

14th May 2021

Paula Barker MP
House of Commons
London
SW1A 0AA

**COMPLAINT REGARDING THE LIVERPOOL CITY COUNCIL BEST VALUE INSPECTION REPORT,
PRODUCED BY MAX CALLER CBE.**

I am David Anderson, former chairman of Safety Support Consultants Ltd (“SSC”). I wish to make a complaint regarding this widely publicised report which followed an inspection into best value within Liverpool City Council. The inspection was requested by the Rt Honourable Robert Jenrick MP and commissioned by Director General Catherine Frances, who instructed Max Caller CBE to carry out the inspection. Mr Caller was aided by Viv Geary and Mervyn Greer. The report was published on 24th March 2021 (A1 – A69) and Mr Jenrick discussed the content and his proposals for Liverpool City Council (“LCC”) in Parliament on the same day.

This report was widely publicised in the media and much adverse comment was made about me and SSC in the media following publication. The impact of the report upon me and SSC cannot be overstated as it fed into a false narrative which followed my arrest in December 2020 in relation to allegations of conspiring to bribe and witness intimidation, allegations I vehemently deny.

Publication of the report was the final nail in the coffin for SSC which was placed into administration on 26th March 2021.

I have adopted the numbering of the report within this complaint for ease of reference.

I wish to make clear at the outset that I am not aware of the information that was shared with Mr Caller or his team. I am aware that there was a Memorandum of Understanding (MOU) between Merseyside Police and Max Caller as that is referenced in pages 64-67 of the inspection report.

I believe that one of the following scenarios must be correct;

1. The Caller team did not have access to all of the council emails, reports, audits and data regarding SSC held by LCC or
2. The Caller team did not try to locate that information or
3. The Caller team were prevented from locating that information.

This may appear to be a dramatic assertion but I have various items of documentation which would have assisted the Caller team that clearly have not been considered by them. The assertions in the report regarding SSC would surely not have been made had Mr Caller had sight of that information.

The Caller team could have interviewed me or any of my colleagues at SSC to discuss the position with them before publicising highly critical and inaccurate information regarding my business which resulted in SSC being placed into administration.

Mention of SSC in the inspection report begins at section 5.10 and relates to the dismantling of the Churchill Way Flyover ("CWF"). This section runs from paragraphs 5.10-5.19 and states the following;

'5.10 This was a major civil engineering project, let under the NEC3 framework, and was procured by the CPU in mini competition. From our interview it is understood that the Highways team did not know what the Health and Safety plan for the project was prior to commencement on site. At the point of works starting an urgent appointment of safety consultants, Safety Support Consultants (SSC), was instructed. SSC had no previous relationship with the Council or the Highways team or their professional technical consultants. Not only was this in contravention of the Construction Design Management regulation but also this action exposed the site teams to considerable Health and Safety risk. It also increased the commercial risk to the Council of budget over run and additional compensation event claims.

5.11. SSC is a private limited company incorporated in July 2016. Amongst other services it provides Health and Safety consultancy, including to construction 20 sites. As noted above, it has never undertaken any work directly for LCC and is not on any approved list. For LCC to use its services, unless it was below the exemption limit, would require a waiver of Contract Standing Orders.

5.12. In mid-2019, Council officers in Highways requested Amey, who at that stage were still providing a range of professional services via the residual framework contract, to appoint SSC to provide client -side H&S support. Initially, it was suggested that SSC would review in-house design from a CDM perspective and do random site audits. Amey asked why LCC would not procure the service direct and why SSC? as they had no published highways experience. It would also have been possible for Amey, given notice, to deploy their in-house resource or use consultants already known to them.

5.13. The files record the assistance given by officers to SSC to enable rates to be set for the task on the basis that this information should not be disclosed to 3rd parties. Amey were given a direct instruction to appoint. From the outset, there were relationship difficulties on site and issues relating to perceived over resourcing with claims to match. From the evidence available on file, the quality and content of the output provided to the client-side did not justify the scale of contract payments. Although the arrangement was announced as lasting only 4-6 weeks, the engagement came to an end after 4 months with expenditure of the order of £250,000, once the CPU became aware and pointed out the availability of framework contractors providing the same service at less cost. This episode is an example of the approach taken by officers to circumvent the control systems.

5.14. After examining responses to questions raised and interviews with the appropriate managing officers for LCC Highways Services, the Inspection Team found that there is no

overall direction of the service and that management of the capital works services is dysfunctional and without 'ownership' of operational strategy and delivery. The service was split into two key areas of management with sub sections from these. The two principal sections are Capital works and Core Services (Maintenance works). Each area is led by an operational manager.

5.15. Dealing with Core Services the Inspection Team found that there is a framework in place to cover most service delivery needs. The framework is under review and will be replaced under a new procurement. Most works under this contract are procured against agreed schedules of rates by direct award with DAR or Cabinet report being processed before executing contracts. The payment mechanisms for this framework are well developed and include checks and balances from both the CPU and suppliers prior to submission of invoices. Spot on-site checks are also made to verify work done and value.

5.16. The Inspection Team noted missed opportunities to plan capital works, to control spend against budget and to derive better value from its contracts. Poor contract management and/or lack of ownership of contracts and the service leading to excessive claimed Compensation Events, lack of market and supplier relationship management and poor specification of contracts and frameworks.

5.17. Set against this was a welcomed category management approach and support from the CPU.

5.18. The Inspection Team also found that the relationship between the Core Services and Capital Works service lacked structure and process. For example, when questioning the managers of each service, the team were unable to establish how schemes to deliver repairs to potholes became too onerous and were handed over to the capital works team for further work under capital works programme budget i.e., there are no clear criteria for assessing revenue and capital works.

5.19. Capital works gave the greatest concern to the Inspection Team. Since the suspension of the Assistant Director, management of the service has been placed with 'operational' engineering staff. Of particular concern are the low contract management capability leading to loss of value for LCC and giving rise to the following concerns: -

- Poor specifications for Mini competitions under the framework leading to excessive compensation event claims from contractors*
- Inadequate health and safety planning prior to commencement of Works*
- Inadequate commercial risk assessment that maintains value driven outcomes of contracts*
- Lack of understanding of the commercial lifecycle and the role to be played in it by the Highways team.*
- Lack of visibility and understanding of supply chains'.*

The Caller report states that the LCC highways team were ill equipped to deal with the CWF demolition and did not know what the plan for Health and Safety (H&S) was before

work commenced on site. Email correspondence establishes that SSC were approached to provide some advice with H&S works on the CWF by LCC (B1, B2). This did not occur out of the blue, but followed a series of meetings with council officers and staff. The report also importantly fails to identify that SSC were already working on the LCC Highways Improvement project (“HIP”) at the time they were asked to advise from a H&S perspective on the CWF demolition. I reject the assertion that there was ‘considerable Health and Safety risk’ whilst SSC were involved in the HIP and CWF projects. SSC were procured by Graham Ltd (B3) and Amey PLC (B4) to reduce risk on both the HIP and CWF projects, Graham Ltd being the Principal Contractor for LCC and Amey PLC being the Principal Designer.

I detail below evidence which would have given the author of the inspection report an accurate understanding of the history

In Spring 2019, representatives of SSC met with LCC officers to present the H&S offering which SSC could provide. I was acutely aware of the H&S failings on the HIP having been privately subcontracting on the network for some time.

LCC recognised that there were H&S issues which needed to be addressed but explained that there was no scope for LCC to appoint SSC or any other H&S company at that time to provide the services needed as LCC did not yet have a Professional Services Framework (“PSF”) in place to directly procure such services. SSC were advised that they could meet with members of the LCC Highways team to see whether there was any way in which SSC could assist prior to the professional services framework being established.

A meeting was scheduled for SSC to meet with members of the LCC Highways team. LCC Highways team confirmed at this meeting that they were looking to create a PSF which would enable LCC to procure services such as H&S advice directly from private companies. LCC advised that they were at least 12 months away from being able to procure services following tender under the proposed PSF.

LCC suggested that SSC meet with the principal design companies who were already working for LCC to consider the H&S issues raised by SSC. SSC subsequently met with Amey PLC (B5, B6) who were LCC’s Principal Designer on the HIP as well as Aecom and WSP. If those organisations were happy to approve SSC for H&S services, they could choose to do so. If not, those Principal design companies would at least be aware of the H&S issues raised by SSC which they needed to address. This would mitigate the risk to LCC either way.

SSC presented to all three organisations. Amey PLC invited SSC to apply to join their approved list of contractors (B7) which is a rigorous process taking several months. Neither Aecom nor WSP invited SSC to apply to be placed on their approved contractor list.

The meeting specific to Amey PLC took place on 24th June 2019. Amey’s contracts manager was present. SSC were contacted following this meeting by Amey’s procurement officer who invited SSC to apply to join the Amey supply chain (B5).

SSC were also introduced to Graham Construction as this time. LCC were well aware that the application process to be placed on the Amey plc supply chain was a lengthy one. There were concerns from a H&S perspective that LCC were still at serious risk if Amey plc could not contract anyone for H&S purposes. They were unable to. Therefore SSC presented to Graham Construction as the Principle Contractor. There was an agreement for SSC to be subcontracted by Graham Construction on a short term contract, on a temporary basis

whilst SSC went through the procurement process with Amey plc. That way, H&S needs on the HIP were able to be met on a temporary basis subject to procurement from Amey plc.

Churchill Way Flyover demolition

Part of the works on the HIP in 2019 involved the demolition of the Churchill Way Flyover ("CWF"). This was a hugely complicated deconstruction, one of the most complicated this country has ever seen and presented all manner of logistical risks.

SSC at this time had begun works on the HIP and LCC officers had requested that they be kept informed by SSC of H&S progress on the HIP, requesting to see audits and the like. During one of these meetings, LCC highlighted how they would like SSC advice on the CWF as part of their works on the HIP. Emails highlight the request for advice (B1, B2).

Works including the Pre-construction phase plan (C1 – C34), outline methodology and organogram, were considered and it was instantly clear that the works needed on the CWF would far exceed the level of works agreed in relation to the HIP. The position was discussed with all parties. SSC presented to Graham Construction (B8.2) in relation to advice on this project which would take place before the works began on site. Rates were agreed with Graham Construction (B8.1) and accepted by LCC (B9). Credentials for those staff who would be working directly on the CWF were requested and provided. The SSC staff members were experts in their field. These staff members worked on the CWF project permanently and independent of the HIP. Work began in early August 2019 for Graham Construction (B10).

In early September 2019, SSC were accepted onto the Amey plc supply chain. SSC were thereafter procured by Amey in relation to works on both the HIP and CWF as individual projects. Again, rates were discussed (B4.3) and agreed thereafter. The short term contract with Graham Construction came to an end.

Works commenced on site on the CWF (B11) It was evident fairly quickly, in particular on the CWF project, that H&S was regarded as an inconvenience (B12, B13, B14, B15) to the contractors working on site and their employees. SSC audits and reports demonstrated the risks faced by LCC as a result of unsafe systems of work on site. The relationship between the contractor's employees on site and SSC became increasingly difficult as SSC, by properly managing the risks presented, were persistently raising incidents of bad practice following site audits (D1, D2). These incidents were raised on audit but ignored on multiple occasions. Of particular significance is the attached tracker document (E1) which does show a difficult relationship, particularly with staff from Graham Construction as a result of SSC highlighting H&S failings on both the HIP and CWF. This point was not lost on the author of the inspection report who details at paragraph 5.10, '**...the Highways team did not know what the Health and Safety plan for the project was prior to commencement on site**'. There was no prior H&S plan for the CWF project. The fact that neither Amey PLC (the Principal Designer) nor Graham Construction (the Principle Contractor) had identified the H&S risks on the CWF project is a huge area of concern. Is the author of the report suggesting that there was no requirement for H&S services on these projects or that SSC did not properly provide H&S works? SSC provided highly competent works on both the HIP and CWF. Evidence of those works is attached including the tracker document completed by SSC. The tracker details a RIDDOR reportable incident (F1) which was entirely preventable. This is identified at entry 88 (E1.28) on the project tracker. SSC on several occasions highlighted the risks to which Amey PLC and Graham exposed LCC. I was so concerned that H&S failings were being overlooked that I directly contacted an LCC officer and named those people

responsible for not acting on the H&S advice they were being given. The report author claims that the risk to LCC was increased as a result of SSC's appointment. I reject that accusation in the strongest possible terms. I felt ethically obliged to report H&S issues to an LCC officer because SSC were being ignored, my staff were being abused and I was seriously concerned there would be further serious accidents if H&S compliance was not taken seriously. This jeopardised SSC's position with Amey PLC, Graham Construction and the LCC officers who had introduced SSC to both companies. Shortly thereafter in December 2019, a Freedom of Information request was made in relation to me and SSC to LCC by one 'Thomas Boyla' (G1). The significance of this FOI request is that it directly coincided with SSC being advised their services were no longer required by Amey PLC. LCC directly interfered with the subcontracting of a private company (B16, B17, B18, B19, B20) by directing that Amey PLC remove SSC from their supply chain (A20). Following this, there were meetings between SSC and LCC (B21) regarding the concerns of SCC which were not alleviated. SSC asked to be considered when the PSF was created for H&S services and were advised that they would be notified when SSC were able to tender for the works.

Specific points

Paragraph 5.10

The Highways team, ***'did not know what the Health and Safety plan for the project was prior to commencement on site'***. This is evidenced in the pre-construction phase plan attached. Amey PLC had not appointed H&S consultants prior to SSC being procured (C7).

'At the point of works starting an urgent appointment of safety consultants, Safety Support Consultants (SSC), was instructed. SSC had no previous relationship with the Council or the Highways team or their professional technical consultants.' This is simply wrong. SSC had actively worked for various companies on the HIP and the Highways team were aware of the services being delivered by SSC. Audit reports were supplied to the Highways team by SSC when subcontracting for companies working on the HIP. This evidences best practice.

Following on from this, the report states, ***'Not only was this in contravention of the Construction Design Management regulations but also this action exposed the site teams to considerable Health and Safety risk'***. This wasn't a contravention of CDM. CDM advisors were replaced with Health & Safety advisors in the CDM 2015 regulations so any companies engaging with an impartial, qualified, accredited, experienced H&S company would show best practice (H4-H9).

Finally, this section states ***'It also increased the commercial risk to the Council of budget over run and additional compensation event claims.'*** This misses the point already made. SSC were not directly awarded works by LCC (B19.1). Rates of pay were negotiated with the Principle Contractor, Graham Construction (B8.1) Principal Designer, Amey PLC (B4.3). The service level agreement between both evidences that. SSC invoiced Amey PLC for payment, not LCC. Amey PLC then would invoice LCC and it appears, apply an uplift (B17.1, B20.1). It is a matter between Amey PLC and LCC as to whether there was an increased commercial risk due to this uplift or if there were a disproportionate amount compensation event claims made by Amey PLC. This is something the Caller team should be acutely aware of.

Paragraph 5.11

The report states that SSC has never directly conducted any work for LCC and is not on any approved list. This is accepted. SSC were procured by private companies as a subcontractor. No work was directly awarded by LCC and no work was conducted directly for LCC. Paragraph 5.10 is however worded in such a way as to make it appear that SSC were directly appointed by LCC, **'At the point of works starting an urgent appointment of safety consultants, Safety Support Consultants (SSC), was instructed. SSC had no previous relationship with the Council or the Highways team or their professional technical consultants.'** This point is inaccurate for the reasons given above.

Paragraph 5.12

'Council officers in the Highways team requested Amey, who at that stage were still providing a range of professional services via the residual framework contract, to appoint SSC to provide client –side H&S support'. SSC are not aware of these conversations taking place. If they did, the conversations were without input from SSC. As detailed above, SSC were in essence introduced to Amey PLC and to WSP and Aecom, neither of whom contracted with SSC. It would be untrue to claim that SSC as a company had or has **'no highways experience'**. The word **'published'** seems to have been purposely inserted in that sentence to make an insinuation that SSC were not fit to provide these services. SSC did have and does have highways experience for various companies and various Councils around the country, spanning a number of years.

'It would also have been possible for Amey, given notice, to deploy their in-house resource or use consultants already known to them'. This is not accepted. Had Amey PLC been in a position to employ alternate/in-house H&S support, why did they not already have that support in place on the HIP or prior to commencement of works on the CWF? Amey PLC were engaging in a high risk deconstruction of the CWF without H&S support prior to engagement with SSC and the Amey PLC produced pre-construction phase plan supports this (C7) . If Amey PLC had these concerns at the time, why did they contract with SSC and why did they not make a complaint to LCC at that time?

Paragraph 5.13

The report states that **'...files record the assistance given by officers to SSC to enable rates to be set for the task on the basis that this information should not be disclosed to 3rd parties'**. This is a criticism of LCC, not SSC.

'Amey were given a direct instruction to appoint'. This contradicts paragraph 5.12 which states that there was a request to instruct SSC.

'From the outset, there were relationship difficulties on site and issues relating to perceived over resourcing with claims to match.' The only difficulties encountered followed SSC highlighting negligent and dangerous practices on both the HIP and CWF (D1, D2, E1). SSC were not made aware of any strains regarding resourcing if they did exist.

'From the evidence available on file, the quality and content of the output provided to the client-side did not justify the scale of contract payments.' I do not accept that the remuneration for works paid by Amey PLC was disproportionate. I suspect that the information provided to the Caller team was not comprehensive and did not show the full extent of the works conducted by SSC. Some of the works have been provided with this response but there are hundreds if not thousands of audits and inspections which were

carried out by SSC on both the HIP and CWF. It is important to note that the HIP team and Amey PLC were sufficiently satisfied with the works conducted by SSC (B18.1, B19.2) that a request was made by them for an extension of SSC services for six additional months in December 2019 (B16). This contact being shortly prior to the 'Thomas Boyla' FOI request (G1) being made to LCC.

'...the CPU became aware and pointed out the availability of framework contractors providing the same service at less cost'. The emails in relation to this speak for themselves, showing that SSC had agreed fee rates and were willing to reduce in line with the lowest rates to meet LCC expectations (B20.2). The CPU directly interfered with a private company (Amey PLC) and may well have directed, requested or by some other means, ensured that the works were taken away from SSC. Whatever the interference, Amey PLC removed SSC from their supply chain for no good reason.

I do not accept that SSC was involved in any way with officers circumventing internal control systems, irrespective of whether they did or did not. SSC did no more than present to council officers and private companies and were procured thereafter, following an extensive procurement process, by Amey PLC.

Paragraph 5.15

The report states ***'...that there is a framework in place to cover most service delivery needs'*** but this does not specify whether the framework covered H&S works on the HIP. SSC highlighted the risk LCC faced from a H&S perspective but were told there was no framework in place to directly procure those works by LCC.

Paragraph 5.16

'The Inspection Team noted missed opportunities to plan capital works, to control spend against budget and to derive better value from its contracts. Poor contract management and/or lack of ownership of contracts and the service leading to excessive claimed Compensation Events'. The report insinuates that SSC were overpaid for the work they undertook but no evidence is provided for that unsubstantiated assertion. SSC were not overpaid and has not made any compensation event claims.

I have previously made a formal written complaint regarding this report on the 6th April 2021 to Ms Catherine Frances, Director General, Local Government, Strategy & Analysis without response. That complaint was sent to the email address specified for such contact, mhclgcorrespondence@communities.gov.uk. A further email was sent on the 30th April 2021 highlighting that I had still not been contacted regarding my complaint. I trust this complaint will now be sent to the Parliamentary Ombudsman for investigation.

Yours sincerely,



David Anderson