

Risky Business

Controlling Your Contractors

Case Study

At A Glance

Category

Supplier Accreditation and Compliance Management

Location

Victoria, Australia

Suppliers

Engineering Consultants and Contractors

Strategy

Supplier Accreditation and Compliance Management

Industry

Utilities Services

About The Client

South East Water is a Victorian Government corporation that delivers water, sewerage and recycled water services to more than 1.7 million people in an area spanning 3,640 kilometres across Melbourne's south east.



Background

South East Water is responsible for accrediting Engineering Consultant and Contractor organisations to undertake the development of water and sewerage services for new land and property developments. These accredited organisations and their key personnel are required to have certain pre-requisites, licences and certifications. Further, they must maintain and provide ongoing evidence of their continued compliance with these requirements.

Accurate and up to date information and compliance data is crucial to enable South East Water to meet their commitment to minimise safety risks associated with their Accredited Contractors and Consultants.

The Challenge

With hundreds of accredited organisations and key personnel, the job of maintaining accurate and up to date records is extremely challenging and resource hungry.

This results in the expiry and renewal of thousands of compliance requirements each year. Add contractor staff turnover, address and other supplier detail changes and the magnitude of the task can be overwhelming.

“Every few years we’d go through an exercise to accredit contractors and consultants to allow them to undertake the design and construction of new water mains and sewers. It was a massive job that would take months of dedicated effort. The trouble was that once that was done, insurances, licences, training and induction certificates etc. would start expiring. So our records of a contractor that met all the requirements a month or two ago were out of date almost immediately - and relying on the accredited companies to advise us of changes, including key personnel who joined or left a company, meant that it was almost impossible and extremely time consuming to verify that everyone was properly qualified or supervised.”

Bruce Johnson –
South East Water’s
Performance and Accreditation
Manager.

The Solution

“Other than employing a small army of people to continuously check and chase accredited organisations, we decided that an automated system was the only way we could get on top of the problem and reduce our risk of contractor and consultant non-compliance to as close to zero as possible.”

South East Water chose to implement ARCUS Supplier Information Management (SIM). SIM is a secure cloud based system that is highly configurable and is purpose built to address the issues described above.

“This has been a highly successful project for South East Water. In the area of contractor and consultant accreditation and compliance management we now have confidence that our systems and processes minimise risk and provide a level of oversight and control that was not possible before.”

Bruce Johnson –
South East Water’s
Performance and Accreditation
Manager.

Trade Interchange* helps organisations reduce the costs, risks and complexities associated with managing a large supplier base. Its solutions support a range of supplier management activities: from supplier information management (SIM), through to supplier contract and performance management. The cloud-based proprietary ARCUS® platform features a suite of easily-configurable modules that are fast to deploy and simple to use. To find out how we can be put to work in your business, please contact us.

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“We could see that ARCUS SIM’s solution could be configured to work the way we wanted it to and address our questions and our approval process. We could also see that our biggest issue of keeping the information up to date would be handled by the system and the suppliers themselves.”

The Implementation

Using an established and proven implementation methodology, Trade Interchange*, the makers of ARCUS SIM, worked closely with South East Water to configure and implement the system to South East Water’s requirements. The system was delivered on time and has met or exceeded expectations.

“ARCUS SIM delivers on everything we need. Trade Interchange is an easy organisation to work with. They are professional and they meet their commitments all whilst being flexible and accommodating. They are also experts in their field and that means they were able to offer good advice as we went through the configuration process, and they continue to do so...”*

...Trade Interchange are very customer focused and respond promptly to any issues, giving options on different scenarios whilst explaining the pros and cons in a simple manner.”*

The Outcome

The system delivers a live view of the compliance status of every contractor and consultant which enables informed decisions to be made regarding which contractors or consultants can bid for work. The contractors and consultants enter and maintain their own data which means that the once impossible task of having current and accurate supplier information is now achieved.

“Because the ARCUS SIM checks every certificate, licence and training expiry every day and then chases the suppliers until they update them, we don’t have to. Best of all, the dreaded re-accreditation cycle that used to take place every few years is no more. As long as accredited organisations maintain all of their compliance requirements, they remain accredited. Key personnel can come and go and new organisations can apply to become accredited at any time.”

Summary

South East Water can justifiably claim industry leading best practice in accreditation rigour and the safety standards achieved and maintained by their contractors and consultants. This results in safer working practices for the accredited organisations as well as improved governance and reduced risk exposure for South East Water and its accreditation staff.

***Trade Interchange (Asia Pacific) Pty Ltd has changed its’ company name to Rasp Pty Ltd**