

<b>MEETING</b>	<b>Full Council</b>
<b>DATE</b>	<b>6 March 2025</b>
<b>TITLE</b>	<b>Constitution Changes – New Contract Procedure Rules (Section 17)</b>
<b>PURPOSE</b>	<b>The Full Council is requested to adopt the new Contract Procedure Rules (Section 17) shown in Annex 1.</b>
<b>CABINET MEMBER</b>	<b>Cllr Llio Elenid Owen</b>
<b>AUTHORS</b>	<b>Iwan Evans (Monitoring Officer) Arwel Evans (Procurement Manager)</b>

### **1. DECISION SOUGHT**

**That the Full Council amends the Constitution by adopting the new Contract Procedure Rules (Section 17) shown in Annex 1.**

### **2. THE REASON FOR THE NEED FOR A DECISION**

The Procurement Act 2023 which came into force on 24 February 2025 means that the Council must review and amend our internal procurement rules contained within the Contract Procedure Rules to reflect the change in legislation and to ensure compliance with the Act.

### **3. BACKGROUND**

Since the United Kingdom left the European Union, the Government (UK) has recognised this as an opportunity to review legislation related to public sector procurement. They have passed the Procurement Act 2023 and the Act was originally due to come into force on 28 October 2024 but was pushed back, and came further into force on 24 February 2025. In addition, the Welsh Government has passed the Social Partnership and Public Procurement (Wales) Act 2023 which places more responsibilities and duties on public sector organisations in Wales that are also relevant to procurement.

In light of the new legislation, the Procurement department has been preparing the Council for the change in legislation that has taken place. As part of doing this the Legal department, in consultation with the Procurement department, has been reviewing the Council's internal procurement arrangements. In addition, the Legal department has received advice from an external firm who have been working with councils across North Wales and we have incorporated some of their drafting points.

The purpose of the Contract Procedure Rules is to set out the process the Council should follow when carrying out a procurement exercise and in particular a procurement exercise which does not fall under the Procurement Act or Regulations 2024. The Rules set out the different methods and when they should be used. As well as ensuring compliance the review has also provided an opportunity to ensure that the Rules are flexible enough to allow officers to carry out a procurement exercise in the most efficient and effective way. Crucially, it ensures that there is control to any procurement exercise and delivers value for money for the Council. The procurement manager has been sending a series of messages to managers over the past few weeks to prepare for the new National Procurement Regulations and update them of the changes.

The main points to highlight are:

- Thresholds remain the same £5k= 1 quote, £5k-£50k= 3 quotes, open tender for contract over £50k
- The new procedures included for below threshold tenders which are: open, flexible competitive and direct appointment
- Reference towards including social value evaluation but not included a specific amount
- Change to sending letters (standstill) and create notices (contract details notice) for appointments over £30k
- At least 2 people with relevant expertise to be part of tender evaluation team
- Choosing to award a public contract on the basis of the most advantageous tender (MAT) – moving away from the most economically advantageous tender (MEAT)
- Change the terminology to what's in the Act

At its meeting on 6 February 2025, the Governance and Audit Committee decided to accept the Contract Procedure Rules in order to present them to the Full Council here today and no comment or question had arisen.

#### **4. RATIONALE AND JUSTIFICATION FOR RECOMMENDING THE DECISION**

Not reviewing and amending the Rules would raise a significant risk to the Council and the Council would be:

- i. open to a legal challenge for failure to comply with the legislation;
- ii. likely to receive criticism from auditors and regulators.

#### **The Monitoring Officer:**

Monitoring Officers recommendation

#### **Head of Finance:**

Updating the Contract Procedure Rules to reflect the latest legislative requirements is a necessary act. I support the Decision Sought from the perspective of the proper financial administration of the Council.