

Contract Regulations

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PREFACE & STATEMENT OF PRINCIPLES

- i. These Contract Regulations provide the framework rules for the procurement by Homes for Haringey of goods, works and services. Following them will ensure propriety, value for money and the proper spending of public money.
- ii. Procurement decisions are amongst the most important decisions a manager will make because Homes for Haringey seeks to ensure efficiency and effectiveness from the manner in which high quality goods, works and services are procured with the limited resources available. The reputation of Homes for Haringey is equally important and should be safeguarded from any imputation of dishonesty or corruption.
- iii. The purpose of procurement activity shall be to achieve best value for stakeholders in accordance with the objectives of Homes for Haringey. Officers with responsibility for procurement shall ensure that they are able to demonstrate achievement of best value with regards to the optimal combination of economy, efficiency and effectiveness.
- iv. The Procurement Code of Practice provides more detail and shall govern Homes for Haringey's tendering and contract procedures. The Head of Procurement shall maintain and issue the Procurement Code of Practice. Any procurement activity shall proceed in accordance with the Contract Regulations and the Procurement Code of Practice and all such other guidance issued by the Head of Procurement from time to time.
- v. The responsibility to ensure compliance with Contract Regulations and approve Contract Award sits with the Board who shall exercise this responsibility directly for higher value requirements, and shall delegate lower value requirements to the Directors as described further in these Contract Regulations.

CONTRACT REGULATIONS

1 GENERAL

- 1.01 The Head of Procurement shall maintain and issue a Procurement Code of Practice to provide more detailed guidance on tendering and contract procedures.
- 1.02 The Head of Procurement may also from time to time issue such Procurement Instructions and guidance as he/she may consider appropriate to help ensure compliance with these Contract Regulations.
- 1.03 The Head of Procurement shall make the latest version of these Contract Regulations, the Procurement Code of Practice, and any Procurement Instructions issued, available to Homes for Haringey.
- 1.04 Directors or staff acting on their behalf shall apply the requirements of the Contract Regulations, the Procurement Code of Practice, and any Procurement Instructions issued when engaging in any procurement activity.
- 1.05 It can be a disciplinary offence to fail to comply with Contract Regulations, the Procurement Code of Practice, or any Procurement Instructions when letting contracts and raising orders with suppliers.
- 1.06 It is the duty of all Homes for Haringey staff to report breaches of Contract Regulations to an appropriate senior manager and the Director of Corporate Affairs.
- 1.07 Every contract or order for goods, works or services entered into by Homes for Haringey will be for the purpose of achieving the objectives of Homes for Haringey and will conform to all relevant English and European Union legislation.
- 1.08 No Board Member or member of staff will enter into any contract in their own name on behalf of Homes for Haringey.
- 1.09 No Board Member or member of staff shall be permitted to become security under any agreement between Homes for Haringey and a contractor employed by it.

2 DEFINITIONS AND INTERPRETATION

- 2.01 Unless stated to the contrary, in these Contract Regulations the terms below will have the following meanings:

- (i) **"Board"** means the Board of Homes for Haringey or any other formally constituted Member body operating within the terms of its reference (e.g. a Committee of the Board);
- (ii) **"the Company"** refers to Homes for Haringey Limited, registered company number 05749092;
- (iii) **"Contracts Finder"** means a web based portal provided by or on behalf of the Cabinet Office
- (iv) **"Corporate Procurement Systems"** means any one of the following
 - The Corporate Contract Repository being the Spikes Cavell Analytic Ltd Contract Management System and SAP Supplier Relationship Systems,
 - The Corporate e-tendering solution being Delta e-sourcing Tool, or
 - The Corporate Sourcing Solution being CompeteFor, or any other system approved by the Head of Procurement
 - Such other systems as may be approved by the Head of Procurement
- (v) **"The Council"** refers to the London Borough of Haringey
- (vi) **"Executive Director or Director"** means an employee of Homes for Haringey holding a post designated as Executive Director, or Director or the Managing Director; and
- (vii) **"EU"** means European Union; and
- (viii) **"Member"** means a duly appointed member of the Board of Homes for Haringey;
- (ix) **"Public Contracts Regulations"** means the Public Contracts Regulations 2015 (SI 2015/102) as amended from time to time.

2.01 In the event of any conflict between EU law, English law and the policies and procedures of the Company including Financial Regulations, Contract Regulations and Procurement Code of Practice, the requirements of EU law will prevail over English law and the requirements of English law will prevail over the policy and procedures of the Company.

2.02 In the event of any doubt as to the interpretation of these Contract Regulations, or as to the proper procedure to be followed, the advice of Head of Procurement should be sought.

3 THE ROLE AND RESPONSIBILITIES OF DIRECTORS

- 3.01 Each Director has responsibility and will be accountable to the Board for all contracts tendered and let by his/her Division. He/she is accountable to the Board for the performance of his/her duties in relation to contract letting and management, which are:
- a. to ensure compliance with English and EU legislation and the policies and procedures of the Company;
 - b. to ensure value for money in all procurement matters;
 - c. to ensure compliance with Contract Regulations and the Procurement Code of Practice;
 - d. to maintain a scheme of delegation for his/her Division in accordance with the Company's Scheme of Delegation;
 - e. to ensure that all staff are sufficiently familiar with the provisions of Contract Regulations and the Procurement Code of Practice as appropriate to their role and that they receive adequate training on their application;
 - f. to ensure compliance with any guidelines issued in respect of these Contract Regulations;
 - g. to take immediate action in the event of a breach of Contract Regulations or the Procurement Code of Practice within his or her area;
 - h. to keep: (i) copies of all concluded contracts as required by Regulation 83 of the Public Contract Regulations, and to ensure electronic/hard copies of such contracts are stored in Homes for Haringey's Corporate Contract Repository and recorded in Homes for Haringey's Contract Register, and (ii) proper records of procurement procedures sufficient to justify decisions taken at all stages of the procurement process for a period of at least three years from the date of award of the contract, as required by Regulation 84 of the Public Contract Regulations; To ensure that audit trails are in place for all procurement activity in accordance with the Procurement Code of Practice
 - i. to keep records of waivers of any provision of these Contract Regulations and forward a copy of such records to Procurement;

- j. to make appropriate arrangements for the opening of tenders and their secure retention so as to protect the integrity of the tendering process;
- k. to ensure that the seal of the Company is affixed to any document required to be executed as a deed and that, where a document is not expressed to be under seal, it is either signed by two people as provided for in these Contract Regulations, or authenticated by Electronic Signatures approved by the Director of Corporate Affairs as provided for in these Contract Regulations
- l. to ensure original contract documents are forwarded to Homes for Haringey Director of Corporate Affairs for safekeeping;
- m. to record all contracts in the Contract Register;
- n. to ensure effective management of all contracts under his/her control and to a level deemed appropriate in regard to risk or value of each contract.
- o. to ensure that no contract is let unless the expenditure involved has been fully considered and approved beforehand and sufficient money has been allocated in the relevant budget.
- p. To ensure that all staff involved with procurement in relation to both major works and services provided to housing blocks, contact the Home Ownership Team for further advice as to how the proposed Qualifying Long-term Agreements in respect of works/services should be consulted with leaseholders, under the Commonhold Leasehold and Reform Act.

4 THE ROLE AND RESPONSIBILITY OF THE BOARD

- 4.01 The Board will hold each Director accountable for any decisions he/she makes under his/her delegated authority or under these Contract Regulations.
- 4.02 The Finance, Audit and Risk Committee, on behalf of the Board, will monitor compliance with these regulations through regular reporting by the Directors.
- 4.03 The Board will approve award of contracts including any options to extend, variations to contracts, waivers, novations and terminations as described in these Contract Regulations.

5 SCOPE OF CONTRACT REGULATIONS

- 5.01 These Contract Regulations will apply to all contracts for the procurement by the Company of goods, works or services unless otherwise expressly stated or these requirements are waived in accordance with section 9.
- 5.02 These Contract Regulations shall not apply where the Company procures goods, works or services: as part of a group of public sector bodies, Arms' Length Management Organisations, or similar bodies contracting with one or more contractors (consortium arrangement) where the principle of these regulations has been complied with.
- 5.03 These regulations shall not apply where selection is of one or more providers from a Framework agreement open for use by Homes for Haringey and established by a public sector body, an Arms' Length Management Organisation or similar body in accordance with the Contract Regulations of that public sector body and/or where applicable the Public Contracts Regulations.
- 5.04 These regulations shall not apply where the company selects contractors from Constructionline in accordance with the criteria applicable for the project, and below the threshold of £500,000.
- 5.05 These Contract Regulations shall not apply to contracts of employment, or to contracts relating to interest in land such as agreements for the sale of land (including leases), certain contracts for legal services, certain financial services and debt finance, as provisioned by regulation 10 of the Public Contracts Regulations.
- 5.06 In all cases any decision of the Company to enter into a contract with the recommended tenderer must follow the award provisions within Contract Regulations in Section 13.
- 5.07 The Company will observe these Contract Regulations where it procures goods, services or works for the benefit or on behalf of other public bodies, Arms' Length Management Organisations or similar bodies.
- 5.08 Where the Company procures goods, services or works for the benefit or on behalf of Haringey Council, the Company will comply fully with the Council's Contract Standing Orders and other relevant regulatory instruments.

6 PUBLIC CONTRACTS REGULATIONS

- 6.01 Where the value of a works, goods and services contract is equal to, or exceeds the threshold set in respect of the Public Contracts Regulations

(or subsequent equivalent), the provisions of those Regulations will govern the tendering process and will take precedence over the provisions of these Contract Regulations in the event of any conflict.

7 CONTRACT VALUE AND AGGREGATION

- 7.01 Directors must ensure that a pre-tender estimate of anticipated total contract value is prepared and recorded in writing in order to determine whether the thresholds under Public Contracts Regulations apply.
- 7.02 Unless otherwise specifically provided, where a value or an estimated value is referred to in these Contract Regulations it means the aggregate value payable in pounds sterling exclusive of Value Added Tax over the entire contract period, including any extension periods as anticipated in the proposed contract.
- 7.03 Contract value or estimated values must not be deliberately under or overestimated or the goods, works or services artificially divided into two or more separate contracts to avoid the application of Contract Regulations.

8 LOWER AND UPPER THRESHOLDS REQUIREMENTS

- 8.01 Where a requirement for works, supplies and services has an estimated value of less than £10,000, the Director concerned should act in the manner most expedient to the efficient management of the service, having kept a record of so doing. This means at least one quote.
- 8.02 Where a requirement for goods and services has an estimated value of less than £150,000 but more than £10,000, at least three competitive quotations should be obtained, or tender procedure followed. The corporate sourcing solution must be used in all cases except where the Contract Regulations in Section 9 apply. Alternative e-sourcing solution may be used if it is pre-approved by Homes for Haringey's Head of Procurement. This activity will be undertaken under the management of the relevant Director without the need for the Head of Procurement to lead on it.
- 8.03 Where a requirement for works has an estimated value of less than £150,000 and more than £10,000 at least three competitive quotations should be obtained via the Corporate Sourcing Solution. ConstructionLine can be used without the need for an advertisement or to follow the competitive tender procedure. This activity will be undertaken under the management of the relevant Director without

the need for the Head of Procurement to lead on it subject to regulation 8.08.

- 8.04 Where a requirement with an estimated value of £25,000 (twenty five thousand pounds) or more is advertised, the contract opportunity must be published on Contracts Finder within 24 hours of the first advertisement. The Contracts Finder publication will comply with Regulation 110 of the Public Contract Regulations as applicable.
- 8.05 A requirement with an estimated value of £40,000 or more should, in all cases, be referred to Head of Procurement who will make a judgement on application of aggregation rules. Should aggregation rules not apply then the relevant Director will undertake the procurement without further engaging Head of Procurement. Should aggregation rules apply, and the total requirement is found to exceed £150,000 Head of Procurement will lead on the procurement process.
- 8.06 In the case of contracts for works, and contracts subject to the light touch regime (Regulation 74 of the Public Contracts Regulations) with an estimated value of £150,000 (one hundred and fifty thousand pounds) or more but less than £500,000 at least three competitive quotations should be obtained via the corporate e-sourcing tool or via Constructionline without the need to advertise or to follow the competitive tender procedure. This activity will be managed by the Head of Procurement.
- 8.07 In cases where the contract values for supplies and services exceed £150,000 a tender process should be followed as defined by the Head of Procurement. In cases where the contract values for any requirements exceed or are at the threshold defined by the Public Contract Regulations, contracts must be let following publication of an appropriate tender advertisement. The procurement process will be led by Head of Procurement. In cases where there is no capacity in the procurement team to lead procurement processes, Homes for Haringey will first identify funding to cover procurement costs, and appoint, with the engagement of Head of Procurement, and following the selection procedures of these regulations, a Procurement Service Provider to carry out the procurement process. The procurement service provider will report to Head of Procurement.
- 8.08 The Head of Procurement may decide that processes in Contract Regulation 8.03 are not appropriate in order to secure value for money for the Company and to ensure general EU procurement law principles are complied with. If that is the case, he/she may determine another process of selecting a contractor which will meet best value criteria and/or ensure compliance with EU procurement law. The decision and process must be properly documented.

- 8.09 No contract will be let unless the expenditure to which it commits the Company has been considered and approved in suitable manner according to all policies and procedures of the Company. No contract will be let unless the expenditure to which it commits the Company can be contained within appropriate budget for the period or periods to which the contract pertains.
- 8.10 Tenders for works, goods and/or services must be run via Homes for Haringey's e-tendering tool except whereby Contract Regulations 5.02, 5.03 and 5.04 apply, or where an alternate e-sourcing solution is used that has been pre-approved in writing by the Homes for Haringey's Head of Procurement.
- 8.11 It will be a condition of any contractual arrangement between the Company and any person (not being a staff member of the Company) whereby that person acts as an agent of the Company in the management and supervision of a contract for and on behalf of the Company that, in relation to such a contract, he/she will comply in all respects with the requirements of these Contract Regulations as if he/she were a staff member of the Company.

9 WAIVERS OF CONTRACT REGULATIONS

- 9.01 Contract Regulations other than Contract Regulation 6 (which relates to the Public Contracts Regulations) may be waived on the basis set out in Regulation 9.04 by the appropriate person specified in Regulation 9.02 and 9.03 a and b.
- 9.02 Where a waiver of Contract Regulations is sought for the second time in relation to the same contract, then regardless of the value of the contract, that waiver may only be agreed by the Board.
- 9.03 Subject to Regulation 9.02, a waiver of a provision of these Contract Regulations may be agreed by:
- a) a Director, where the requirement value is between £10,000 and £150,000 for supplies and services, and between £10,000 and £500,000 for works and light touch regime services (save that a Director will not have authority to waive any of the provisions of Contract Regulations in Section 15 which relates to conditions applying to contracts; and Regulation 6 which relates to the Public Contracts Regulations);
 - b) or the Board, where the value of the requirement exceeds £150,000 for supplies and services, and £500,000 for light touch regime services and works; save that the Board will not have the authority

to waive the provisions of Contract Regulations in Section 15 which relates to conditions applying to contracts, and Regulation 6 which relates to the Public Contracts Regulations.

- 9.04 A waiver may be agreed by the appropriate person if they are satisfied, after considering a written report by the appropriate staff member, that the waiver is justified because:
- a) The value of the requirement is below the applicable threshold pursuant by the Regulations, and
 - (i) the nature of the market for the goods or services to be provided or the works to be carried out, has been investigated and is demonstrated to be such that a departure from the requirements of Contract Regulations is justifiable; or
 - (ii) it is in the best interest of the Company; or
 - (iii) There are other circumstances, which are genuinely exceptional.
 - b) The contract is one proposed to be entered into between entities within the public sector in circumstances permitted by Regulation 12 of the Public Contracts Regulations, or
 - c) The circumstances of the proposed contract award are covered by a relevant legislative exemption.
- 9.05 A record of each decision approving a waiver and the reasons for it, must be kept and an entry made in a central register maintained and monitored by Head of Procurement.
- 9.06 Procurement comments must be provided for every waiver request before presenting it to a Director or the Board.
- 9.07 Waiver requests must be approved before any related contract awards, variations or extensions.

10 TENDER PROCEDURES

EU Procedures

- 10.01 In respect of a requirement the value of which is equal or exceeds the threshold set in public contract regulations, all tenderers must be notified in writing of a tender award decision by the Company at least 10 (ten) calendar days prior to the proposed contract award date provided notification is by electronic means. Where the last day of this ten-day notice period falls on a non-working day, the period must be

extended to include the next working day. Where notification is not by electronic means, the notice period shall be in accordance with the timeframes required by the Public Contract Regulations.

10.02 Where the tender is for appointment to a Framework Agreement, the total period of the Framework Agreement including any possible extension, shall not exceed four years except in exceptional circumstances relating to the subject of the Framework Agreement.

10.03 Where tenders are to be invited, the procedure to be followed shall be determined prior to advertising and be managed by the Head of Procurement and shall be one of the following:

- a) open procedure (all interested tenderers submit a tender in response to an advertisement);
- b) restricted procedure (two stage process involving expressions of interest from interested tenderers in response to an advertisement, with a selection of those tenderers subsequently being invited to submit a tender);
- c) competitive procedure with negotiation (two or more stage process involving expressions of interest from interested tenderers in response to an advertisement, with a selection of those tenderers being invited to negotiate);
- d) competitive dialogue (two or more stage process involving expressions of interest from tenderers in response to an advertisement, followed by dialogue with a selection of those tenderers to identify a solution (or solutions) which meets the Company's requirements, and an invitation to the selected tenderer(s) to submit tenders based on the solution/s resulting from the dialogue);
- e) Innovation Partnership Procedure (two or more stage process involving expressions of interest from tenderers in response to advertisement, followed by a competitive award procedure aimed at the development, and subsequent purchase, of an innovative product, service or works);
- f) Negotiated procedure without prior publication of an advertisement where the requirements of Regulation 32 of the Public Contract Regulations are met. The Head of Procurement must first be consulted before this procedure is used; or
- g) where it is proposed to award a specific contract based on a framework agreement in which all the terms of the proposed

contract are not laid down, a mini-competition shall be held in which tenders shall be invited from all members of the framework agreement that are capable of carrying out the requirements of the specific contract.

- 10.04 Procurements requiring use of a qualitative selection questionnaire must comply with the Crown Commercial Services (CCS) guidance on the use of these questionnaires including any applicable guidance on the use of the European Single Procurement Document (ESPD) provided for in Regulation 59 or the Public Contract Regulations.
- 10.05 Prior approval must be obtained from the Head of Procurement to derogate from the CCS guidance referred to in 10.04. Any such derogation must be disclosed to the Cabinet Office.

11 ELECTRONIC COMMUNICATIONS, PROCUREMENT DOCUMENTS, DIVISION INTO LOTS AND RECEIPT AND OPENING OF TENDERS

- 11.01 All communication and information exchange in relation to tenders will only be accepted if submitted and received via Company's approved electronic channels.
- 11.02 Subject to the terms of Regulation 53 of the Public Contract Regulations, the Company will provide unrestricted and full electronic direct access free of charge to the procurement documents from the date of publication of the advertisement, or the date on which an invitation to confirm interest was sent.
- 11.03 The Company may award a contract in the form of separate lots and may determine the size and subject-matter of such lots. Where a contract is subject to the Public Contract Regulations, if the Company determines that it should not be subdivided into lots then in compliance with Regulation 46(2) of the Public Contracts Regulations it shall provide and retain an indication of the main reasons for its decision.
- 11.04 The approval of contract awards, variations and extensions may be evidenced within Homes for Haringey's Corporate Procurement Systems by electronic copies of signatures.
- 11.05 Due to the nature of the works documentation, if tenders cannot be submitted electronically then Tenderers must be informed that their tenders will only be considered if they are:
 - a) Set in a plain envelope or parcel with a label on which is printed the word "Tender" or "Quotation" followed by the subject of the contract; and

- b) Contained in a sealed envelope or parcel which does not show the identify of the tenderer in any way; and
- c) Delivered to the place and by the time started in the tender invitation.

11.06 Tenders must be kept safe until the time of their opening by the officers nominated by the Director or by Head of Procurement if responsible for managing the process.

11.07 At an appointed time for opening the non-electronic Tenders, two authorised officers, one of whom has had no involvement in the process, shall both be present to access the submitted bids, and record the price, and all other relevant details of each open bid.

11.08 Electronic bids received securely may be opened at the appointed date and time by one officer or appointed consultant.

11.09 The Head of Procurement must approve the training and seniority of all officers employed to open bids and also the arrangements for ensuring independence of such officers from the teams involved in the competitive process.

11.10 Abnormally Low, Late or Non-compliant tenders:

- a) In respect of any contract that is subject to the Regulations, if the Company determines that a Tender is abnormally low then it shall ask the tenderer to explain the prices or costs proposed in its Tender.
- b) Tenders received late may only be considered if the other tenders have not yet been opened, and
- c) Failure to comply is the Company's fault; or
- d) It is clear that the tenders were sent in such a way that in the normal course of events they would have arrived in time.

11.11 E-Auctions

In appropriate cases, the submission of prices for a bid may be conducted by e-auction in accordance with Regulation 35 of the Public Contracts Regulations, with the prior approval of, and in accordance with a procedure specified by the Head of Procurement.

11.12 Dynamic Purchasing Systems

- 11.12.1 In appropriate cases a Dynamic Purchasing System (DPS) may be used to carry out procurements in accordance with

Regulation 34 of the Public Contracts Regulations with the prior approval of and in accordance with a procedure specified by the Head of Procurement.

11.12.2 Where a DPS is to be used to carry out a procurement this must be done with a prior written agreement from the Head of Procurement.

11.12.3 Electronic Formation of individual contracts within DPS is permitted subject to Regulation 15.07, 15.08 and 15.09.

12 POST TENDER CLARIFICATIONS/CONFIRMATIONS

Except where the competitive procedure with negotiation referred to in Regulation 10.03(c) is used, negotiations with selected tenderers, after receipt of formal tenders and before the letting of contract(s), is only permitted:

12.01 in circumstances, which do not put other tenderers at a disadvantage, distort competition or affect adversely the competitive tendering process,

12.02 if prior authority of Head of Procurement has been obtained, and

12.03 all communication with tenderers under this Contract Regulation must be in writing or recorded in writing.

13 TENDER ACCEPTANCE, CONTRACT AWARD AND LETTERS OF INTENT

13.01 Tenders are accepted on the basis of:

a) Either, In the case when the contract value is above the applicable threshold pursuant to the Regulations, of the most economically advantageous tender as determined by the application of the published award criteria (MEAT), or

b) In the case when the contract value is below the applicable threshold pursuant to the Regulations, of either "MEAT" or lowest cost.

13.02 A Director may award contracts with a value up to £500,000.

13.03 The Board must award all contracts with a value in excess of £500,000.

13.04 Where a contract has been awarded, including by way of a call off from a Framework (but not by way of a contract placed under a DPS), with an estimated value of £25,000 or more, the award must be published on Contracts Finder.

13.05 Where the provision of works, goods or services under a contract is required to commence prior to the issuance and execution of a formal

contract, a Director, if satisfied that it is in the Homes for Haringey's best interest in the particular circumstances, may approve issuance of a Letter of intent pending the issuance and execution of a formal contract. However, the maximum cover afforded by any letter of intent shall not exceed £100,000 or 10% of the total contract price, whichever is the higher value.

14 FORM AND EXECUTION OF CONTRACTS

- 14.01 All contracts below £10,000 must be in writing and approved by the budget holder.
- 14.02 All contracts at £10,000 or above shall be signed on behalf of the Company by two Directors.
- 14.03 All contracts with a value of £250,000 or above must be executed on behalf of the Company under seal as a deed. Authority for the use of the Company Seal and to sign any document to which the seal is affixed is delegated by the Board to the Chair of the Board and to the Chair of the Finance, Audit & Risk Committee.
- 14.04 If, in the opinion of the Director, or Head of Procurement a contract with a value of under £250,000 should be executed as a deed under seal, the use of the seal may be authorised and any document to which the seal is affixed may be signed as set out in Contract Regulation 14.03.

15 CONTRACT CONDITIONS

All Contracts

- 15.01 The tender documents in respect of every contract to which the Regulations apply shall provide for the contract to include provisions enabling the Company to terminate the contract in each of the circumstances set out in Regulation 73 of the Public Contract Regulations.
- 15.02 The tender documents in respect of every contract to which the Regulations apply shall include a requirement that the Company may require the successful contractor to enter into a collateral contract in a form approved by the Director of Corporate Affairs which provides for the allocation of risks between the parties where the contract has been declared ineffective by a court.
- 15.03 The decision as to whether or not a collateral contract will be required in respect of a contract will ultimately be made, before the formal

contract is issued and executed, by the Director of Corporate Affairs or an officer acting under his/her delegated authority.

15.04 All contracts, irrespective of value, will specify:

- (a) the supplies, works or services or to be provided or executed;
- (b) the price to be paid or the precise method of its ascertainment and a statement of any discounts or other deductions; and
- (c) as appropriate, the start and finish dates, or delivery dates, and any maintenance or defects liability period.
- (d) A requirement to comply with the Company's insurance requirements (which may only be waived with the approval of the Director of Corporate Affairs);
- (e) compliance with equality legislation; and
- (f) compliance with regards to the protection of personal data.

15.05 All contracts for the provision of services which may entail members of the service provider's staff (including agents, subcontractors and assignees) carrying out a role that involves contact with children and/or vulnerable adults, or access to their personal records, shall contain a provision requiring the service provider to undertake in respect of each staff member the appropriate level of Disclosure and Barring Service check for which his/her role is eligible prior to the provision of services commencing; carried out by the relevant staff member and at appropriate intervals thereafter. This check should be at the expense of the service provider and the Company should not be charged for it.

Lower Threshold

15.06 All contracts must be in writing by way of a document prepared, or on a basis approved, by the Director of Corporate Affairs. Contracts with a value between £10,000 and £50,000 will need to meet the requirements set out in Regulation 15.04 and 15.05.

15.07 Contracts with a value falling within £50,000 to £250,000 to these Contract Regulations will need to meet the requirements set out in 15.04 and 15.05 and, contain clauses to cover the following:

- a) compliance with all applicable legislation;

- b) a prohibition on assignment and/or subletting without the written consent of the Director;
- c) a provision allowing the Company to cancel the contract and recover any resulting loss from the contractor if the contractor does anything which is contrary to the Bribery Act 2010 or incites breach of Section 117 (2) of the Local Government Act 1972;
- d) a provision to ensure the Company is protected against the contractor's defective performance by default provisions which are appropriate to the contract;
- e) that if the contractor is in breach of contract the Company can do any or all of the following:
 - (i) cancel all or part of the contract or terminate the contractor's appointment;
 - (ii) itself perform the contract in whole or in part; and
 - (iii) recover from the contractor any additional cost resulting from the cancellation or completion of the contract.
- f) That 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 the workforce of the Company) in relation to the tendering for, and award of any contract for goods, works or services, the Company shall be entitled to terminate that contract;
- g) It shall be a condition of any contract between the company and any person (not being an Officer of the Council or the Company) who is required to manage a contract on the Company's behalf that, in relation to such contract, he/she shall comply in all respects with the requirements of these Contract Regulations as if he/she were an employee of the Company.
- h) A Contract valued at less than £250,000 (two hundred and fifty thousand pounds) does not require sealing, and should either be signed on behalf of the Company, by two directors, or electronic signatures can be used as approved by the Director of Corporate Affairs

Upper Threshold

- 15.08 All contracts with a value of £250,000 or more must be executed under seal as a deed. Where appropriate this may be undertaken electronically.

15.09 All contracts with a value of £250,000 or more , in addition to the requirements of Regulation 15.07, must contain clauses to cover the following:

- a) if it is a contract for works, that the Company may require the contractor to provide security for completing the contract in the form of a bond;
- b) that where the contractor is a subsidiary or group company the contractor may be required to provide a parent or group company guarantee.
- c) The decision as to whether or not a bond or parent company guarantee will be required in respect of a contract that exceeds £250,000 will ultimately be made by the Director of Corporate Affairs, or an officer acting under his/her delegated authority.

Conditions applying specifically to computer software contracts

15.10 All computer software contracts will, in addition to the requirements of Regulation 15.04 (and Regulation 15.07 where applicable), contain a clause to the effect that use of the software by contractors of the Company will not amount to use by a third party for which an additional software licence might otherwise be required.

Conditions applying specifically to contracts involving direct contact with vulnerable adults

15.11 All contracts for the provision of services which may potentially involve either direct contact with vulnerable adults or access to their personal records shall contain a provision requiring the service provider (including agents and assigns) to undertake a Criminal Records Bureau check on relevant employees prior to provision of the services under the contract and at appropriate intervals thereafter.

16 VARIATIONS AND EXTENSIONS

16.01 Subject to Regulation 72 of Public Contracts Regulations and in compliance with Financial Regulations, and subject to satisfactory outcomes of contract monitoring a Director may authorise the extensions and variations to an existing contract which is at an original value of less than £500,000.

16.02 The Board may vary or extend a contract providing that to do so is consistent with the Public Contract Regulations and the provisions of Financial Regulations. In any circumstances where an extension to a particular contract is provided for in the tendering documentation, and

the original contract value is more than £500,000 the Board must agree the variation.

16.03 All variations and extensions must be recorded in writing and an electronic copy maintained within the Corporate Contracts Repository and by the Executive Director.

17 NOVATIONS (TRANSFERS)

17.01 In appropriate circumstances the Company may agree to novate (transfer) a contract as permitted in regulation 72 of the Public Contract Regulations.

17.02 A decision to novate a contract must be taken by the Managing Director for contracts at original value of less than £500,000.

17.03 A decision to novate a contract must be taken by the Board for contracts of original value at £500,000 or more.

18 CONTRACT TERMINATION

18.01 In the event of a supplier being declared bankrupt, going into administration, receivership or liquidation then a Director may terminate any associated contract(s) and initiate alternative arrangements as may be required taking into account Regulation 17.01 in cases of novation, or Regulation 5.01 in cases that warrant the re-letting of the contract(s).

18.02 The decision to terminate a contract early in all other circumstances must be approved by a Director.

18.03 In all cases of contract termination for whatever reason where the awarded contract value was more than £500,000, a report must be presented at the earliest opportunity to the Board.

APPENDIX – VERSION CONTROL

| Updated by | Updated on | Filename & path | Status |
|-----------------------|------------|--|-----------------------------|
| Andrew Forde-Johnston | 19/06/06 | S:\HO\HH&BS\HOHBAFJ\Finance Strategy & linked documents\Financial Regulations & CSOs\HfH Contract Regulations v1.doc | Superseded |
| Andrew Forde-Johnston | 28/06/06 | C:\AFJ\Haringey\HfH Finance Toolkit\Financial Regulations & CSOs\HfH Contract Regulations v2.doc | Superseded |
| Mark Smith | 15/08/06 | \\Haringey\haringey-shared-data\HO\DirF\AIlF\HFH Finance\Governance\HfH Contract Regulations v3.doc | Draft (F&AC 30-08-06) |
| Mahi Evangelou | 12/10/06 | \\Haringey\haringey-shared-data\HO\DirF\AIlF\HFH Finance\Governance\HFH Contract Regulations v4.doc | Draft |
| Mahi Evangelou | 25/10/06 | \\Haringey\haringey-shared-data\HO\DirF\AIlF\HFH Finance\Governance\HFH Contract Regulations v5.doc | Approved (F&AC 25-10-06) |
| Mark Smith | 01/03/07 | \\Haringey\haringey-shared-data\HO\DirF\AIlF\HFH Finance\Governance\HFH Contract Regulations v5.doc | Approved (F&AC 28-02-07) |
| Rowann Limond | 10/02/09 | \\Haringey\haringey-shared-data\HO\DirF\AIlF\HFH Finance\Governance\HFH Contract Regulations v6.doc | Approved (F&AC 10-2-09) |
| Peter Willett | 02/03/10 | \\Haringey\haringey-shared-data\HO\DirF\AIlF\HFH Finance\Governance\HFH Contract Regulations v7.doc | Approved (F&AC 02-03-10) |
| Denislava Ivanova | 26/10/11 | \\Lboh\lboh-shared-data\HO\DirF\AIlF\HFH Finance\Governance\06 Contract Regulations\HFH Contract Regulations v8 FULL.doc | Approved (F&AC 08-11-11) |

Homes for Haringey Contract Regulations May 2017

| | | | |
|-------------------|----------|--|------------------------------|
| Denislava Ivanova | 29/05/13 | | |
| Denislava Ivanova | 13/03/17 | | Approved (Board 30-05-17) |

Threshold values – Homes for Haringey Limited – Contract Regulations

| Thresholds | | Description |
|--------------------------------------|---|--|
| Scope of Contract Regulations | | |
| 8.01 | £10,000 or less | One Quote |
| 8.02 | More than £10,000 but not more than £150,000 | Three Quotes must be followed, tender process is optional |
| 8.07 | £150,000 or more for supplies and services requirements | Competitive tendering procedure must be followed |
| 8.06 | £150,000 or more but not more than £500,000 for works and light touch regime services | Three quotes, tender process is optional |
| 8.07 | £500,000 or more for works and light touch regime services | Competitive tendering procedure must be followed |
| Waiver | | |
| 9.03a | £10,000 to £150,000 for supplies and services | Director may agree waiver subject to conditions |
| 9.03a | £10,000 to £500,000 for works and light touch regime services | Director may agree waiver subject to conditions |
| 9.03b | £150,000 and more for supplies and services | Board may agree waiver subject to conditions |
| 9.03b | £500,000 or more for works and light touch regime services | Board may agree waiver subject to conditions |
| Award of Contract | | |
| 13.02 | Less than £500,000 | Director may award |
| 13.03 | £500,000 or more | Board may award |
| Form and Execution | | |
| 14.01 | Less than £10,000 | Need to be in writing but does not require two signatures |
| 14.02 | £10,000 or more but not more than £250,000 | Does not require sealing but must be signed by two Directors |
| 14.03 | More than £250,000 | Must be executed under seal as a deed. |

Homes for Haringey Contract Regulations May 2017

| Thresholds | | Description |
|---|--|--|
| 15.08 | | |
| Conditions of Contract | | |
| 14.01 | Less than £10,000 | Basic offer and acceptance in writing |
| 15.06 | £10,000 or not more than £50,000 | Basic requirement to specify goods, works or services, price and start/finish/delivery dates in writing |
| 15.07 | £50,000 or more, but not more than £250,000 | Extensive requirements re compliance, sub-letting/assignment, cancellation and termination, performance, re-tendering and audit. |
| 15.09 | £250,000 or more | Additional clauses re securities, bonds and guarantees |
| Contract Variations and Extensions | | |
| 16.01 | To contracts at original value of less than £500,000 | Director may agree |
| 16.02 | To contracts at original value of £500,000 or more | Board may agree |
| Novations (Transfers) | | |
| 17.02 | Of contracts at original value of less than £500,000 | Managing Director may agree |
| 17.03 | Of contracts at original value of £500,000 or more | Board may agree |