

Within private forestry we are involved in commercial tree growing where there are operations that foresters, landowners and planners will not be able to carry-out without some degree of contractual assistance. For example: deep ripping and harvesting, where it is unlikely that it will be justifiable to acquire sophisticated machinery and undergo specialised training.

This guide concentrates on the practical aspects of managing forest operations where contractors are involved, including:

- selecting contractors
- preparing tenders and contracts

This shall enable foresters, landowners, contractors and planners to be aware of the procedures involved in obtaining and managing contracts.

The accompanying Service Agreement is intended to act as pro-forma to form the basis of a forest management agreement or contract. This model agreement is to be used for guidance only, any legal contract must always be certified by a suitably qualified solicitor.

Selecting contractors – logical steps

1. First decide:
 - How sensitive is the site?
 - How much supervision will there be?
 - How important is quality?
 - How widely is the work understood?
2. Then decide 'How selective do I need to be?'

If it is a straightforward job, you can simply write the work specifications and invite contractors to tender.

However, if the work is complex, it would be mutually advantageous to write-down the objectives and constraints of the job; then talk to potential contractors showing them a **draft** specification and ask how they would approach the job. In the light of discussions, the specifications can be revised and then submitted to preferred contractors for a firm quote.

Tenders

Always ensure that tenders are on an equal basis, if not, you may not get optimum value. Therefore, you should give all tenderers the same information, the same time to prepare a quote and ensure that information is complete.

Writing contracts – a contractor’s view

Writing contracts for delivery of a service is not an exact science. A compromise must be made between clarity by inclusion on the one hand and clarity by brevity on the other!

A good contract is one that includes definable facts – the parties, payments and constraints and also includes a clear statement of what a contract is trying to achieve.

A bad contract omits necessary facts or states lots of facts without context.

Insurance

Ensure that both parties have adequate insurance for the work:

Employer’s insurance:

- Employer’s liability (for you when visiting site!)
- Third party (especially visitors to site)
- Structures

Contractor’s insurance:

- Employer’s liability (for their employees)
- Third party
- Sometimes the value of the works

A draft services agreement template is available upon request from PFT.

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