

## **PBA PROCESS FOR NON CENTRAL GOVERNMENT PROJECTS**

Project Bank Accounts Process – Step by Step Guide (Form NCG0)

Request to Open a Project Bank Account (Form NCG1)

Project Bank Account - Trust Deed (Form NCG2)

Project Bank Account - Bank Mandate (Form NCG3)

Project Bank Account - Joining Deed (Form NCG4)

Project Bank Account - Authorisation (Form NCG5)

Project Bank Account – PBA Facility Specification (Form NCG6)

### **Revision History**

First issued as Annex D of PGN 03/14	30 July 2014
Reissued with pilot status withdrawn	23 December 2015
Reissued as separate Suite of Forms for Non Central Government Projects	18 January 2016
Reissued to reflect the restructuring of the Northern Ireland Government departments	09 June 2016
Revised to reflect changes to data protection legislation	25 May 2018
Minor changes to reflect that the document is no longer part of PGN 03/14 and is part of the Construction Toolkit	27 November 2023

**Project Bank Accounts Process – Step by Step Guide (Form NCG0)**

Item	Procedure	Notes
	<b>Initiation</b>	
1	<p>Employer to procure a PBA facility from a Clearing Bank that complies with the requirements set out in the <b>PBA Facility Specification</b> provided by, or on behalf of, the grant awarding body. A copy of the PBA bank's account terms and conditions should be obtained from them and checked to ensure that they comply with the specification and proposed process.</p> <p>Obtain confirmation from the PBA Bank that a completed <b>Request To Open PBA</b> form is sufficient to enable it to open, and have operational a PBA within the required timescale.</p> <p>It is possible that the PBA Bank will require its own 'request to open a bank account form' completed rather than the form provided within this guidance. In this case, the Employer must organise its completion and provision of any supporting documents required in the correct format.</p>	<p>Grant conditions which require compliance with Northern Ireland Public Procurement Policy for construction works may require the use of a PBA for construction works with a value greater than £2M value and which have a significant subcontracting element.</p> <p>If the PBA Bank requires its own form to be completed, a copy of this should be obtained and included with the ITT documents to ensure that the information required to complete it will be available immediately upon contract award.</p>

PROJECT BANK ACCOUNT PROCESS – STEP BY STEP GUIDE (NCG0)

Item	Procedure	Notes
2	ITT to contain this <b>Step by Step Guide</b> of the PBA process (or a link to it) and have the standard forms attached (or linked) for information.	

PROJECT BANK ACCOUNT PROCESS – STEP BY STEP GUIDE (NCG0)

Item	Procedure	Notes
3	<p>Before contract award, the PM shall advise the Employer of their contractual requirement to open a PBA, the PBA process and their requirement to provide personal details directly to the PBA Bank to facilitate opening of the PBA.</p> <p>The PM shall advise the Employer to sign the following forms and to take all relevant documentation in person to the respective PBA Bank:</p> <ul style="list-style-type: none"> <li>• <b>Request to Open PBA:</b> to be signed by Employer (Director) and have photocopies of the Director's passport or Driving Licence and proof of home address attached.</li> <li>• <b>Trust Deed:</b> to be signed by Employer (Director); and</li> <li>• <b>Bank Mandate (Employer's page):</b> to be signed by persons authorised to make payments to Contractor. This should include PM, Architect/Engineer and QS, as well as Client Advisor and Project Sponsor (or at least one official from Employer dealing with project).</li> </ul>	<p>The <b>Request To Open PBA</b> when completed by the Employer or Contractor contains personal information. However this information should not be viewed or processed by the PM.</p>
4.	<p>Before awarding the contract, the PM shall contact the PBA Bank and advise it of the requirement for a PBA in the contract, the timeline for awarding the contract, expected date of the initial meeting with the Contractor and the expected date of the initial payment.</p> <p>Following award of contract, the PM/Employer's Representative shall confirm the Contractor's name to the PBA Bank.</p>	

PROJECT BANK ACCOUNT PROCESS – STEP BY STEP GUIDE (NCG0)

Item	Procedure	Notes
5	<p>Immediately following contract award the PM shall organise a meeting to be attended by the Contractor's Director. The PM shall advise the Contractor's Director of the PBA process and their requirement to provide personal details directly to the PBA Bank to facilitate opening of the PBA,</p> <p>The PM shall advise the Director to sign the following forms and to take all relevant documentation in person to the respective PBA Bank:</p> <ul style="list-style-type: none"> <li>• <b>Request To Open PBA:</b> to be signed by Director and accompanied by a photocopy of the Director's passport or driving licence and proof of home address (for example, utility bills);</li> <li>• <b>Trust Deed:</b> to be signed by Director/Company Secretary; and</li> <li>• <b>Bank Mandate (Contractor's page):</b> to be signed by Contractor's staff authorised to make payments to Named Suppliers.</li> </ul> <p>The <b>Trust Deed</b> and the <b>Bank Mandate (Contractor's Page)</b> may be brought to the meeting already completed and signed so that only the Contractor's Director has to attend the meeting.</p> <p>Verification of the Contractor Director's personal information (passport, driving licence, utility bills etc) will be undertaken by the PBA Bank when they are presented in person. The PM/Employer's Representative is not required to verify or process such personal data.</p> <p>The PBA Bank will notify the PM when the Contractor's Director has successfully submitted all relevant information for opening the PBA.</p>	<p>If the <b>Request To Open PBA</b> or <b>Trust Deed</b> is executed by the signature of one director of a limited company, or by one partner of a partnership, formal confirmation must be provided that the Director/Partner is authorised to sign on behalf of the company/partnership.</p> <p><b>Trust Deed</b> includes Contractor's own bank account details (name, account number and sort code).</p> <p>The <b>Request To Open PBA</b> when completed by the Contractor contains personal information. However this information should not be viewed or processed by the PM.</p>
7	<p>Following verification of the Contractor's Director details by the PBA Bank to the PM, the Employer engages with the PBA Bank to formally open the PBA.</p>	

PROJECT BANK ACCOUNT PROCESS – STEP BY STEP GUIDE (NCG0)

Item	Procedure	Notes
8	Employer, through PBA Bank, sets up email/text alerts for PM and Contractor and informs PM of the PBA details and the PBA Bank contact point.	
9	PM advises all parties of PBA details.	
<b>During Construction</b>		
10	Named Suppliers (who will be paid through the PBA and that have not signed the <b>Trust Deed</b> ) sign a <b>Joining Deed</b> when appointed. This is countersigned by the Contractor and the Employer, witnessed by the PM and forwarded to the PBA Bank by the Contractor.	<b>Joining Deed</b> to include the Named Supplier's bank account details (name, number and sort code)
11	Contractor's QS provides to, and explains to, the PM (or the PM's QS) the amount due to the Contractor and the amounts due to the Named Suppliers. If any withholding is required from the Named Supplier(s), the Contractor's QS explains why (that is, provides reasons) to PM.	The value of a work package (NEC option A or B) will be known by the PM as will the subcontract work package value. However, there may be reasons why the Named Supplier is paid less (or more) than its subcontract work package value; for example, delay caused, CIS withholding tax requirements, acceleration requested, VAT amounts.
12	The PM confirms the payments to be made from the PBA to the Contractor and the Named Supplier(s) that month. The PM certifies payment and sends a copy of his certificate to the Employer and the Contractor.	
13	The PM certifies payment and sends a copy of his certificate to the Employer and the Contractor.	
14	Employer processes payment to transfer sum certified into the PBA within payment period specified in the contract.	Payment includes VAT due as advised on PM's payment certificate.

PROJECT BANK ACCOUNT PROCESS – STEP BY STEP GUIDE (NCG0)

Item	Procedure	Notes
15	On receipt of the PM's payment certificate, the Contractor completes the <b>Authorisation</b> in accordance with the payments confirmed with the PM. The Contractor sends the <b>Authorisation</b> , signed by its representative, to the PM.	
16	The PM sends copy of <b>Authorisation</b> , signed by both himself/herself and the Contractor's representative, to the PBA Bank for action when funds are in place in the PBA.	If the PM is unavailable to sign the <b>Authorisation</b> , another Employer representative signs the form.
17	The PBA Bank generates an automatic text/email to both the PM and the Contractor to inform them of lodgement of funds into the PBA by the Employer.	Emails will be sent to the email addresses/mobile numbers included in the <b>Bank Mandate</b> .
18	<p>Upon clearing of funds in the PBA, the PBA Bank will contact the Contractor by phone to confirm its approval to make payments listed on the <b>Authorisation</b>.</p> <p>Once confirmation is received from the Contractor, payments are made from the PBA to the Contractor and the Named Supplier(s) accounts for the amounts listed in the <b>Authorisation</b>.</p> <p>The PBA Bank generates automatic email/text message to the PM and the Contractor to inform them of transfers of funds out of the PBA.</p>	<p>Bank will contact the Contractor on the phone number provided in the <b>Bank Mandate</b> or as otherwise advised directly to Bank by Contractor.</p> <p>Employer funds will normally take 3 days to clear before the transfer can complete.</p>
19	PM checks payments have been made correctly.	By reference to email received.

**Abbreviations:**

PBA	Project Bank Account
PM	Project Manager (as defined within the NEC3 contract)
QS	Quantity Surveyor
CoPE	Centre of Procurement Expertise
PA	Payment Authorisation
PBA Bank	The bank providing the Project Bank Account.
ITT	Invitation To Tender

**List of Template documents:**

Project Bank Accounts Process – Step by Step Guide (Form NCG0)

Request to Open a Project Bank Account (Form NCG1)

Project Bank Account - Trust Deed (Form NCG2)

Project Bank Account - Bank Mandate (Form NCG3)

Project Bank Account - Joining Deed (Form NCG4)

Project Bank Account - Authorisation (Form NCG5)

Project Bank Account – PBA Facility Specification (Form NCG6)



### **UK General Data Protection Regulation (UK GDPR) Requirements**

The **Request to Open PBA** form will be accompanied by personal information when completed by the Contractor and falls within the scope of the UK General Data Protection Regulations.

The Project Manager is not required to store or process personal information relating to the Main Contractor or Named Suppliers.

The responsibility for storage and processing of such information will remain with the Main Contractor and the PBA Bank.

Further information on GDPR may be obtained from the Information Commissioner's Office at the following web link:

<https://ico.org.uk/for-organisations/guide-to-the-general-data-protection-regulation-gdpr/>

**Request to Open a Project Bank Account (Form NCG1)**

**The information attached to this form contains personal information which must be stored and processed in accordance with data protection legislation.**

**Account type**

The Project Bank Account shall have trust status. The trustees will be the *Employer*, the *Contractor* and the Named Suppliers as set out in the **Trust Deed**, and where required the **Joining Deed(s)**. Copies of these documents will be provided to the Bank providing the Project Bank Account.

The Project Bank Account must:

- be subject to the bank terms and conditions attached at Annex 1;
- have no overdraft facility;
- have no cheque facility;
- accept authorisation of payment from the account only where it bears a signature of an authorised representative of the Employer and a signature of an authorised representative of the Contractor; and
- allow payments from the account only to trustees who have executed the trust deed or a joining deed.

**Regulatory Assurance**

The Project Bank Account will be used to facilitate payments to the Contractor and Named Suppliers in respect of a construction contract between the Employer and *Contractor* for

\_\_\_\_\_ (the Works).

Money deposited in the account will be provided by the Employer wholly or mainly from public funds.

**Application to open a bank account**

We request (name of bank): \_\_\_\_\_

of (address): \_\_\_\_\_

\_\_\_\_\_

to open a Project Bank Account in the names of

\_\_\_\_\_ (*Employer*) and

REQUEST TO OPEN A PROJECT BANK ACCOUNT (FORM NCG1)

(Contractor).

The account name shall be

\_\_\_\_\_

The account shall operate in accordance with the bank terms and conditions attached.

REQUEST TO OPEN A PROJECT BANK ACCOUNT (FORM NCG1)

**Employer**

Signed on behalf of the *Employer* on (date): \_\_\_\_\_

Signature: \_\_\_\_\_ Position<sup>1</sup>: \_\_\_\_\_

Name of Signatory: \_\_\_\_\_

Home Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Confirmation of the identity and home address of the above signatory must be provided. These must be in the name of the person who has signed above:

**Requirements for confirmation of identity and home address:**

A clear photocopy of the identification page of the passport or photographic counterpart of the driving licence must be attached.

In addition a clear photocopy of the document that evidences the home address such as a utility bill showing the name and home address must be attached.

These details will be verified by the PBA Bank when the Employer presents them in person.

\_\_\_\_\_

<sup>1</sup> To be signed by a director of a limited company (authorised to do so) or partner of a partnership (authorised to do so) or senior official of public body (authorised to do so) or an individual sole trader.

**Contractor**

Signed on behalf of the *Contractor* on (date): \_\_\_\_\_

Signature: \_\_\_\_\_ Position<sup>2</sup>: \_\_\_\_\_

Name of Signatory: \_\_\_\_\_

Home Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Confirmation of the identity and home address of the above signatory must be provided. These must be in the name of the person who has signed above:

**Requirements for confirmation of identity and home address:**

A clear photocopy of the identification page of the passport or photographic counterpart of the driving licence must be attached.

A clear photocopy of the document that evidences the home address such as a utility bill showing the name and home address must be attached.

These details will be verified by the PBA Bank when the Contractor presents them in person.

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<sup>2</sup> To be signed by a director of a limited company (authorised to do so) or partner of a partnership (authorised to do so) or an individual sole trader.

Bank terms and conditions to be attached here.

These are to be obtained from the Bank providing the Project Bank Account and should be carefully checked by the Employer to ensure that they are compatible with the specification provided by the Grant Awarding Body

**Project Bank Account - Trust Deed (Form NCG2)**

This agreement is made between the *Employer*<sup>1</sup>, the *Contractor*<sup>2</sup> and the Named Suppliers<sup>3</sup>.  
Terms in this deed have the meanings given to them in the contract between

\_\_\_\_\_ (Employer) and  
\_\_\_\_\_ (Contractor) for  
\_\_\_\_\_ (the Works).

**Background**

The *Employer* and the *Contractor* have entered into a contract for the Works.

The Named Suppliers have entered into contracts with the *Contractor* in connection with the Works.

The *Employer* has established a Project Bank Account to make provision for payment to the *Contractor* and the Named Suppliers.

**Agreement**

The parties to this deed agree that:

- sums due to the *Contractor* and Named Suppliers and set out in the Authorisation are held in trust in the Project Bank Account by the *Contractor* for distribution to the *Contractor* and Named Suppliers. This is in accordance with the banking arrangements applicable to the Project Bank Account;
- further Named Suppliers may be added as parties to this deed with the agreement of the *Employer* and *Contractor*. The agreement of the *Employer* and *Contractor* is treated as agreement by the Named Suppliers who are parties to this deed;
- this deed is subject to the law of the contract for the Works; and
- the benefits under this deed may not be assigned.

Executed by the *Employer* under seal as a deed on (date): \_\_\_\_\_

\_\_\_\_\_ <sup>1</sup> The Employer is also known as the Client or the Contracting Authority.

<sup>2</sup> The Contractor is the Main Contractor.

<sup>3</sup> A Named Supplier is a person or organisation who has a contract to: construct or install part of the Works; provide a service necessary to Provide the Works; or supply Plant and Material for the Works.

PROJECT BANK ACCOUNT - TRUST DEED (FORM NCG2)

by

LS Signature: \_\_\_\_\_ Position<sup>4</sup>: \_\_\_\_\_

and/witnessed by

Signature: \_\_\_\_\_ Position: \_\_\_\_\_

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<sup>4</sup> To be signed by a director of a limited company (authorised to do so) or partner of a partnership (authorised to do so) or senior official of public body (authorised to do so) or an individual sole trader.



PROJECT BANK ACCOUNT - TRUST DEED (FORM NCG2)

Executed by the *Contractor* under seal as a deed on (date): \_\_\_\_\_

by

**LS** Signature: \_\_\_\_\_ Position<sup>5</sup>: \_\_\_\_\_

**and**/witnessed by

Signature: \_\_\_\_\_ Position: \_\_\_\_\_

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<sup>5</sup> To be signed by a director of a limited company (authorised to do so) or partner of a partnership (authorised to do so) or an individual sole trader.

**Named Suppliers<sup>1</sup>**

Supplier No.: \_\_\_\_\_

Executed by (name of company): \_\_\_\_\_

under seal as a deed on (date): \_\_\_\_\_

by

**LS** Signature: \_\_\_\_\_ Position<sup>2</sup>: \_\_\_\_\_

and/witnessed by

Signature: \_\_\_\_\_ Position: Project Manager

Bank details of Named Supplier above

Supplier (name of company): \_\_\_\_\_

Account Name: \_\_\_\_\_

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<sup>1</sup> A Named Supplier is a person or organisation who has a contract to: construct or install part of the Works; provide a service necessary to Provide the Works; or supply Plant and Material for the Works.

<sup>2</sup> To be signed by a director of a limited company (authorised to do so) or partner of a partnership (authorised to do so) or an individual sole trader.

PROJECT BANK ACCOUNT - TRUST DEED (FORM NCG2)

Bank Name: \_\_\_\_\_

Sort Code (6 digits: xx-xx-xx): \_\_\_\_\_

Account No. (8 digits): \_\_\_\_\_

**Project Bank Account - Bank Mandate (Form NCG3)**

This mandate is for a Project Bank Account (PBA) in respect of a construction works contract between:

\_\_\_\_\_ (Employer) and  
\_\_\_\_\_ (Contractor) for  
\_\_\_\_\_ (the Works).

**Background**

Authorisation for payment from the Project Bank Account must be signed by a designated representative of the *Employer* and the *Contractor*.

By signing this form, the signatories hereby give consent for the PBA Bank to hold their signatures on this form and electronically. The signatures may be used when checking the signature on other documents.

**Completion of this form**

This form has a page for the Employer's signatories and a page for the Contractor's signatories. It should be printed single sided so that each page can be completed separately.

The Employer should present the completed Employer's signatories page in person to the PBA Bank. The PM should provide this form, pre-signed by the Employer, to the Contractor at the initial meeting. The Contractor will sign this form and provide its signatories, Contractor's details and Contractor's Bank Account details in person to the PBA Bank. The PBA Bank will combine the relevant Employer and Contractor documents to complete this Bank Mandate.

**Bank Mandate - Employer's signatories page**

[The signatures must be in black pen and be kept within the box.]

Name of first signatory

\_\_\_\_\_

Name of second signatory

\_\_\_\_\_

Name of third signatory

\_\_\_\_\_

Name of fourth signatory

\_\_\_\_\_

Name of fifth signatory

\_\_\_\_\_

Name of sixth signatory

\_\_\_\_\_

**Project Manager's contact details:**

Email: \_\_\_\_\_

Mobile: \_\_\_\_\_

PROJECT BANK ACCOUNT - BANK MANDATE (FORM NCG3)

**Bank Mandate - Contractor's signatories page**

[The signatures must be in black pen and be kept within the box.]

Name of first signatory

\_\_\_\_\_

Name of second signatory

\_\_\_\_\_

Name of third signatory

\_\_\_\_\_

Name of fourth signatory

\_\_\_\_\_

Name of fifth signatory

\_\_\_\_\_

Name of sixth signatory

\_\_\_\_\_

**Contractor's Details:**

Email: \_\_\_\_\_

Mobile: \_\_\_\_\_

**Contractor's Bank Details**

Name of Company: \_\_\_\_\_

Account Name: \_\_\_\_\_

PROJECT BANK ACCOUNT - BANK MANDATE (FORM NCG3)

Bank Name: \_\_\_\_\_

Sort Code (6 digits: xx-xx-xx): \_\_\_\_\_

Account No. (8 digits): \_\_\_\_\_



**Project Bank Account - Joining Deed (Form NCG4)**

This agreement is made between the *Employer*<sup>1</sup>, the *Contractor*<sup>2</sup> and \_\_\_\_\_ (a Named Supplier<sup>3</sup>).

Terms in this deed have the meanings given to them in the contract between the \_\_\_\_\_ (Employer) and \_\_\_\_\_ (Contractor) for \_\_\_\_\_ (the Works).

**Background**

The *Employer* and the *Contractor* have entered into a contract for the Works.

The Named Suppliers have entered into contracts with the *Contractor* in connection with the Works.

The *Employer* has established a Project Bank Account to make provision for payment to the *Contractor* and the Named Suppliers.

The *Employer*, the *Contractor* and the Named Suppliers have entered into a deed as set out in NCG3 (the **Trust Deed**), and have agreed that the Additional Supplier may join that deed.

**Agreement**

The Parties to this deed agree that:

- the Additional Supplier becomes a party to the **Trust Deed** from the date set out below;
- this deed is subject to the law of the contract for the Works; and
- the benefits under this deed may not be assigned.

<sup>1</sup> The Employer is also known as the Client or the Contracting Authority.

<sup>2</sup> The Contractor is the Main Contractor.

<sup>3</sup> A Named Supplier is a person or organisation who has a contract to: construct or install part of the Works; provide a service necessary to Provide the Works; or supply Plant and Material for the Works.

PROJECT BANK ACCOUNT - JOINING DEED (FORM NCG4)

Executed by the *Employer* under seal as a deed on (date): \_\_\_\_\_

by

LS Signature: \_\_\_\_\_ Position<sup>4</sup>: \_\_\_\_\_

and/witnessed by

Signature: \_\_\_\_\_ Position: \_\_\_\_\_

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<sup>4</sup> To be signed by a director of a limited company (authorised to do so) or partner of a partnership (authorised to do so) or an individual sole trader.

PROJECT BANK ACCOUNT - JOINING DEED (FORM NCG4)

Executed by the *Contractor* under seal as a deed on (date): \_\_\_\_\_

by

LS Signature: \_\_\_\_\_ Position<sup>5</sup>: \_\_\_\_\_

and/witnessed by

Signature: \_\_\_\_\_ Position: \_\_\_\_\_

Executed by the Additional Supplier under seal as a deed on (date): \_\_\_\_\_ by

LS Signature: \_\_\_\_\_ Position<sup>5</sup>: \_\_\_\_\_

and/witnessed by

Signature: \_\_\_\_\_ Position: Project Manager

**Bank Details of Named Supplier**

Name of Company: \_\_\_\_\_

Account Name: \_\_\_\_\_

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<sup>5</sup> To be signed by a director of a limited company (authorised to do so) or partner of a partnership (authorised to do so) or an individual sole trader.

PROJECT BANK ACCOUNT - JOINING DEED (FORM NCG4)

Bank Name: \_\_\_\_\_

Sort Code (6 digits: xx-xx-xx): \_\_\_\_\_

Account No. (8 digits): \_\_\_\_\_

Attach copy of completed signed Trust Deed here

**Project Bank Account - Authorisation (Form NCG5)**

Name of Project Bank Account (a trust account):

Sort Code (6 digits: xx-xx-xx):

Account No. (8 digits):

Authorisation No.: (in respect of Certificate No.: )

Job No.:

Payment from the above Project Bank Account, to the Contractor/Named Suppliers, of the amounts as listed below, is authorised.

Payment Authorised	Contractor/Named Supplier (a trustee)	Sort Code (6 digits: xx-xx-xx)	Account No. (8 digits)
£			
£			
£			
£			
£			
£			

Signed on behalf of *Employer\**

Signed on behalf of *Contractor\**

PROJECT BANK ACCOUNT - AUTHORISATION (FORM NCG5)

Print Name:

Print Name:

Date:

Date:

\* The trustees, in signing this authorisation, are facilitating payments to the Named Suppliers identified above for the amounts requested by the Contractor.  
Responsibility for payments to subcontractors remains solely with the Contractor and not the trustees.

## **Project Bank Account – PBA Facility Specification (Form NCG6)**

### **SPECIFICATION FOR A PROJECT BANK ACCOUNT FACILITY TO BE OBTAINED BY A NON CENTRAL GOVERNMENT BODY**

#### **Background**

Northern Ireland Public Procurement Policy (NIPPP) requires the use of a Project Bank Account (PBA) for construction works which have a value in excess of £2 million and which contain a significant subcontracting element. Where grant conditions require a Grant Recipient to comply with the requirements of NIPPP the Grant Recipient will be required to ensure the use of a PBA on any construction works contract over £2 million where there are significant subcontracts opportunities.

The use of a PBA is to ensure prompt payment to the supply chain on construction works contracts and assist in protecting such payments in the event of insolvency.

#### **Action Needed**

To enable the use of a PBA a Grant Recipient Organisation, here after called the Employer, will have to procure a PBA facility from a Clearing Bank offering it in Northern Ireland. The facility will need to enable the Employer, within three weeks of the construction contract award, to open a project bank account with the successful contractor that meets the account requirements below. It must also be capable of allowing full compliance with the PBA Process (Form NCGO).

#### **Regulatory Assurance**

The PBA will be used to facilitate payments to the Contractor and Named Suppliers in respect of a construction contract between the Employer and *Contractor*. Money deposited in the account will be provided by the Employer and wholly or mainly from public funds.

#### **Account Requirements**

The Project Bank Account must:

1. have trust status (Form NCG3 - Trust Deed - Non Central Government version). Funds within the PBA shall therefore not be taken directly from the account to defray liability or



debts of either the Employer or Contractor to the bank. The trustees will be the Employer, the Contractor and the Named Suppliers as set out in the Trust Deed, and where required the Joining Deed(s). The PBA Bank must acknowledge the trust status of the PBA prior to its formation;

2. allow Named Suppliers not already included in the Trust Deed to be added as parties to the trust with the agreement of the Employer and Contractor as provided in a Joining Deed (Form NCG5 – Joining Deed - Non Central Government version). The agreement of the Employer and Contractor shall be treated as agreement by the Named Suppliers who are parties to the Trust Deed;
3. be subject to the law of Northern Ireland;
4. not be subject to standard bank terms and conditions which would make its use as proposed in the PBA Process (Form NCG0 - PBA Process – Step by Step Guide – Non Central Government version) impossible;
5. have no overdraft facility;
6. have no cheque facility;
7. accept Authorisation (Form NCG6 – Authorisation – Non Central Government version) of payment from the account only where it bears a signature of an authorised representative of the Employer and a signature of an authorised representative of the Contractor;
8. only allow payments from the account to trustees who have executed the Trust Deed or a Joining Deed;
9. have all interest and charges (if any) relating to the account paid directly to or by the Employer and not added to or deducted from the PBA;
10. accept emailed copies of scanned documents received from the Project Manager who has been appointed in relation to the construction works under a NEC3 Construction Contract. These will be treated as valid instruction for transfers from the PBA subject only to telephone confirmation with a representative of the Contractor; and
11. provide an immediate automatic email/text confirmation of all transactions on the account to both the Project Manager and Contractor. If this facility is not provided free, web based access to the account balances and recent transactions must be provided, without additional charge, to representatives of the Employer, Contractor, Project Manager and Grant Funding Body.

### **Confirmations required from the PBA Bank**

The Employer must obtain confirmation from the PBA Bank that:

1. the completed Request to open up a PBA (Form NCG2 – Request to open PBA – Non Central Government version), Trust Deed and Bank Mandate will enable the Bank to open the required PBA and provide details of its sort code and account number to the relevant parties within seven days;
2. the Bank is content that transfers from the PBA are authorised by an emailed scanned form bearing the signatures of nominated persons subject only to confirmation by telephone with the Contractor; and
3. the Bank commits to providing an email to specified email addresses upon lodgement of funds in the PBA.

### **Template Documents**

Copies of this document as well as the following template documents should be provided to the PBA Bank by the Grant Recipient when procuring the PBA facility.

- Project Bank Accounts Process – Step by Step Guide (Form NCG0)
- Request to Open a Project Bank Account (Form NCG1)
- Project Bank Account - Trust Deed (Form NCG2)
- Project Bank Account - Bank Mandate (Form NCG3)
- Project Bank Account - Joining Deed (Form NCG4)
- Project Bank Account - Authorisation (Form NCG5)
- Project Bank Account – PBA Facility Specification (Form NCG6)