

## Approvals for contracts

### Extracts from Financial Regulations

Financial Regulations, Para 10 – for placing orders

*An official order or letter shall be issued for all work, goods and services unless a formal contract is to be prepared or an official order would be inappropriate. Copies of orders shall be retained.*

*Order books shall be controlled by the RFO.*

*All members and officers are responsible for obtaining value for money at all times. An officer issuing an official order shall ensure as far as reasonable and practicable that the best available terms are obtained in respect of each transaction, usually by obtaining three or more quotations or estimates from appropriate suppliers, subject to any de minimis provisions in Regulation 11.1 below.*

*A member may not issue an official order or make any contract on behalf of the council.*

Financial Regulations, Para 11.1 Part h) – for contracts which are less than £25,000

*When it is to enter into a contract of less than £25,000 in value for the supply of goods or materials or for the execution of works or specialist services other than such goods, materials, works or specialist services as are excepted as set out in paragraph (a) the Clerk shall obtain 3 quotations (priced descriptions of the proposed supply); where the value is below £3,000 and above £500 the Clerk or RFO shall strive to obtain 3 estimates. Otherwise, Regulation 10.3 above shall apply.*

### Proposed Process for Appointments

- Appoint Project Manager (PM) for project – (Paul Officer?)
- PM shall prepare schedule of quotes for each package of work requiring approval.
- PM to prepare draft official order letter for approval at the meeting, including detailed scope of works within that package.
- Quotes to be agreed by Parish Council and RFO to issue formal order letter.

Note that the Standing Orders are more onerous than our Financial Regulations in this regard, in that they require all quotes to be in sealed envelopes. On reflection, this is too onerous and not workable for the project. It is proposed that the Standing Orders are amended to match the Financial Regulations (requiring sealed bids for contracts over £25,000 only).

### Additional Works and Variation

During the course of the works, there will be unknown items that will be discovered that will need to be added to existing contracts as variations. The Financial Regulations to do specifically account for these items.

It is proposed that these variations will be treated as changes to the existing contract rather than as new contracts. The values of these variations will be less than £3000.

- The scope of the variation will be defined by the PM
- Quote will be submitted by the existing contractor.
- This quote will be reviewed by the PM and added to a schedule of variations,
- Schedule to be discussed at the Monthly Parish Council Meetings, and formally approved.

For urgent variations, which will have a significant impact on the construction programme, the variations schedule will be circulated to councillors for review and preliminary comment. Based on this review, a provisional instruction to proceed will be given to the contractor. This provisional instruction will be confirmed at the monthly Parish Council meeting and a formal instruction issued.

For large variations, greater than £3000, 3 new quotations will be required as per the Financial Regulations.

## Stage Payments

Contractors will submit invoices monthly, which must be paid typically within 28 days.

Financial Regulations, Para 5.2

*The RFO shall prepare a schedule of payments requiring authorisation, forming part of the Agenda for the Meeting and, together with the relevant invoices, present the schedule to council. The council / committee shall review the schedule for compliance and, having satisfied itself shall authorise payment by a resolution of the council. The approved schedule shall be ruled off and initialled by the Chairman of the Meeting. A detailed list of all payments shall be disclosed within or as an attachment to the minutes of the meeting at which payment was authorised.*

Therefore it is proposed that a Parish Council Meeting is convened monthly, solely to approve payments. This approval process must be made clear to contractors, that they must submit invoices by a given date for them to be included in the payment for that month.

## HSE Notification

A construction project is notifiable if the construction work is expected to:

- last longer than 30 working days “**and**” have more than 20 workers working at the same time at any point on the project or
- exceed 500 person days

The project is therefore not notifiable to the HSE.

## CDM Regulations 2015

The project is required to comply with the CDM regulations.

The Parish Council is the Client and has specific tasks to carry out as part of the works. These are:

### Client

- Ensuring other dutyholders are appointed, that is, designers (including a principal designer on projects involving more than one contractor) and contractors (including a principal contractor on projects involving more than one contractor)
- Ensuring the roles, functions and responsibilities of the project team are clear.
- Ensuring that the people and organisations they appoint have the necessary skills, knowledge, experience and (if an organisation) the organisational capability to manage health and safety risks.
- Ensuring sufficient time and resources are allocated.
- Ensuring effective mechanisms are in place for members of the project team to communicate and cooperate with each other and coordinate their activities.
- Ensuring relevant information is prepared and provided to other dutyholders.
- Ensuring the principal designer and principal contractor carry out their duties. This could be done by arranging project progress meetings or via written updates.
- Ensuring welfare facilities are provided.
- Maintaining and reviewing arrangements to ensure they remain relevant.

If a Principle Designer and Principle Contractor have not been specifically appointed, then these roles revert to the client. This is a role that we can take on. These include:

### Principle Designer

The role of principal designer includes:

- Informing the client of their duties under the regulations.
- Planning, managing and monitoring health and safety in the pre-construction phase, including; identifying, eliminating or controlling foreseeable risks; and ensuring designers carry out their duties.
- Helping compile pre-construction information and providing it to designers and contractors.
- Preparing the health and safety file and then reviewing, updating and revising it as the project progresses.
- Liaising with the principal contractor to help in the planning, managing, monitoring and co-ordination of the construction phase.
- Taking into account the general principles of prevention.
- Ensuring that all persons working in relation to the pre-construction phase cooperate with the client, the principal designer and each other.
- Checking that designers have sufficient skills, knowledge, experience and (if they are an organisation) the organisational capability to carry out the work.

### Principle Contractor

- Planning, managing, monitoring and coordinating the construction phase of a project.
- Consulting and engaging with workers.
- Liaising with the client and principal designer.

- Ensuring anyone they appoint has the necessary skills, knowledge, and experience and, where they are an organisation, the organisational capability to carry out the work in a way that secures health and safety.
- Coordinating the work of contractors.
- Ensuring that the contractors under their control cooperate with each other.
- Ensuring suitable site inductions are provided.
- Ensuring reasonable steps are taken to prevent unauthorised access.
- Ensuring that suitable welfare facilities are provided and maintained throughout the construction phase.
- Before the construction site is set up, preparing, reviewing and revising the construction phase plan for the project setting out health and safety arrangements and site rules.
- Ensuring that the construction phase plan is appropriately reviewed, updated and revised during the construction phase.
- Providing the principal designer with any information in the principal contractor's possession relevant to the health and safety file.
- If the principal designer's appointment finishes before the end of the project, the health and safety file must be passed to the principal contractor for the remainder of the project. The principal contractor must then take on the responsibility for reviewing, updating and revising it and passing it to the client when the project finishes.