

NORTH WALES FIRE AUTHORITY

CONTRACT STANDING ORDERS

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CONTRACT STANDING ORDERS

1 INTRODUCTION

- 1.1 The statutory provision for making Standing Orders is contained in Section 135 of the Local Government Act 1972 which states the following:
- (i) A local authority may make Standing Orders with respect to the making of contracts by them or on their behalf; and
- (ii) A local authority shall make Standing Orders with respect to the making by them or on their behalf of contracts for the supply of goods or materials or for the execution of works.
- 1.2 Standing Orders made by a local authority with respect to contracts for the supply of goods or materials or for the execution of works shall include provision for securing competition for such contracts and for regulating the manner in which the tenders are invited, but may exempt from any such provision, contracts for a price below that specified in standing orders and may authorise the authority to exempt any contract from any such provision when the authority are satisfied that the exemption is justified by special circumstances.
- 1.3 A person entering into a contract with the North Wales Fire Authority shall not be bound to inquire whether the standing orders of the authority which apply to the contract have been complied with, and non-compliance with such orders shall not invalidate any contract entered into by or on behalf of the N.W.F.A.
- 1.4 These Standing Orders provide an essential framework to assist the N.W.F.A. in dealing with works and supplies contracts.
- 1.5 The Orders cover contracts of both capital and revenue expenditure, and range from large scale capital schemes to supply of goods and services of a revenue nature.
- 1.6 Every variation or exception so made on behalf of the N.W.F.A. shall be reported in writing to the Authority stating the reasons that justified the exception being made.
- 1.7 These Contract Standing Orders have been prepared in accordance with the Interpretation Act, whereby the male is deemed to include the female and the singular is deemed to include the plural.

2 DEFINITIONS

- 2.1 In these Standing Orders, the following expressions shall be deemed to have the following meanings:

(i) Fire Authority

In these Standing Orders the expression Fire Authority shall be deemed to include reference to the Appropriate Committee or Chief Fire Officer acting in accordance with delegated authority on behalf of the N.W.F.A.

(ii) Chief Fire Officer includes:

- Chief Fire Officer and Chief Executive
- Deputy Chief Fire Officer
- Assistant Chief Fire Officer
- Assistant Chief Officer (Corporate Services)

(iii) Contract(s)

The expression Contract(s) shall include any arrangement whereby the Fire and Rescue Service receives or delivers goods, materials or services or executes work or is for the execution of works whether involving stage payments or otherwise and whether created by the placing of an order, other than orders placed under a separate contract providing a standing offer, exchange of correspondence or by sealed or signed documents.

(iv) Estimate

An assessment of quantities, numbers, magnitudes, costs etc., without actual enumeration or measurement.

(v) Quotation

The amount stated as the price of stocks or any commodity for sale, or the execution of work or provision of services.

(vi) Tender

An offer made in writing by one party to another to execute, at an inclusive price or uniform rate, an order for the supply or purchase of goods, or for the execution of work, or provision of services, the details of which have been submitted by the second party.

3 APPROVAL OF SCHEMES

3.1 Before entering into a contract for the execution of any work which is estimated to exceed £40,000 in value, an estimate in writing of the probable expense of executing the work in a suitable manner, together with observations of the financial implications shall be prepared by the Chief Fire Officer and Treasurer and reported to the Fire Authority. Splitting of single contracts over £40,000 into smaller contracts below £40,000 is prohibited.

3.2 Schemes included in the Capital Programme are deemed to have received approval.

4 COMPLIANCE

4.1 Compliance with Statutory Provisions, etc.

4.1.1 Nothing in these Standing Orders shall be taken as exempting the N.W.F.A., in relation to any contract, from the overriding provisions of:

- (i) The European Economic Community Treaty and any relevant Directives of the European Union for the time being in force in the United Kingdom;
- (ii) Any other Statutory Enactment, Directive, Regulation or Order.

4.2 Compliance with Standing Orders

4.2.1 Every Contract made with a third party or parties as on behalf of the Fire Authority shall comply with these Standing Orders and where necessary meet the requirements of:

- (i) European Union legislation;
- (ii) No exception from any of the provisions shall be made otherwise than by direction of the N.W.F.A.;

- (iii) Every exception so made on behalf of the N.W.F.A. shall be reported, in writing, to the Authority with the reasons that justified the exception/direction being made.

5. REQUIREMENT TO INVITE QUOTATIONS OR TENDERS

- 5.1 Quotations or tenders shall be obtained in writing from at least three competitive sources for works or supplies of goods and services where the estimated cost is greater than £10,000 but less than £40,000. For building and related works Constructionline shall be used to obtain a pre-qualification select list of contractors which will form the basis of a short list who will be invited to provide a tender.
- 5.2 Tenders shall be invited, in accordance with the provisions of Standing Order No. 8 in respect of works or supplies where the estimated cost thereof is in excess of £40,000.
- 5.3 Where quotations or tenders are invited for annual supplies, the Chief Fire Officer shall evaluate the probable annual cost of each commodity, and the exemption from the need to obtain quotations or tenders provided in Standing Order No. 6.2 shall not apply unless the estimated annual cost thereof is less than £10,000.

6. EXEMPTIONS FROM THE REQUIREMENT TO INVITE QUOTATIONS OR TENDERS

- 6.1 Nothing in these Standing Orders shall, subject to the provisions of Section 135 (3) of the Local Government Act, 1972, require tenders to be invited if:-
 - (i) In the case of contracts for the supply of goods or materials:
 - (a) The goods or materials are proprietary articles or are sold only at a fixed price and no reasonably satisfactory alternative is available;
 - (b) The prices of the goods or materials are wholly controlled by trade organisations or government order and no reasonably satisfactory alternative is available;
 - (c) For other reasons, there would be no genuine competition.
 - (ii) The work to be executed or the goods or materials to be supplied constitute an extension to an existing contract (only one such extension may be made and must be approved by/reported to the N.W.F.A.);
 - (iii) The work to be executed or the goods or materials to be supplied consist of repairs to or the supply of parts of existing proprietary machinery or plant; or
 - (iv) Purchases are made from any consortium, collaborations or similar body, of which the Fire Authority is a member.
- 6.2 The need to obtain written tenders and quotations shall be at the Chief Fire Officer's discretion for estimated expenditure on such items less than £10,000 although this does not alleviate the Chief Fire Officer of his responsibility in being able to demonstrate that value for money has been obtained.
- 6.3 Where, after due compliance with the provisions of Standing Order No. 5 for the invitation of quotations or tenders, no quotations or tenders or no satisfactory quotations or tenders have been received, the Chief Fire Officer or other appropriate Officer duly authorised by him may allocate the contract for works or order the supplies as he deems appropriate subject to expenditure commitment being within the available budget provision.

7 CONTRACTS FOR EMERGENCY WORKS AND SUPPLIES

7.1 Nothing in these Standing Orders shall require tenders or quotations to be invited where the required works to be undertaken or supplies to be purchased are necessary to protect life or property.

7.2 Expenditure on emergency works or supplies shall be authorised by the Chief Fire Officer who shall report the action taken to the next meeting of the N.W.F.A.

8 PROCEDURE FOR INVITATION OF TENDERS

8.1 Where, under the provisions of these Standing Orders, it is necessary that tenders be invited for supplies or the execution of works, the tenders shall be invited in accordance with such one of the procedures listed under this Standing Order as may be determined by the N.W.F.A., or otherwise as may be deemed appropriate by the Chief Fire Officer. Splitting of single tenders above £40,000 into smaller contracts below £40,000 is prohibited.

8.2 Selective Tendering

(i) This tendering procedure shall apply where it is decided that invitations to tender shall be made to some or all those persons or bodies who have responded to a public notice giving details of the contract and inviting interested persons or bodies to apply for permission to tender, or who are selected by the Fire Authority from those persons or bodies already included in the N.W.F.A.'s Standing List of Contractors or in Constructionline referred to in Section 8.3 below;

(ii) Public Notice under this Standing Order provision shall be given in at least one local newspaper, and where the value of the contract is estimated to exceed £50,000, in one newspaper or journal circulating among persons or bodies who undertake such contracts. The notice shall also specify a time limit of not less than 14 days within which such applications are to be submitted to the Fire Authority.

8.3 Standing List of Contractors or Suppliers

(i) This tendering procedure shall apply where invitations to tender for a contract are to be limited to those persons or bodies whose names are included in a Standing List compiled and maintained for the purpose in accordance with the provisions stipulated hereunder or from a pre-qualification list of contractors obtained from Constructionline;

(ii) The Standing List shall contain the names of all persons or bodies who wish to be included and are approved for inclusion.

(iii) The compilation of a Standing list shall require the publication of notices inviting, within a period of not less than 4 weeks, application for inclusion thereon by interested persons or bodies and which shall be published in:

(a) at least one local newspaper, and

(b) one newspaper or journal circulating among persons or bodies who undertake such contracts;

The use of Constructionline obviates the need to advertise for contractors interested in tendering for building or related works.

(iv) Prior to inclusion on the list, the technical capability and the financial standing of the applicant shall be assessed by the Chief Fire Officer, and Treasurer, to determine suitability for placement on the list, unless selected via Constructionline where the prequalification process has already been validated.

- (v) The Standing List shall indicate against the name of each person or body included thereon the categories of contract and the values or amounts in respect of those categories for which inclusion on the list has been approved;
- (vi) The Standing List shall be reviewed at regular intervals of not less than 2 years or more than 4 years, and any amendments made during this period shall be notified to the N.W.F.A. The use of Constructionline will negate the need to maintain a Standing List of building contractors.
- (vii) Invitation to tender shall on each occasion be sent to not less than FOUR of those persons or bodies whose names are included on the Standing List or obtained as a pre-qualification list from Constructionline, in accordance with any Code of Practice for inviting tenders adopted by the N.W.F.A. for specific categories of work;
- (viii) Where the names of fewer than four persons or bodies are included on the Standing List or on the pre-qualification list from Constructionline for the relevant category of works or supplies, the invitation to tender shall be sent to all those persons;
- (ix) If any such person or body who wishes to be considered for inclusion in a Standing List of Contractors or Suppliers, canvasses or solicits any Member, Officer or Employee of the Fire Authority in connection with their application for inclusion in the list, or, any amendments made to the list following a review, he shall automatically be excluded from consideration and shall be removed from the list as the case may be;
- (x) Similarly, if any person or body included on the Standing List canvasses or solicits any Member, Officer or Employee for an invitation to submit a tender for any project or scheme, then he shall automatically be excluded from consideration and shall be removed from the list;
- (xi) Any appeal against such a decision made under 8.3. (ix), or, 8.3 (x), shall be heard by a Panel of Members of the N.W.F.A.

8.4 Open Tendering

- (i) This tendering procedure shall apply where it is decided that tenders are to be obtained by open competition;
- (ii) Public notice shall be published in one or more local newspapers or where the value of the contract is estimated to be in excess of £50,000, in one or more newspapers or journals circulating among such persons or bodies as undertake such contracts;
- (iii) The notice shall express the nature and the purpose of the contract; invite tenders for its execution, and state the last date, time and place of delivery with which tenderers must comply.

8.5 Serial Tenders

- (i) This tendering procedure shall only apply where specifically directed by the Fire Authority, and where the contract forms part of a serial programme, the terms having been negotiated with the contractor on the basis of rates and prices contained in an initial contract awarded competitively following an invitation to tender in accordance with the provisions of this Standing Order.
- (ii) When a contract is to be extended as a result of the identification of further works of a similar nature to those undertaken under the current contract, then only one extension will be permitted under this rule before a re-tendering exercise must be undertaken.

8.6 Negotiated Contract

8.6.1 A tender shall only be negotiated with a single contractor where the N.W.F.A. having considered all the circumstances decides that such a course is desirable in the public interest.

8.7 Rotation of Contractors

- (i) As part of the N.W.F.A.'s anti-corruption strategy, all firms on the standing list should be given an equal opportunity to submit tenders. This will be achieved by evenly spreading invitations across the firms on the approved list in such a way as to ensure that no one firm is, or appears to be, invited more frequently than any other.
- (ii) When drawing up a Preliminary 'shortlist' of potential contractors from the Standing List, enquiries should be made to establish each firm's willingness and availability to undertake the works. The Preliminary list will only include those contractors who have been appraised against criteria specific to the project, and will be prepared having due regard for the requirement of Standing Order 8.7 (i), above.
- (iii) Records must be maintained, for each scheme, identifying all firms contacted including those declining the invitation to tender. In the event that a contractor indicates that a tender would be submitted and subsequently fails to do so, explanations should be sought and documented.

9 SUBMISSION AND CUSTODY OF QUOTATIONS AND TENDERS

9.1 Every set of tender documents shall state the nature and purpose of the contract for which tenders are invited, specify the last date and time when tenders will be received and state that the Fire Authority reserve the right not to accept any tender or to accept a tender other than the lowest where payment is to be made by the Fire Authority or the highest where payment is to be received by the Fire Authority.

- (i) All tenderers shall be required to submit a signed statement to the effect that their tender price has not been communicated to others apart from that disclosed in confidence to insurers and that they have not adjusted the amount of any proposed tender or quotation in accordance with any agreement or arrangement between the proposed tenderer and any other person.
- (ii) Instructions must be given to tenderers regarding submission of documents which state that tenders must be received by the date indicated on the letter of invitation to tender and must be sent by courier service or by hand in exchange for a receipt, issued by the Fire and Rescue Service, or by Registered Post or Recorded Delivery.
- (iii) The tender instructions must include an indication of the method of selection of the successful bid, i.e. Price basis, Quality, or a combination of Price and Quality.

9.2 All invitations to tender shall require the tenderer to submit his tender to the Chief Fire Officer, in a plain sealed envelope which shall be duly marked "Tender for the" according to the subject to which it relates, and the tender conditions shall clearly indicate the last day and time for receipt of tenders. The date and time of receipt of the tender document should be indicated on the tender envelope and that the envelope should bear no mark or reference which could identify the tenderer. The Chief Fire Officer shall duly endorse on each tender envelope the date and time received and arrange for the safe custody of all submitted tenders which shall remain unopened until the time appointed for their opening in accordance with Standing Order No. 10.

9.3 Quotations invited under Standing Order 5 shall be addressed to the Assistant Chief Officer (Corporate Services) in a plain, sealed envelope marked "Quotation for" according to the subject to which it relates, and the Assistant Chief Officer (Corporate Services) shall endorse on each quotation envelope the date and time received and arrange for the safe custody of all submitted quotations which shall remain unopened until the time appointed for their opening in accordance with Standing Order No. 10.

9.4 The Executive Panel shall have the power to disqualify from submitting further tenders, including deletion of a name from any Standing List of Contractors, any tenderer who in the opinion of the Executive Panel has withdrawn tenders unreasonably or who has been in breach of any contract with the Fire Authority or whose performance of a contract has not been to the satisfaction of the Fire Authority.

9.5 Every tenderer for a contract shall be required to confirm in writing that:

- (i) He has not canvassed or solicited any Member, Officer or Employee of the Fire Authority in connection with the award of that or any other tender or proposed tender for the Fire Authority and that no person employed by him or acting on his behalf has done any such act;
- (ii) He undertakes that he will not in the future canvass or solicit any member, officer or Employee of the Fire Authority in connection with the award of that tender or any other tender or proposed tender for the Fire Authority and that no person employed by him or acting on his behalf will do any such act.
- (iii) Any breach of the above requirements will entitle the Fire Authority to reject a tender and/or cancel a contract, and the tender invitation documents and/or contract conditions shall state that fact.

10 OPENING OF QUOTATIONS AND TENDERS

10.1 Quotations invited under Standing Order No. 5.1 shall be opened at one and the same time by the Assistant Chief Officer (Corporate Services) or by such other officer designated by him for the purpose and in the presence of at least one other officer. The Assistant Chief Officer (Corporate Services) shall maintain an appropriate record showing date of receipt, date of opening, particulars of quotation and decision thereon for all quotations received, which record shall be duly certified by the designated officers opening the quotations and shall be open to inspection by any Member of the Fire Authority.

10.2 All tenders submitted shall be opened at one time by:

- (i) a minimum of TWO persons being the Assistant Chief Officer (Corporate Services) or other designated Officer and the Chief Fire Officer or such other officer as may be designated by him for the purpose where the estimated value of the contract is less than £40,000;
- (ii) a minimum of THREE persons being the Chairman, or his nominated substitute, the Assistant Chief Officer (Corporate Services) and the Chief Fire Officer or such other officers as may be designated by them for the purpose where the estimated value of the contract is £40,000 or more.

10.3 The Fire Authority shall maintain a record of all tenders received showing the nature of each contract, the name of each tenderer, the amount of each tender, the date of tender receipt and date of tender opening and the acceptance or other decision as appropriate and such record shall be duly witnessed by those present at the opening of the tenders. The record shall be open to inspection by any Member of the Fire Authority. A copy of the record shall be passed to the Internal Audit Section, on request.

10.4 All tenders received will be photocopied for the purpose of creating working documents, and the originals locked in a secure place.

11 LATE QUOTATIONS AND TENDERS

11.1 A tender or quotation received after the stipulated closing date shall be endorsed with the time and date of receipt and if all other tenders or quotations have been opened the late tender or quotation shall be opened to ascertain the name of the tenderer. It will normally be returned forthwith by the Chief Fire Officer. Where however all the tenders or quotations received have not been opened and there is

evidence that a late tender has been posted in time for delivery by the due date in the normal course of postal service, the Assistant Chief Officer (Corporate Services) together with the Treasurer and the Chairman may agree to allow such tender or quotation to be considered. Similarly where there are exceptional circumstances surrounding the submission of a late tender the Assistant Chief Officer (Corporate Services), the Treasurer and the Chairman may allow such tender to be formally considered, provided the tender has not previously been opened and has been submitted in accordance with the instructions issued.

12 EVALUATION AND ACCEPTANCE OF QUOTATIONS AND TENDERS

- 12.1 The purpose of the Evaluation of tenders is to ensure that the most appropriate tender is identified and recommended for acceptance. It is recognized that the most appropriate tender may not necessarily be that which contains the lowest price, and, therefore, when price is not the sole consideration, all tenders should be evaluated.
- 12.2 Where it is the intention to assess tenders on quality measures as well as price, the tender documentation must clearly identify the criteria to be used in the assessment. Additionally, the evaluation matrix applied to the assessment criteria must be documented and made available to Internal Audit prior to the invitations to tender being issued.
- 12.3 Where the evaluation process involves contact with tenderers, such contact must be conducted in accordance with a prescribed procedure identifying how such contact may be made, and the records to be kept. This procedure must be made available to Internal Audit prior to its implementation, as should any subsequent amendments.
- 12.4 A tender or quotation other than the lowest if payment is to be made by the Fire Authority or the highest if payment is to be received by the Fire Authority shall not be accepted until the Chairman/Treasurer has considered a written report from the Chief Fire Officer or his approved representative.
- 12.5 Tenders duly invited and submitted in accordance with the provisions of these Standing Orders, may be accepted by the Chief Fire Officer in consultation with the Chairman, or his nominated substitute, provided there is specific financial provision in the Fire Authority's approved annual revenue estimates or capital programme and the tender sum is within that provision.
- 12.6 In the provisions of 12.4 and 12.5 above, acceptance authorises completion of any necessary contract, including the affixing of the Common Seal to the Contract Documents, but will be subject to the following:-
- (i) The Chief Fire Officer and the Treasurer shall be satisfied as to the technical capability and financial standing of the successful tenderer;
 - (ii) Where the acceptance of a tender is being undertaken for any reason by the Executive Panel or Fire Authority, names of tenderers shall not be divulged to Executive Panel or Fire Authority prior to acceptance from a numbered schedule of tenders received; and,
 - (iii) Where the amount of a quotation or tender exceeds the financial provision by not more than 10%, the tender may be accepted by the Chief Fire Officer in consultation with the Chairman, save that where the financial provision is included in the annual revenue budget, the tender acceptance shall also be subject to the identification of a virement within the approved budget, and agreed with the Treasurer.
- 12.7 A quotation invited under the provisions of Standing Order No. 5.1 may be accepted by the Chief Fire Officer by written confirmation as provided under Standing Order No. 15 provided there is adequate provision therefore in the annual revenue estimates or capital programme approved by the Fire Authority.

12.8 The Chief Fire Officer shall report to the Fire Authority, all instances where delegated authority has been exercised in the acceptance of a tender, and shall duly notify both the successful and unsuccessful tenderers of the Fire Authority's decision.

13 ALTERATIONS TO QUOTATIONS AND TENDERS

13.1 Where an examination of tenders reveals errors or discrepancies which would affect the figures in an otherwise successful tender, the tenderer shall be given an opportunity of confirming or withdrawing his corrected tender before acceptance by the Fire Authority. If the tender is withdrawn, the next tenderer in competitive order shall be dealt with in the same way, and any exception to this procedure may be authorised only by the Executive Panel on behalf of the Fire Authority after consideration of a written report by the Chief Fire Officer.

14 NOMINATED SUB-CONTRACTORS AND SUPPLIERS

14.1 Where a sub-contractor or supplier is to be nominated to a main contractor the following provisions shall have effect: -

- (i) Where the estimated amount of the sub contract for works or suppliers does not exceed £40,000, then unless the Chief Fire Officer is of the opinion in respect of any particular nomination that it is not reasonably practicable to obtain written quotations or competitive tenders and so certifies in writing, quotations or tenders shall be invited and dealt with in accordance with the provisions of these Standing Orders;
- (ii) Where the estimated amount of the sub contract is in excess of £40,000, then unless the Fire Authority determine in respect of any particular nomination that it is not reasonably practicable to obtain competitive tenders, tenders shall be invited and dealt with in accordance with the provisions of these Standing Orders.

14.2 The Chief Fire Officer shall nominate to the main contractor the successful sub-contractor under (i) and (ii) above.

14.3 Quotations or tenders invited and accepted and the nomination of sub-contractors under the provisions of this Standing Order shall be reported by the Chief Fire Officer to the next meeting of the N.W.F.A.

14.4 All tender conditions shall require that a nominated sub-contractor/supplier shall enter into a contract with the main contractor on terms which indemnify the main contractor against his obligations in the main contract in relation to the sub-contract.

15 FORM OF CONTRACT

15.1 All contracts shall be in writing and in a form approved by the Fire Authority, save that in the case of contracts with a value not exceeding £40,000 the form may be an official order under the hand of the Chief Fire Officer.

15.2 Contracts with a value exceeding £40,000 shall be signed by the Chief Fire Officer, provided that contracts where so resolved by the N.W.F.A. or legally required to be under Seal shall be duly executed in accordance with the appropriate Standing Order for the proceedings of Fire Authority business.

15.3 All written contracts shall specify:

- (i) the goods, materials or services to be supplied and the work to be executed;
- (ii) the price to be paid together with a statement as to the amount of any discount(s) or other deduction(s);

- (iii) the period within which the contract is to be performed and such other terms or conditions as may be agreed between the parties.

16 SECURITY OF PERFORMANCE OF CONTRACTS

16.1 Liquidated Damages

- 16.1.1 Appropriate contracts for works or supplies where the estimated cost is in excess of £40,000, and contracts whose value is below this amount if deemed desirable by the Chief Fire Officer in consultation with the Treasurer, and which require the execution of work or the delivery of supplies by a particular date or series of dates, shall provide for liquidated damages to be paid by the contractor in the event of failure to perform within the time specified, unless otherwise directed by the Fire Authority.

16.2 Performance Bonds

- 16.2.1 Every contract for works or supplies where the estimated cost is in excess of £250,000, shall, unless otherwise approved by the Fire Authority, specify in the conditions of tender the nature and amount of the security to be given, and a bond or other sufficient security shall be taken by the Fire Authority for the due performance of the contract.

17 INSURANCE COVER

- 17.1 For every contract, or order for the execution of works, or supply of goods and services, appropriate insurance cover must be in place prior to the commencement of the contract. Where necessary, copies of notice(s) of renewal of policies should be obtained during the contract period.

18 SPECIFICATION AND STANDARDS

- 18.1 Where an appropriate British Standard Specification or British Standard Code of Practice issued by the British Standards Institution is current at the date of tender, every contract shall provide that all supplies of goods and materials and all workmanship shall be at least of the standard required by the appropriate British Standards Specification or Code of Practice.
- 18.2 All contracts, where an appropriate British Standard Specification or British Standard Code of Practice is not available to specify the standard of works or goods required, shall be based on a definite specification unless the Chief Fire Officer in a particular contract or specified categories of contracts otherwise decides.

19 HEALTH AND SAFETY AT WORK

- 19.1 All contracts entered into by the Fire Authority must conform to the appropriate provisions of the Health and Safety Regulations/Requirements and the N.W.F.A.'s Codes of Safe Working Practice.

20 ASSIGNMENT OF CONTRACT

- 20.1 Every written contract for works or supplies shall provide that the contractor shall not assign directly or indirectly the whole or any part of his contract without the written approval of the N.W.F.A.

21 CANCELLATION OF CONTRACT/PREVENTION OF FRAUD

- 21.1 There shall be inserted in every written contract a clause empowering the Fire Authority to cancel the contract and to recover from the contractor the amount of any loss resulting from such cancellation, if:
 - (i) the contractor shall have offered or given or agreed to give to any person any gift or

consideration or any kind as an inducement or reward for doing or forbearing to do or for having done or forborne to do any action in relation to the obtaining or execution of the contract or any other contract with the N.W.F.A.;

- (ii) for showing or forbearing to show favour or disfavour to any person in relation to the contract or any other contract with the N.W.F.A.;
- (iii) if the like acts shall have been done by any person employed by him or acting on his behalf (whether with or without the knowledge of the contractor);
- (iv) if in relation to any contract with the N.W.F.A., the contractor or any person employed by him or acting on his behalf shall have committed any offence under the Prevention of Corruption Acts 1889 to 1916; or
- (v) shall have given any fee or reward the receipt of which is an offence under Section 117 (2) of the Local Government Act 1972.

22 ENGAGEMENT OF CONSULTANTS

22.1 It shall be a condition of the engagement of any Architect, Engineer, Surveyor or other Consultant (not being an officer of the N.W.F.A.), who is to be responsible to the N.W.F.A. for the supervision of a contract that he shall:-

- (i) Comply with these Contract Standing Orders as though he were a Chief Fire Officer of the N.W.F.A., save that the procedure in inviting and opening tenders shall be approved in advance by the Chief Fire Officer.
- (ii) Produce on request to the Treasurer or Chief Fire Officer, all records maintained in relation to the contract he is engaged to supervise.
- (iii) On completion of the contract transmit all records to the appropriate Chief Fire Officer.

23 FAIR WAGES AND CONDITIONS OF SERVICE

23.1 In every written contract for the execution of work exceeding £40,000 in value the following clauses shall be inserted:

- (i) the contractor shall in respect of all persons employed by him (whether in execution of the contract or otherwise) in every factory, workshop or place occupied or used by him for the execution of the contract comply with the following conditions, namely:
 - (a) Pay rates of wages and observe hours and conditions of labour not less favourable than those established, for the trade or industry in the district where the work is carried out, by machinery of negotiation or arbitration to which the parties are organisations of employers and trade unions representative respectively of substantial proportions of the employers and workers engaged in the trade or industry in the district;
 - (b) In the absence of the rates of wages, hours or conditions of labour so established, pay rates of wages and observe hours and conditions of labour which are not less favourable than the general level of wages, hours and conditions observed by other employers whose general circumstances in the trade or industry in which the contractor is engaged are similar.
- (ii) The contractor shall recognise the right of his work people to be members of such trade unions as they may choose or subject to Section 58 of the Employment Protection (Consolidation)

Act 1978, as amended, not to be members of a trade union or other organisation of workers or to refuse to be a member of any particular trade union or organisation of workers.

- (iii) The contractor shall at all times during the continuance of the contract display, for the information of his work people in every factory, workshop or place occupied or used by him for the execution of the contract a copy of clause 23.1(i) (a) and (b) above.
- (iv) The contractor shall be responsible for the observance of this clause by sub-contractors employed in the execution of the contract, and shall if required notify the N.W.F.A. of the names and addresses of all such sub-contractors.
- (v) In the event of any questions arising as to whether the foregoing conditions are being observed, the question shall, if not otherwise disposed of, be referred for decision to an independent arbitrator jointly agreed by the N.W.F.A. and the contractor.
- (vi) The contractor shall keep proper books and time sheets in relation to the wages paid to persons in his employ and engaged in the execution of the contract, and such documents shall, if required by the N.W.F.A., be produced for inspection by any officer so authorised by the N.W.F.A.

23.2 In any contract made by or on behalf of the N.W.F.A. and where the J.C.T. Standard Form of Building Contract or I.C.E. Conditions of Contract for time being in force are used to and include a clause for fair wages and conditions of labour such contract shall unless otherwise specified by the N.W.F.A. be deemed to comply with the provisions of this contract standing order.

23.3 Before accepting a tender or entering into a contract for the execution of work and before placing a contractor on a standing list of contractors or suppliers under Contract Standing Order No. 8 the N.W.F.A. shall obtain from the contractor an assurance in writing that, insofar as he has, for the whole or any part of a period of three months immediately preceding the date of his tender or of his application to be placed on such list, to the best of his knowledge and belief complied with the general conditions imposed in Section 23.1 (i) (a) and (b) above for the said period of three months or part thereof as the case may be.

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