

## Contract Procedure Rules: Summary

The Contract Procedure Rules provides a comprehensive framework governing procurement activities for the Council, ensuring compliance with relevant laws and policies, while promoting transparency, value for money, and ethical practices.

### 1. Key Principles and Compliance

- **Core Objectives:** Procurement activities must align with Council policies, including strategic goals, social value, and the Well-being of Future Generations (Wales) Act 2015. Emphasis is placed on fairness, transparency, and maximizing public benefit.
- **Legislative Framework:** All procurement activities must adhere to UK and Welsh procurement laws, such as the Procurement Act 2023, the Social Partnership and Public Procurement (Wales) Act 2023, and relevant guidance.
- **Mandatory Compliance:** Failure to comply with these rules or associated guidance may result in disciplinary actions.

### 2. Planning and Authorisation

- **Planning Requirements:** Before initiating procurement, officers must:
  - Conduct risk assessments, define objectives, and ensure appropriate authorisation.
  - Consult the Corporate Procurement Manager for guidance, especially for contracts exceeding £30,000 for goods/services or £75,000 for works.
  - Document plans using the Procurement Planning Document and consider market engagement.
- **Authorisation Levels:** Procurement value determines the decision-maker, from Heads of Service (low-value contracts) to Cabinet (high-value contracts).

### 3. Social Value and Community Benefits

- **Incorporation in Contracts:** Contracts exceeding £1 million must include provisions for delivering social, economic, and environmental benefits. Optional inclusion applies to lower-value contracts.
- **Monitoring:** Contract managers must oversee and report on community benefits.

### 4. Procurement Processes

- **Thresholds and Procedures:**
- **Goods/Services under £10,000:** One quotation is required.
- **£10,000–£30,000:** At least three quotations are needed.
- **Above £30,000:** Tenders must be advertised on Sell2Wales and conducted via the Council's eTendering system or used an approved method of procurement.
- **Works:** Similar thresholds apply, with higher values requiring more rigorous tendering.
- **Electronic Tendering:** Mandatory from April 2025 for contracts over £10,000.
- **Direct Awards:** Permitted under specific conditions (e.g., urgent need or exclusivity).

### 5. Contract Management and Monitoring

- **Contract Manager:** A designated individual oversees performance, compliance, and delivery of social value. For contracts exceeding £100,000, annual reports are required.
- **Performance Monitoring:** Key Performance Indicators (KPIs) must be included in contracts over £5 million, with performance results published annually.

### 6. Variations and Termination

- **Contract Variations:** Changes must align with initial terms and be proportionate. Cabinet approval is required for variations exceeding £1 million.

- **Termination:** Contracts over £30,000 require legal advice before early termination. Cabinet approval is needed for contracts exceeding £5 million.

## 7. Ethical and Legal Standards

- **Conflict of Interest:** Officers must declare conflicts and complete specific declarations for procurements.
- **Welsh Language:** Procurement documentation must comply with Welsh language standards, ensuring equal treatment of submissions in Welsh.

## 8. Key Records and Reporting

- **Records:** Details of all procurements must be maintained, including contract values, supplier selection, and performance.
- **Corporate Contracts Register:** The Head of Legal and Democratic Services maintains this register, ensuring all contracts exceeding £30,000 for goods/services and £75,000 for works are recorded.

## Key Recommendations for Future Procurement

- Strengthen planning and consultation processes to mitigate risks and ensure alignment with strategic goals.
- Prioritise transparency and accountability by utilising eTendering and maintaining comprehensive records.
- Enhance workforce training on procurement regulations to ensure compliance and value for money.