

Llangoedmor Community Council	
Meeting Date:	February 2025
Report Title:	Tri-Annual Contracting
Agenda Item Number	6.5.3
Paper Reference	Feb 2025-4
Presented By	Clerk

Introduction

This paper deals with how recurrent annual contracts are managed by the Council.

Background

The Council's Standing Orders and Financial Regulations state that if a contract for goods or services is expected to exceed £25,000 then the Council has to go out to a formal tender process.

When it is to enter into a contract of less than £25,000, but more than £3,000 in value for the supply of goods or services the Clerk or RFO shall obtain (or make every effort to obtain) 3 quotations (priced descriptions of the proposed supply).

Where the value is below £3,000 and above £100 the Clerk or RFO shall strive to obtain 3 estimates.

Proposal for Tri-Annual Contracts

It is proposed that with contracts such as grass cutting, the Christmas lights and other annual contracts of a recurring nature the Council contracts for a three-year period.

The normal rules for obtaining tenders, quotations or estimates will apply as set out in the Standing Orders and Financial Regulations. In the case of a three year contract the Council will need to look at the overall expected value of the contract for the three year period.

A three-year contract gives stability of income to the contractor and reduces the administrative burden on the Council.

It is proposed that the contract value will be increased each year in line with the Retail Price Index on the anniversary of the awarding of the contract.

Recommendations to the Council

It is proposed that the Council implements a tri-annual contracting system as set out above and develops a procedure to enact this.