



Project Bank Accounts - Revised Thresholds and Procedures

Purpose

1. This construction policy note (CPN) draws attention to changes to the guidance for the application of Scottish Government's project bank account (PBA) policy effective from 19 March 2019.

Key message

2. The changes deliver upon Scottish Government's commitment in the [Economic Action Plan](#) to increase the number of sub-contractors able to access PBAs.

Target audience

3. This note is intended for all relevant staff:
- in public bodies to which PBA policy applies¹.
 - in all other bodies that can award public contracts to which a PBA could be applied.
 - in other organisations providing procurement routes for the construction of public buildings and infrastructure.

Changes

4. A PBA as set out in the guidance² must be included in procurement documents for public works contracts commencing procurement procedures from 19 March 2019 with an estimated award value at least in the following amounts:

- £2,000,000 for building projects.
- £5,000,000 for civil engineering projects.

¹ <http://www.gov.scot/Topics/Government/Finance/spfm/Intro> (section 1; and 7 - 11)

² <https://www.gov.scot/publications/construction-projects-implementing-project-bank-accounts/>

5. Provisions for not deploying a PBA in the following circumstances have been removed:

- where the main contractor undertakes to self-deliver a significant amount of the contract
- where the PBA is unable to be opened for the early stages of a project on site.

6. The changes should be applied to contracts called off from existing framework agreements where allowed by the terms of the agreement. Where their application is discretionary under such agreements it is strongly encouraged where practicable.

7. Original PBA application thresholds and non-deployment provisions introduced by [SPPN 10/2016](#) are extant until 18 March 2019. The changes do not apply to existing contracts or to procurement procedures underway by then.

Dissemination

8. Please bring this CPN to the attention of all those staff involved in the procurement of relevant construction projects.

Contact

9. If you have any questions about this CPN please contact:

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