

**GENERAL TERMS AND CONDITIONS OF PURCHASE FOR ORDERS**

**1 Interpretation**

In these Terms:-

- 1.1 "Buyer" means the Council of the City of Newcastle upon Tyne;
- "Terms" means these general terms and conditions of purchase and any special terms agreed in writing between the Buyer and the Seller;
- "Goods" means the goods (including any instalment, component, part or raw materials used in such goods) described in the Order;
- "Order" means the Buyer's purchase order to which these Terms are annexed;
- "Price" means the price of the Goods and/or the Services;
- "Seller" means the person, firm or company so described in the Order;
- "Services" means the services and/or works (if any) described in the Order;
- "Specification" includes any plans, drawings, data, description or other information relating to the Goods and/or Services; and includes facsimile transmission and electronic communication and "written" shall be construed accordingly
- "writing" means the price of the Goods and/or the Services;

1.2 Any reference to a statutory provision includes a reference to any modification or re-enactment of the provision from time to time in force and all subordinate instruments, orders or regulations made under it.

**2 Basis of Purchase**

- 2.1 The Order constitutes an offer by the Buyer to the Seller to purchase the Goods and/or acquire the Services subject to these Terms.
- 2.2 Any of the following are deemed to constitute the Seller's agreement to comply with these Terms:- i) any offer and/or acceptance of an Order by the Seller; or ii) the commencement of any work by the Seller; or iii) the delivery of any Goods or the performance of any Services by or on behalf of the Seller notwithstanding any conditions attached to such offer or acceptance or any purported incorporation of terms other than these Terms.
- 2.3 Where this Order forms part of another purchasing arrangement and is subject to terms previously agreed in writing and signed by the Buyer and Seller ("Contract"), the terms of the Contract shall prevail.
- 2.4 No variation to the Order or these Terms shall be binding unless agreed in writing by the authorised representative of the Buyer.

**3 Specifications, Inspection and Equipment**

- 3.1 The quantity, quality and description of the Goods and the Services shall be as specified in the Order and/or in any applicable Specification supplied by the Buyer to the Seller.
- 3.2 Any Specification supplied by the Buyer to the Seller together with any intellectual property rights shall be the exclusive property of the Buyer.
- 3.3 Goods made to the Buyer's Specification shall not be manufactured for or supplied to any other party without the Buyer's prior written consent.
- 3.4 The Buyer reserves the right to inspect and test the Goods at any time prior to delivery. If as a result of inspection or testing the Buyer is not satisfied that the Goods and/or Services will comply in all respects with the Specification, the Seller shall take such steps as are necessary to ensure compliance.
- 3.5 All equipment paid for or provided by the Buyer shall be and remain the Buyer's property and must be returned to the Buyer in good condition upon request.

**4 Changes**

4.1 The Buyer may in its reasonable discretion from time to time change any details specified in its Order by written instructions.

**5 Price**

- 5.1 The Price of the Goods and the Services shall be as stated in the Order and, unless otherwise so stated, shall be fixed, exclusive of any applicable VAT and inclusive of all charges for packaging & delivery costs to the Buyer's specified delivery address.
- 5.2 If the Price is not stated in the Order, the Price shall be the lowest price currently quoted or charged at the time of the Order by the Seller for the Goods and/or the Services but shall be in no event higher than the price most recently charged to the Buyer by the Seller for such Goods and/or Services.
- 5.3 No increase in the Price may be made without the prior written consent of the Buyer.

**6 Information**

- 6.1 The Seller shall provide to the Buyer on request evidence of the place of origin of the Goods and information relating to components, parts or raw materials used in manufacturing the Goods.
- 6.2 The Seller shall provide to the Buyer forthwith any information the Buyer may request for the purposes of monitoring the Seller's performance of its obligations under these Terms or any other Contract.

**7 Payment**

- 7.1 Unless otherwise stated in the Order, the Seller may only invoice the Buyer on or after delivery of the Goods or supply of the Services with a separate invoice for each individual delivery or supply. Invoices will not be accepted unless they quote the number of the relevant Order. Invoices shall be sent to the address specified on the Order as the invoicing address.
- 7.2 Unless otherwise stated in the Order, the Buyer shall pay the Price of the Goods and the Services within 30 days after receipt by the Buyer of a proper invoice or, if later, after acceptance of the Goods or Services in question by the Buyer. Time of payment shall not be of the essence of these Terms.
- 7.3 The Buyer shall be entitled to deduct from the Price:- i) the unit price for such proportion of the Goods as may be defective and rejected by the Buyer together with the costs of returning such Goods to the Seller; ii) any costs or expenses incurred by the Buyer as a consequence of the Seller failing to deliver the Goods to the correct destination; iii) the fees or other charges or other costs incurred by the Buyer arising out of any Services not provided or provided inadequately by the Seller to the Buyer; iv) any amount which is disputed by the Buyer, pending resolution of such dispute; and v) any sums owing by the Seller to the Buyer on any other Contract.
- 7.4 The Late Payment of Commercial Debts (Interest) Act 1998 shall be agreed to be varied to the extent that the statutory interest rate thereunder shall be 4% per annum above the official dealing rate of the Bank of England (base rate) as determined on the date of expiry of the agreed credit period.

**8 Delivery**

8.1 The Goods shall be delivered to, and the Services shall be performed at, the location/directorate specified by the Buyer on the date or within the period stated in the Order, in either case during the times specified in the Order or if no times are specified, during the Buyer's usual business hours and time shall be of the essence. For payment to be made, delivery of Goods and Services must be received by an authorised employee of the Buyer and be accompanied by a delivery note. The Buyer reserves the right to amend any delivery instructions. Delivery shall be deemed to be made on receipt of the Goods and/or the Services by the Buyer in accordance with these Terms.

**9 Acceptance**

- 9.1 The Seller shall supply the Buyer in good time with any instructions or other information required to enable the Buyer to accept delivery of the Goods and performance of the Services.
- 9.2 The Buyer shall be entitled to reject all or any part of the Goods delivered or Services performed which are not in accordance with the Order, any Specification and these Terms even if the defect is minor.
- 9.3 The Buyer shall not be deemed to have accepted any Goods and/or Services until the Buyer has had a reasonable time to inspect or test them following delivery or, if later, within a reasonable time after any latent defect has become apparent.

**10 Risk and Property**

10.1 Risk of damage to or loss of the Goods shall pass to the Buyer upon delivery to the Buyer. Transit, offloading and delivery of the Goods to the place specified in the Order shall be at the Seller's risk.

**11 Compliance with Law**

- 11.1 The Seller shall comply with all applicable statutory requirements concerning the supply of Goods and the performance of the Services.
- 11.2 The Seller shall ensure that it shall comply with all equal opportunities legislation in force from time to time and shall ensure that its equality policies comply with the policies of the Buyer.
- 11.3 The Seller shall ensure that it complies with the Buyer's whistleblowing policy which is available on the Buyer's website at \_\_\_\_\_ or upon request from the Buyer.

**12 Warranties**

- 12.1 The Seller warrants to the Buyer that it is fully experienced, qualified, equipped, organised and financed to perform its obligations under these Terms, and warrants to the Buyer that the Goods:- i) shall be as specified in the Order and/or in the/any applicable Specification supplied by the Buyer to the Seller; ii) will correspond with any relevant sample; iii) will be of satisfactory quality and fit for any purpose held out by the Seller; iv) will be free from defects in design, material and workmanship; v) will comply with all statutory requirements, regulations, bye-laws and EU directives relating to the supply of the Goods.
- 12.2 The Seller warrants to the Buyer that the Services:- i) will be performed by appropriately qualified and trained personnel, with due care and diligence and to such high standards of quality as it is reasonable for the Buyer to expect in all the circumstances; ii) will comply with all statutory requirements, regulations, bye-laws and EU directives relating to the performance of the Services.

**13 Certain Rights and Remedies on Default**

- 13.1 Each right or remedy of the Buyer is without prejudice to any other right or remedy of the Buyer, whether or not under these Terms.
- 13.2 If Goods are not delivered or Services are not performed on the due date then the Buyer shall be entitled to:- i) deduct from the Price or (if the Buyer has paid the Price) to claim from the Seller by way of liquidated damages for delay 0.5% of the Price for every week's delay up to a maximum of 10%; and/or ii) cancel the Order (or any part) without liability to the Seller and purchase substitute items or services elsewhere and recover from the Seller any loss or additional costs incurred.
- 13.3 If any Goods or Services are not supplied or performed in accordance with these Terms, then the Buyer shall be entitled either to require the Seller to repair the Goods or (at the Buyer's sole option) to supply replacement Goods or Services in accordance with these Terms within ten days or to treat these Terms as discharged by the Seller's breach and require the repayment of any part of the Price which has been paid.

**14 Indemnity**

The Seller shall indemnify the Buyer in full against all liabilities, losses, damages, costs and expenses (including legal expenses) incurred directly by the Buyer as a result of or in connection with:- i) breach of any warranty given by the Seller in relation to the Goods or the Services; ii) any claim that the Goods infringe any intellectual property rights, except to the extent that the claim arises from compliance with the Buyer's Specification; iii) any claim made against the Buyer in respect of any liability, breach or alleged breach by the Buyer of any statutory provision, regulation or bye-laws or other rule of law arising from the acts or omissions of the Seller or its employees, agents or subcontractors; iv) any act or omission of the Seller or its employees, agents or sub-contractors in supplying, delivering and installing the Goods and in performing the Services.

**15 Force Majeure**

15.1 Neither the Seller nor the Buyer shall be liable to the other by reason of any delay which is beyond that party's reasonable control.

**16 Installation and work on site**

16.1 The Seller shall at all times whilst on the Buyer's premises or on site comply with and procure that its employees, agents and subcontractors comply with all relevant legal requirements relating to the provision of Services; health and safety legislation; and all security and safety regulations and rules from time to time in force and will be deemed to have full knowledge of such regulations, copies of which shall be supplied on request.

16.2 Where the Seller is responsible for installation of the Goods and/or providing other Services, such Services shall be carried out to the satisfaction of the Buyer's authorised representative. The Seller shall clear away and remove from the Buyer's premises or site all installation plant, service material, rubbish and temporary works and leave the premises or site in a clean and workmanlike condition.

**17 Insurance**

- 17.1 The Seller shall at all times maintain insurance cover with a reputable insurer against its liability under these Terms and shall produce the policy and latest premium receipt to the Buyer on demand.
- 17.2 The Seller will provide all facilities, assistance and information reasonably required by the Buyer or its insurers for the purpose of bringing an action or claim arising out of the performance of these Terms.

**18 Licences**

18.1 The Seller grants the Buyer an irrevocable, non-exclusive and royalty-free licence to use, repair, alter or relocate the Goods whether by itself or through its employees, agents or subcontractors.

**19 Termination**

- 19.1 The Buyer shall be entitled to cancel the Order in respect of all or part only of the Goods and/or the Services by giving notice to the Seller at any time prior to delivery or performance without incurring any liability to the Seller other than to pay for Goods and/or Services already delivered or performed at the time of such notice.
- 19.2 If delivery is incomplete then, without prejudice to its other rights, the Buyer may accept or reject the Goods or Services delivered or performed and cancel or vary the balance of the Order.

**20 Confidentiality**

- 20.1 All information supplied to the Seller by the Buyer at any time in connection with these Terms and any Specification shall be regarded as confidential and shall not without the prior written consent of the Buyer be published or disclosed to any third party or used by the Seller except for the purpose of implementing the Order.
- 20.2 The Seller shall not advertise or announce the supply of the Goods and/or the Services to the Buyer without the Buyer's prior written consent.
- 20.3 At any time on request the Seller shall assist the Buyer to comply with the Buyer's obligations under the Freedom of Information Act 2000 and/or the Environmental Information Regulations 2004.

**21 General**

- 21.1 The Order is personal to the Seller and the Seller shall not transfer, assign, charge, dispose of or deal with in any manner or purport to do the same any of its rights or beneficial interests.
- 21.2 The Seller shall not sub-contract any of its obligations under this Order without the prior written consent of the Buyer.
- 21.3 Any notice to be given by either party to the other under these Terms must be in writing addressed to that other party at its registered office and delivered personally or sent by first class post or sent by facsimile transmission.
- 21.4 Notices addressed to the Buyer shall be marked for the attention of Assistant General Manager (Procurement).
- 21.5 Any waiver by the Buyer of any breach is not a waiver of any subsequent breach.
- 21.6 Failure or delay by the Buyer in enforcing or partially enforcing any provision of these Terms is not a waiver of any of its rights under these Terms.
- 21.7 If any provision of these Terms is held by any competent authority to be invalid or unenforceable in whole or in part the validity of the other provisions of these Terms and the remainder of the provision in question shall not be affected.
- 21.8 The Seller will comply with the Data Protection Act 1998 and ensure that all information security protocols (including industry standard requirements for processing payment cards) are in place and that the Seller will comply with good industry practice in respect of all information security.
- 21.9 These Terms shall be governed by the laws of England and the parties submit to the exclusive jurisdiction of the English Courts.