by all members of the supply chain.
- We will gather and collate feedback from all SCF sites and identify trends, good practice and areas for improvement to be shared between every partner at our quarterly Safety Forums.
- We will run a new / pertinent safety initiative every quarter supported by a poster campaign and toolbox talks on all our sites.
- Our caring for the workforce facilities will be of a consistently high standard and target a 'Care for Workforce' score of 8/10 or more as marked by the Considerate Constructors Scheme.
- All our main contractors will be required to pass OHSAS 18001.
- SSIP accreditation or equivalent in-house assessment is to be carried out by principal contractor.
- Once a year we will hold a SCF Safety Day on every site and will engage both the workforce and clients on a topical safety initiative.
- On SCF sites it will be mandatory to wear construction helmets, high visibility tops and safety footwear.
- On SCF sites all operatives will wear appropriate hand, ear and eye protection as and when identified by the relevant method statement and risk assessments.
- All operatives accessing SCF sites must be CSCS Accredited or carry affiliated system cards.
- All main contractors will have Drug and Alcohol policies and undertake testing as appropriate.
- All main contractors will work towards the standards set out in the CLOCS /FORS schemes at a corporate or local or project level, as appropriate.
- All main contractors will adopt the Time to Change (MIND) or similar schemes at company, local or project level as appropriate.





Environment and Sustainability Charter

We are committed to agreed minimum standards for environment and sustainability to apply to all SCF projects

- All sites will be Considerate Contractor Scheme (CCS) Sites and will achieve minimum CCS score of 38. 1.
- Use WRAP toolkits or approved alternative. 2.
- Site segregation of waste or transfer to approved waste transfer station capable of waste segregation into three waste 3. streams.
- Site recycling waste targets commit to the current Waste Resources Action Programme (WRAP). 4.
- Target for nonhazardous waste reduce total waste sent to landfill to less than 3 tonnes / f1OOk. 5.
- Sites to be on mains power as soon as practically possible. 6.
- Electrical consumption monitored and actively evaluated on a monthly basis. 7.
- Energy efficiency measures to be deployed on all sites (e.g. use of low energy lighting, timers etc.) 8.
- Water consumption monitored and actively evaluated on a monthly basis. 9.
- Water efficiency measures to be deployed on all sites (e.g. low flush/no flush urinals; low flow taps/showers). 10.
- 100% legal and sustainable timber sources. 11.
- 12. Chain of custody for timber products.

- All insulants to have an Ozone Depletion Potential (ODP) of zero and a Global Warming Potential (GWP) of less than five, both in 13. manufacture and in use.
- Green travel plan for sites (car share scheme, pick up points for works transport) with the aim of reducing CO2 emissions. 14.
- Local labour travel to work target of 65% of supply chain to live within the catchment area of the Contracting Organisation. 15. Postcode of each operative taken at induction to determine travel distances.
- Positively engage with design team towards whole life cost consideration from award of pre-construction agreement. 16.
- 17. Post project reviews to summarise attainment of above targets.
- Where a client wishes that UK steel is used in construction projects they are at liberty to ask SCF contractors to source steel in 18. a manner that is compliant with the UK Steel Charter - Long Term Strategic Procurement.





Handover & Aftercare Contractor Promise

We are committed to agreed minimum standards for environment and sustainability to apply to all SCF projects

During the Pre-Construction Phase, the Contractor will agree with the client/end user a 'Handover & Aftercare Plan', that will clearly set out the following: -

- Clients aspiration for Handover & Aftercare;
- Countdown Period and Countdown Milestones;
- Key Testing & Commissioning dates;
- An outline Training Programme (to be confirmed when construction programme finalised);
- The suite of O&M Manuals that will be provided;
- Client expectations for the management of defects/snags;
- Pledge between contractors and clients/end users to fully cooperate to deliver H&A plan.

Ensure that all 'Supply Chain Partners' agree to comply with the Handover & Aftercare plan that the contractor and client/end user have agreed;

Agree to target 'Defect Free Project' at handover and keep the client/end user fully briefed on the progress of: -

- Testing;
- Commissioning;
- Resolution of defects/snags.

A 'Training Programme' that will commence pre-handover and be completed in accordance with the agreed training programme. All training sessions to be video recorded and client/end user provided with video recording of the training with the O&M manuals.

All 'Key O&M Manuals' to be provided at end of training sessions to clients/end users that are: -

• Available on USB Data-pens or DVD;

• Searchable;

• Client/end user provided with walk through of all manuals.

Further 'Refresher Training' to be provided with 3 months of handover if required.

Provide a 'maintenance schedule' for all plant and equipment for 24months post-handover;

'Site Manager or M&E Coordinator to remain on site' - for a minimum of 2 weeks post-handover for low complexity projects and a minimum of 4 weeks post-handover for high complexity projects.

Clients/end users to be given access to a 'Project Specific 'on-line' defect recording system', upon which: -

- Emergent defects can be input directly by clients/end users;
- Clients/end users can access a full list of all defects;
- Clients can see actions and deadlines within which defects will be resolved.

A 'Dedicated Manager {accountable for remediating defects)' will be assigned to the project for the duration of the defects period with whom clients/ end users can: -

- Discuss concerns/issues face to face or via telephone or Email; hold a formal meeting with client/end user every 3 months during the defects period to monitor and resolve outstanding defects issues;
- Hold a formal project post implementation review (PIR) in the last 3 months of the defects period;
- Provide SCF Framework Team with copy of PIR.

