



Feidhmeannacht na Seirbhíse Sláinte
Health Service Executive

Procedure Title
Capital Projects Contract Award Procedure

Procedure No. 020

	Print Name	Title	Date
Prepared by	Clodagh Hanratty	CATSO	14/09/06
Reviewed by	J.G. MacNamara	T.S.O	14/09/06
Corporate Authorisation	J.G. MacNamara	T.S.O.	14/09/06

INTRODUCTION

The purpose of this procedure is to give guidance in awarding contractors following HSE Corporate approval to proceed to stage 7 with a capital project.

Scope

This procedure applies to Capital Projects.

Responsibility

It is the responsibility of all in Technical Services Staff to ensure that the format indicated is used when awarding contracts.

PROCEDURE

1.1 Pre-Conditions

- Production of a satisfactory bond meeting the HSE standard requirements.
- Production of a satisfactory programme.
- Evidence that the contractor's insurances are adequate, to cover the contract requirements, and will remain in force for the duration of the contract.

1.2 Compliance with:

- Government-tax clearance procedures; Department of Finance Circular 22/35; Tax Clearance Procedures Public Sector Contracts
- Condition of Grant of Planning Permission
- Building Control Act
- Safety Health and Welfare at Work (Construction) Regulations 2001
- Fair Wages Clause of the GDLA 82 Contract Documentation
- Requirements of Contractor and Sub Contractors obligations to make appropriate pension fund/sick pay contributions. (Public Procurement 1994).
- HSE requirements for Contractors Insurances:

Employers Liability : Euro: 12.7 m
Public Liability: Euro: 6.4 m
- HSE Hot Work Permit Guidelines
- HSE Guidelines for Aspergillosis Prevention

- Any other statutory requirements

2.0 Nominated sub-contractors

Nominations for subcontractors are subject to:

- Programme – compliance with the Main Contractor's programme
- Signed form of collateral bond on the collateral agreements for the recommended sub tenders. The bond should meet the Department's standard requirements.
- Compliance with Tax Clearance procedures, as previously indicated.

3.0 Price Adjustment if applicable

The Design Team must clarify the expiry of the Validation Period of the tenders. In this context the Design Team should recommend a price adjustment, if appropriate. The HSE will not agree to an amount unless it represents a fair and reasonable figure. The Design Team will be required to give a clear statement to this effect. Any price adjustments are subject to the approval of the HSE prior to acceptance.

4.0 Post Contract Control

The HSE and the Design Team will ensure that the project is completed to the specified standards of quality, is completed on time and that the cost is contained within the amount of the "latest approved sum" (approved adjusted tender and any variations due to statutory or official policy change or due to non-availability of specified materials) excluding allowable usage and price variations.

HSE document No. 012 "Procedure for Post Contract Progress and Cost Control", sets out the requirements in this respect and deals with approvals and reporting procedures and must be complied with. This document will be distributed at the first meeting between the Design Team and Project Team.

5.0 Variations

The variation approved thresholds (medium) are:-

Class 1	Euro: 1,270.00
Class 2	Euro: 6,350.00

All variations whose comprehensive cost exceeds Euro: 12,700.00 must be submitted to the HSE for prior, written approval. All variations, Irrespective of costs; which will increase the cost of this project, i.e. where it is impossible to achieve a corresponding saving must be submitted to the HSE for prior written approval.

6.0 P.C. Sums

The following procedures shall apply to P.C. Sums valued at more than Euro: 25,400.00, if applicable.

- The list of firms from whom it is proposed to seek tenders to be submitted for the prior approval of the HSE.
- Copies of tenders received for each P.C. item and recommendation for acceptance of a tender for each item shall be submitted for the approval of the HSE.

The Design Team should allow sufficient time for dealing with these procedures to avoid any delays to the contract.

7.0 REFERENCES :

HSE document No. 012	"Procedure for Post Contract Progress and Cost Control",
HSE document no 209	"Procedure for Prevention of Aspergillosis"
HSE Finance Procedures	Contractors Insurance"
HSE Finance Procedures	"Relevant contract tax for construction operations"
Public procurement Guidelines 1994 edition	