

## **Contract Procedure Rules**

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All costs stated in these contract procedure rules are exclusive of VAT, staff costs and fees.

\* Amounts so indicated are subject to change every two years, from 1 January 2012.

## 1. INTRODUCTION

- 1.1 Contract Procedure Rules provide the framework and guidance for Barnet Homes to procure all goods, works, supplies and services while:
- safeguarding public funds
  - ensuring value for money
  - enabling services to be delivered effectively and efficiently without compromising strategic decisions
  - ensuring Barnet Homes is not exposed to unnecessary risk, or to challenge for non-compliant tendering activity.
  - If followed correctly will avoid any bribery and corruption legislation infringements.
- 1.2 The Contract Procedure Rules apply to all contracts and agreements entered into by, or on behalf of, Barnet Homes and are maintained and issued by the Director of Business Services.
- 1.3 Thresholds for tendering of works, supplies or services **not subject to EU statutory requirements** are set out in Section 3. The Board may amend these when necessary.
- 1.4 Please consult the Procurement team who are there to assist / run tenders / give advice or receive tenders.

## 2. APPLICATION AND INTERPRETATION

- 2.1 Exceptions to the Contract Procedure Rules can be approved as prescribed by the Scheme of Delegation.
- 2.2 Where Barnet Homes enters into a contract as an agent or in collaboration with another public body or government department, the Contract Procedure Rules apply only if consistent with their requirements. Where we are the principal, our Contract Procedure Rules will take precedence.
- 2.3 Where a value or an estimated value is given in these Contract Procedure Rules it means the aggregate value payable in pounds sterling exclusive of Value Added Tax over the entire contract period, including any form of option and any renewals of the contract.
- 2.4 Works or services (including additions, extensions and variations) which are in our budget and business plan, or have Board approval, have authorisation to procure irrespective of their value.
- 2.5 It shall be a condition of the engagement of any person supervising a Barnet Homes contract that they shall comply in all respects with the requirements of these Contract Procedure Rules.
- 2.6 Terms used in the Contract Procedure Rules are defined in Section 14.

## 3. APPROVAL LEVELS

Barnet Homes board has approved limits and routes for procurement against type of purchase and values, these must be followed by all of Barnet Homes staff.

## Barnet Homes Contract Procedure Rules

## Appendix 1

### Works (usually physical construction works)

Values in pounds (£)		Selection (see note 1 re leaseholder consultation which applies to all values)	Authority to seek quotations (if not in budget)	Acceptance		Record (All contracts will also be recorded on the Contracts Register)	Execution
Minimum	Maximum			Included in Barnet Homes Accounts (capital/revenue budget and agreed forward plan)	Not budgeted for		
n / a	£9,999	Single Quote from existing contractors (See note 1 -re Leaseholder consultation)	Barnet Homes Manager	Barnet Homes Manager	Barnet Homes Head of Service	Contracts Register	Barnet Homes Manager
£10,000	£29,999	Minimum of two quotes	Barnet Homes Head of Service	Barnet Homes Manager	Barnet Homes Head of Service	Operational meeting minute and Contracts Register	Barnet Homes Manager
£30,000	£50,000	Minimum of three quotes	Barnet Homes Head of Service	Barnet Homes Manager	Barnet Homes Executive Director	Operational meeting minute and Contracts Register	Barnet Homes Head of Service
£50,001	£150,000	Tender (if part A or B service then PQQ required)	Barnet Homes Investment Planning	Barnet Homes Manager	Barnet Homes Executive Director	Authorised Scheme Acceptance Form and Contracts register	Barnet Homes Head of Service
£150,001	£1,000,000	Pre Qualification Questionnaire (PQQ) then Tender dependant on service or works	Barnet Homes Investment Planning	If lowest tender or economically advantageous & within budget – Barnet Homes Head of Service	Executive Team (x2)	Authorised Scheme Acceptance Form, Contracts Register and Investment Planning minute	Execute as deed 2 x Exec team
£1,000,001	£3,899,999 (or current OJEU limit)	Pre Qualification Questionnaire (PQQ) then Tender dependant on service or works	Barnet Homes Investment Planning	Barnet Homes Investment Planning	Board	Report & Minutes and Contracts register	Execute as deed 2 of Exec Team
£3,900,000 (or current OJEU limit)	plus	EU Procurement	Barnet Homes Investment Planning	Barnet Homes Investment Planning	Board	Report & Minutes and Contracts Register	Execute as deed 2 of Exec Team

### Supplies And Services (consultants, legal, utilities, stationery etc)

Values in pounds (£)		Selection (see note 1 re leaseholder consultation which applies to all values)	Authority to seek quotations (if not in budget)	Acceptance		Record (All contracts will also be recorded on the Contract Register)	Execution
Minimum	Maximum			Included in Barnet Homes Accounts	Not budgeted for		
n / a	£9,999	Single Quote from existing contractors (See note 1 -re Leaseholder consultation)	Barnet Homes Manager	Barnet Homes Manager	Barnet Homes Head of Service	Contracts Register	Barnet Homes Manager
£10,000	£29,999	Two quotes	Barnet Homes Head of Service	Barnet Homes Manager	Barnet Homes Head of Service	Contracts Register	Barnet Homes Manager
£30,000	£50,000	Three quotes (possible tender to ensure right specification KPIs etc)	Barnet Homes Head of Service	Barnet Homes Manager	Barnet Homes Executive Director	Contracts Register	Barnet Homes Head of Service
£50,001	£156,441 (or current OJEU limit)	Pre Qualification Questionnaire (PQQ) then Tender dependant on service or works	Barnet Homes Finance Group (BHFG)	Barnet Homes Head of Service	Barnet Homes Executive Director	BHFG report & minute	Barnet Homes Head of Service
£156,442 (or current OJEU limit)	plus	E U Procurement	BHFG	If lowest tender and within budget – Barnet Homes Head of Service (BHFG if over £1m)	BHFG (Board if over £1m)	BHFG or Board Report and minute and Contracts Register	Execute as deed 2 x Exec Team

Note 1 Leaseholder consultation must be built into any procurement timeline and related to type of contract (year or long term etc) consult with leaseholder services in each case at all spend levels

#### **4. LEASEHOLDER AND RESIDENT CONSULTATION AND INVOLVEMENT**

- 4.1 Leasehold consultation by law must be scheduled into any tendering process where the outcome will affect service charges. Consult the Leaseholder Services Manager to ensure the right consultation is undertaken for a short term contract, a Qualifying Long Term Agreement, or an OJEU notice. The same applies to contract additions, extensions or variations.
- 4.2 It is important to consider potential leasehold implications when using consortia or other framework agreements, or when proposing to step outside our contract procedure rules. Consult the Leaseholder Services Manager on the requirements.
- 4.3 Tenants must also be consulted and involved in the procurement process and the advice and approval of the residents' Performance Advisory Group must be sought for all significant contracts.

#### **5. RESPONSIBILITIES OF THE HEADS OF SERVICE**

- 5.1 Heads of Service are responsible for everything bought, quoted or tendered by their service area (covers all goods, work, services and supplies).  
They must ensure all the following:
  - 5.2 compliance with English Law, U.K. and EU legislation and Barnet Homes policies
  - 5.3 That all staff are familiar, trained in and comply with the Contract Procedure Rules and guidelines and take immediate action if the Contract Procedure Rules are breached within their service area.
  - 5.4 That all existing and new contracts anticipated during the financial year are itemised in the budget supporting documentation.
  - 5.5 That all budgets are properly prepared using a pre-tender estimate of anticipated costs to include the aggregated value of a project over its lifetime and are not artificially under or over estimated, divided into two or more contracts to ensure accordance with the Contract Procedure rules and the EU regulations.
  - 5.6 Proper records are kept of all quotes, contracts, tenders etc. including minutes of tender evaluation panels, visits, waivers and other meetings, New vendors and the checks carried out to approve use of them, even how minor work is bought or allocated.
  - 5.7 The Procurement officer is given all original documents including, tender evaluation for safekeeping.
  - 5.8 That the contracts register (schedule)/ procurement timetable is updated by the Procurement Officer.
  - 5.9 Ensure value for money and optimise risk in all purchases.
  - 5.10 Approve the requirement for quotations or tenders for works, supplies or services and determine what approval route, follow the instructions and thresholds in section 3, to prevent unauthorised time on the procurement.
  - 5.11 That any variations, additional expenditure, extension to contract or change of conditions follow correct procedure as shown in section 7.20
  - 5.12 Appoint Officers for post tender negotiations
  - 5.13 During the life of the contract ensure systems are in place to manage and monitor

contracts in respect of:

- contract performance, service level agreements, key performance indicators, user satisfaction and risk management.
- compliance with specification and contract,
- cost, cross check contract payments to work completed or goods or services supplied,
- ensure continuous improvement, use information from lessons learned and any Best Value requirements,
- eliminate unlawful discrimination and promote equalities.

5.14 To review service area to ensure compliance with procedures.

## **6. RESPONSIBILITIES OF STAFF AND OFFICERS**

6.1 All staff must gain approval from the Head of Service to proceed with any purchase (quotation, contract or tender), follow the instructions and thresholds in section 3, before any time is allocated to the process.

6.2 A scheme acceptance form must be completed and authorised for each contract as per section 3. A copy of this form should be retained by the Procurement Officer to comply with public sector purchasing requirements.

6.3 gain approval from HOS for any additional expenditure, extension

## **7. SELECTING CONTRACTORS**

7.1 For works, goods, supplies or services contracts not subject to EU procurement regulations (such as Part B or below threshold limits), tendering should follow the approval levels as set out in section 3.

7.2 The Procurement Officer must ensure, irrespective of their total value that all opportunities are advertised widely using specialist procurement websites and portals for local government work. Advertisements may be placed in or on:

- Barnet Homes website
- Portal websites specifically created for contract advertisements
- National official journals, or
- The Official Journal of the European Union (OJEU)/Tenders Electronic Daily (TED) (even if there is no requirement within the EU Procedure).

7.3 The Procurement Team in conjunction with the service area to utilise the purchase are responsible for ensuring all candidates are suitably assessed by a PQQ or appropriate shortlisting. The assessment must establish that the potential candidates have sound economic and financial standing, the technical ability and capacity to fulfil the requirements. The procurement team will advise based on purchase type and size.

7.4 Any Contract near the EU threshold must have an award notice published on the OJEU before the award

7.5 When any employee either of Barnet Homes or of a service provider may be affected by any transfer arrangement, officers must ensure that the Transfer of Undertaking (Protection of Employment) (TUPE) issues are considered and obtain legal advice before proceeding with inviting tenders or quotations.

### **EUROPEAN TENDER PROCEDURES AND THRESHOLDS**

7.6 EU procurement regulations govern tendering for goods, supplies, services or

works contracts and where the total lifetime values are above the specified thresholds, the Procurement Officer will advise if EU regulations apply.

7.7 The thresholds can be found on <http://www.ojeu.eu/Thresholds.aspx> and are reviewed every two years (even years 2012, 2014 etc)

7.8 For 'services', the EU procurement regulations split these into 'Part A' services which are subject to the full European rules and 'Part B' services which must demonstrate adequate competition.

#### CONSORTIA PURCHASING ARRANGEMENTS

7.9 Barnet Homes may enter into collaborative procurement arrangements to secure value for money. For consortia purchasing arrangements the Contract Procedure Rules apply where Barnet Homes is the lead.

7.10 Other consortia purchasing arrangements are not subject to the Contract Procedure Rules, but should not be entered into unless the Head of Service has authorised this and the Executive Team has approved the consortia. A register of work through any consortia must be maintained in the contract register.

7.11 The Barnet Homes Finance Group (services) or Investment Planning Group (works) must also agree the terms and conditions of any proposed consortia contract are acceptable.

7.12 The Procurement Team must check all OJEU notices and award criteria to ensure the consortium has let the contract in accordance with the EU procedures and the terms and conditions of the consortia. Mini competitions are to be used where appropriate.

#### FRAMEWORK AGREEMENTS

7.13 The term of a framework agreement must not exceed four years. An agreement may be entered into with one provider, but where an agreement is between several organisations, there must be at least three.

7.14 Contracts based on framework agreements may be awarded by either:

- applying the terms in the agreement (where these are sufficiently precise to cover the particular call-off) without reopening competition, or
- Where the terms in the agreement are not precise for a call-off, by holding a mini tender competition with those appointed on the framework, giving the latest specification and volumes and sufficient time for a detailed return and award under the criteria as set in the framework or the mini competition invitation.

#### APPROVED LISTS

7.15 Barnet Homes does not currently maintain Approved Lists of contractors, but does have some specialised contractors and suppliers for non standard equipment and minor spend e.g. Mira showers and pumps. These should be managed annually to agree costs, service levels and maintained on the contracts register. A full review should be carried out every three years.

#### SINGLE SOURCE SUPPLIERS

7.16 Where the Head of Service is satisfied after research that there is only one supplier for the supplies, services or works, approval should be sought from the Head of Finance or one of the Executive Team to enter into a contract with the single provider using the scheme acceptance form. This must be supported with

appropriate evidence.

#### CORPORATE CONTRACTS

- 7.17 Certain goods and services, for example, agency staff, electricity, stationery, decoration vouchers and telephony, are bought centrally by the Procurement Team through single contracts. Consortia such as Procurement for Housing (PFH) and Buying Solutions can be used to purchase these services, unless the Head of Finance or Executive Team has agreed otherwise.

#### URGENT / EMERGENCY PROCEDURES

- 7.18 In exceptional circumstances, Executive Team members individually have the power to waive any requirements of the contract procedure rules for specific projects. This must be supported by a clear business case and legal advice should be sought if OJEU/ EU procurement legislation may be infringed where this occurs it must be a joint decision between the Executive team.
- 7.19 All exemptions with the reasons (such as immediate risk to persons, property or serious disruption to services), must be recorded using the Scheme Authority Form, exemptions and signed by the Head of Service and countersigned by a member of the Executive Team. They should be reported to the Procurement Officer for;
- recording on the contracts register with a contract award notice to be issued for the emergency service to prevent future challenges.
  - report to Audit and Risk Committee

#### ADDITIONS TO CONTRACT SUCH AS EXPENDITURE or ADDITIONAL WORK or VARIATION or EXTENSION

- 7.20 The thresholds and approval route for additional expenditure due to variations, extending the contract or additional work are shown in Section 3 taking into account the new total spend on that contract and must follow and consider:-
- that any additional expenditure does not take the value over OJEU and EU thresholds under aggregation rules and duration of the contract
  - Does not infringe section 20 (leaseholder) legislation.
  - only given to companies/ suppliers who were awarded original contract by a competitive tender or a minimum of three quotations that was less than 12 months previously
  - this is first and only time an additional award from letting original contract and not extended before (cant do two additions or extensions or one of each )
  - For additional contracts the value does not exceed the value of the original contract, for extensions must be less than half the cost of the existing contract.
  - No work to be commenced until sign off as section 3 limits completed
  - must be in accordance with the terms and conditions of the existing contract
  - the extension, variation additional work is notified in writing to the contractor;
  - any variation expenditure incurred does not exceed ten percent of the initial contract, or exceed £50,000 whichever is greater

### **8. RECEIPT & OPENING OF TENDERS & PRE QUALIFICATION QUESTIONNAIRES**

#### NON-ELECTRONIC TENDER PROCESS

- 8.1 Contractors must be informed at the time of inviting tenders / Pre qualification questionnaires (PQQ) that their tender/PQQ will only be considered if it is received

in plain packaging, securely sealed and addressed to the Head of Finance, Barnet Homes, 1255 High Road, London, N20 0EJ, by the time stated in the invitation to tender. It should bear the word 'Tender' or 'PQQ' followed by the reference number provided by the Procurement Team.

- 8.2 Late tenders / PQQ's will not be opened other than to discover the applicant's address. They will be returned and must be recorded as such.
- 8.3 Each tender / PQQ must be marked with date and time of arrival with initials and signature of recipient.
- 8.4 Tenders / PQQ's must be kept safe until the time for their opening by an officer given this duty by the Head of Finance.
- 8.5 Tenders / PQQ's for a particular contract must be opened at the same time in the presence of two officers, one representing the Head of Finance. For EU tenders one must be the Head of Finance or someone nominated by them.
- 8.6 A tender record sheet must be completed on opening all tenders/ PQQs received and signed or initialled appropriately by the opening officers. The record sheet is passed to department who instigated the tender and a photocopy of the record sheet and form of tender should be retained in line with procurement law. If electronic copies are provided then these must be recorded in an appropriate system and paper copies after contract award standstill period may be destroyed. A full audit trail must be maintained.
  - Each tender to be numbered and a summary of the main terms of each tender (e.g. tender sum, construction period). (PQQ's will record company name only).
  - Each page of the tender that contains prices should be dated and photocopied,

#### **E-TENDERING AND E-AUCTIONS**

- 8.8 At the discretion of the Procurement Team requests for quotations and invitations to tender may be either issued and/or received by electronic means. The Procurement Officer will select an accredited tendering solution for e-Tendering and e-Auctions.
- 8.9 In the case of e-Auctions its use must be stated in the Contract Notice and can only take place after the initial evaluation of tenderers on quality.

#### **9. POST-TENDER CLARIFICATION**

- 9.1 The Head of Service must appoint two Officers, one of whom must be from a service area independent to that leading the negotiations (i.e. the Procurement team) to carry out post-tender negotiations, record minutes of all negotiation meetings that both parties agree to with actions followed up in writing.
- 9.2 Any provision or seeking clarification from a potential or actual candidate before submission of the tender including additional information whether in writing or by way of a meeting must be recorded and sent to all candidates.
- 9.3 Post tender negotiations and discussions with tenderers after submission but before award of a Tender with a view to obtaining adjustments in price, delivery or content must be the exception rather than the rule and conducted equally across all tenders and records kept of all meetings.
- 9.4 Must follow all EU guidance for OJEU / EU threshold tenders.
- 9.5 Negotiations with a single or two stage tenderer shall only be undertaken with the tenderer who is identified as having submitted the best tender and after all

unsuccessful Candidates have been informed. During negotiations tendered rates and prices shall only be adjusted in respect of a corresponding adjustment in the scope or quantity included in the Tender documents.

- 9.5 Where post-tender negotiation results in a fundamental change to the specification (or contract terms) the contract must not be awarded but re-tendered.

## **10. FORM OF TENDER DOCUMENTATION – Tender submissions**

Each return of a tender and for larger quotes must contain:

- 10.1 An undertaking signed by the tenderer that to the best of their knowledge and belief they have complied with all the relevant provisions of the Health and Safety at Work Act 1974 and regulations made under it;
- 10.2 A statement that the tenderer will comply with all current relevant British Standard Specification, or Code of Practice, or equivalent European Union, or international standards and offers guarantees of safety, reliability and fitness for purpose.
- 10.3 A statement by the tenderer that they will not try to obtain or receive by whatever means any information which gives, or is intended, or likely to give the tenderer, or another party any unfair advantage over any other tenderer (including Barnet Homes own workforce) in relation to the tendering for and award of any works/services contract.
- 10.4 A statement that Barnet Homes shall not be liable for expenses incurred in the preparation of tenders; nor shall Barnet Homes be bound to accept the lowest tender, or any tenders submitted; nor shall Barnet Homes have to give reasons for the rejection of any tender and reserve the right to invite fresh tenders should they consider that course desirable.
- 10.5 A statement that they understand the requirement of the Freedom of Information Act for public bodies and the Data Protection Act and will ensure compliance with these acts and agree to disclosure, if requested.

## **11. TENDER CONTENTS AND DEFINITIONS**

- 11.1 Every contract must be in writing and in a form approved by the Director of Business Services (or their delegate in their absence), appropriate to the type of work or service and as approval limits in Section 3.
- 11.1.2 For a property or construction related contract use either a JCT (Joint Contracts Tribunal), ACA partnering contract (PPC2000 etc) or NEC3 suite of contracts. See relevant websites for suitability of contracts or consult the Procurement Officer.
- 11.1.3 A services contract may be bespoke to the service, through the supplier, or a NEC3 services & supply, in all cases legal advice may be necessary for appropriate terms and conditions agreement.
- 11.2 All contracts whose value exceeds £156,442\* shall be executed as a deed on behalf of Barnet Homes, unless the Director of Business Services, or in their delegate in their absence, directs otherwise. The Director of Business Services may require other contracts to be signed under deed

All contract documentation shall contain the following requirements:

- 11.3 terms specifying the work, services or supplies in question (the specification)

- 11.4 the price or basis of charge (including discounts).
- 11.5 performance requirements including service level agreements and key performance indicators.
- 11.6 mobilisation including period, IT requirements including set up time, testing of all aspects of the contract and costs associated at the contractors expense
- 11.7 transitional arrangements for the exit strategy at end of the contract or earlier termination of the contract, for example: work in progress and costs of transferring ownership of assets, data and records and TUPE information.
- 11.8 the contract management and monitoring plan
- 11.9 Compliance with all legislation:
- 11.10 Compliance with Barnet Homes insurance requirements;
- 11.11 A prohibition on assignment/or sub-contracting without the written consent of the relevant Head of Service.
- 11.12 A provision allowing Barnet Homes to cancel the contract and recover any resulting loss from the contractor, if the contractor does anything which is contrary to the Prevention of Corruption Acts 1889 to 1916, or incites breach of Section 117 (2) of the Local Government Act 1972, or any subsequent legislation.
- 11.13 A provision to ensure Barnet Homes is protected against the contractor's defective performance by default provisions, which are appropriate to the contract.
- 11.14 Provision(s) that if the contractor is in breach of contract, Barnet Homes can do any or all the following:
  - determine all or part of the contract or determine the contractor's appointment,
  - itself perform the contract in whole or in part,
  - recover from the contractor any additional cost resulting from the completion or cancellation of the contract.
- 11.15 For every contract that is to be performed in stages or over a period of time, the contract shall, where practicable, require the contractor to pay liquidated damages for any default.
- 11.16 A sufficient surety (in a form approved by the Head of Finance or in their absence a member of the Executive Team (e.g. a bond)) shall be taken out against performance unless:-
  - the cost of the contract is less than £300,000,
  - the Director of Business Services and Head of Finance so direct following the completion of a risk assessment,
  - the contract is with a statutory body.
- 11.17 A Parent company guarantee where a contractor is a subsidiary or a member of a group of companies, its parent company, or another company in the group whose assets are sufficient, shall be required to guarantee performance and indemnify Barnet Homes against loss from any default, unless the Head of Finance or in their absence a member of the Executive Team so direct.
- 11.18 If the contractor has obtained or received by whatever means, any information which gives, or is intended or likely to give the contractor any unfair advantage over any other tenderer (including Barnet Homes own workforce) in tendering and award of any supplies / works / services contract, that Barnet Homes shall be entitled to terminate that contract.
- 11.19 That the contractor shall be required to make available to Barnet Homes, or its

auditors, such documents, or access to information, or access to the staff of the contractor, as is necessary, to conduct any audit investigation into the contract.

- 11.20 That the contractor shall be required to make available to Barnet Homes upon request such information as Barnet Homes considers necessary, whether in relation to staff or otherwise, to enable Barnet Homes to meet its duties in relation to re-tendering the contract.
- 11.21 All long term contracts to include a standard clause allowing for the contract to be taken over and run by the London Borough of Barnet (LBB) in the instance of Barnet Homes taken back into LBB

## 12. PREVENTION OF CORRUPTION

- 12.1 All staff must comply with the Code of Conduct and must not invite, or accept, any gift or reward in respect of the award or performance of any contract. It will be for the Officer to prove that anything received was not received corruptly. High standards of conduct are obligatory. Corrupt behaviour will lead to dismissal and is a crime under the statutes referred to in Section 11.12. and under the Bribery Act 2011.

## 13. DECLARATION OF INTERESTS

- 13.1 All Board Members or Executive Team members who have a pecuniary interest in any contract, whether in the tender process or awarded, must declare an interest by giving written notice to the Director of Business Services who will report to the Board where unconflicted Board Members must approve any such interests that are recorded in the Board minutes.
- 13.2 All employees or volunteers involved in the tendering process to declare an interest who have friends or relatives, who are involved in the process on the contractor's side.
- 13.2 Written notice is required irrespective of whether the pecuniary interest is direct or indirect. An indirect pecuniary interest is distinct from a direct pecuniary interest in as much as it is not a contract to which the Board Member, employee or volunteer is directly a party.
- 13.3 A shareholding in a body not exceeding a total nominal value of £1,000 or 1% of the nominal value of the issued share capital (whichever is the less) is not a pecuniary interest for the purposes of this standing order.
- 13.4 The Personal Assistant to the Chief Executive shall maintain a record of all declarations of interests notified by Board Members and executive team and shall ensure that the attention of all Board Members is drawn to the National Code of Local Government Conduct. HR will record all other Staff interests.

## 14. DEFINITIONS

**ACA Partnering Contract - (ACA)** comprehensive contracts and guidance documents written by Trowers and Hamblins with the input of contractors, lawyers, engineers, architects and others such as: PPC2000, SPC2000 and TPC2005.

**Bond** - An insurance policy, enforceable if the contractor does not do what it has promised under a contract, If taken out Barnet Homes can claim from the insurer the sum of money specified in the bond (often 10% of the contract value). A bond is

intended to protect Barnet Homes against a level of cost arising from the contractor's failure.

**Candidate** - Any person who asks or is invited to submit a Quotation or Tender.

**Code of Conduct** - The code regulating to conduct of Officers.

**Consortia** -

**Deed** – how a contract is executed, link to JCT website explaining ways to execute a deed <http://www.jctltd.co.uk/assets/Attestation%20Update%200208.pdf>

1. There are two forms to execute as a Deed, one for the *[Employer]* and the other for the *[Contractor]*. Each form provides four methods of execution, **(A)** to **(D)**, for use as appropriate.
2. For public and private companies incorporated and registered under the Companies Acts, the three principal methods of execution as a deed are:
  - (A)** through signature by a Director and the Company Secretary or by two Directors;
  - (B)** by affixing the company's common seal in the presence of a Director and the *Company* Secretary or of two Directors or other duly authorised officers; or
  - (C)** signature by a single Director in the presence of a witness who attests the signature

**EU Procedure** – process as required by the EU directives for procurement of public contracts to be tendered. There are directives on values and types of service that must be followed.

**Framework Agreement (or partnering agreement)**– either an agreement between one or more authorities, a consortia, with a procurement organisation and one or more operators, to partner and carry out joint procurement, to harvest the collective purchasing power of the organisations combined, have common terms and conditions governing contracts.

Or

An agreement where providers are appointed onto the framework to complete the work, service etc, a framework is either 1 or 3+ providers, there will be documentation on call off for work (SLA, prices all agreed) and this could be via a mini competition. The maximum length of a framework is 4 years.

**Head of Service** – the posts so listed in the Scheme of Delegation

**Invitation to Tender (ITT)** - documents in the form required by these contract procedure rules.

**JCT** (Joint Contracts Tribunal) - produce contract documents that are regularly reviewed and amended and operate the JCT Council. The latest JCT Suite were issued in 2005 and include: Minor works building contract, Intermediate building contract, Standard Building contract, Design and build contract, Major Project Construction contract, JCT Constructing Excellence contract, Construction Management, Management building contract, Measured Term contract, Prime Cost Building contract, Repair and Maintenance contract, Framework Agreement, Consultancy agreement, Pre- construction services contract, Adjudication Agreement and Collateral Warranties. (refer to JCT website and click link for 'which contract' to help chose the right one;

**NEC3** – (National Engineering Council) is a family of contracts that facilitates the implementation of sound project management principles and practices as well as

defining legal relationships. It is suitable for procuring a diverse range of - Works, Services and Supply, suitable for major framework projects through to minor works and purchasing of supplies and goods- <http://www.neccontract.com/index.asp>

**Officer** - as designated by the Head of Service to deal with the contract in question.

**Parent Company Guarantee** - A contract which binds the parent of a subsidiary company to require the parent company to complete what is promised under the contract if the subsidiary fails to do so.

**Pecuniary interest** – could cover any of the following: a relation, a partner or close friend working for the company, director or senior member of staff of another company, a shareholding.

**Pre Qualification Questionnaire (PQQ)** – a way of shortlisting interested parties to access their capability, references, history of completing similar work, etc. It can only look back at what they have done and questions at this stage cannot be asked again at ITT

**Procurement Strategy** - a document setting out Barnet Homes approach to procurement and the key priorities for the forthcoming years.

**Quotation** - a price with description of work (without the formal issue of an Invitation to Tender) based on specification criteria as issued.

**Shortlisting** - the process of selecting Candidates who are to be invited to quote or bid or to proceed to final evaluation.

**Tender** - A Candidate's proposal submitted in response to an Invitation to Tender.

**Tender Record Sheet** - kept by the Procurement Officer to record details of Tenders and Pre qualification questionnaires.

**Total Value** - The whole or estimated value (in money or equivalent value) for a single purchase or disposal calculated as follows:-

- (a) the total price to be paid over the fixed period of the contract, or which might be paid during the whole of the period
- (b) the aggregation of the recurrent transactions for the same type of item for the duration of the recurrent transactions or until it is required or tendered
- (c) where the contract is for an uncertain duration, by multiplying the monthly payment by 48 (four years)
- (d) for feasibility studies, the value of the scheme or contracts which may be awarded as a result
- (e) for Nominated Suppliers and Sub-contractors who are specified in the main contract for discharge of a part of that contract, the total value shall be the value of that part that they will fulfil.

**TUPE** - (Transfer of Undertakings (Protection of Employment) Regulations 1981) - Where staff from an existing undertaking (council, in-house team, contractor, consultant or their subcontractors) are transferred with existing terms and conditions (including Pensions) to the employment of the new provider.

**Value for Money** - is not the lowest possible price; it combines goods or services that fully meet your needs, with the level of quality required, delivery at the time you need it, and at an appropriate price.

**Vendor** - the company providing a service or works.