



monmouthshire  
sir fynwy

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The person dealing with  
This matter is Wendy Barnard  
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Date: 15<sup>th</sup> January 2018

Dear Mr Keeble

### **Contract Procedure Rules**

At the Audit Committee meeting held on 23 November, the Committee was given a report on the application of Contract Procedure Rules within Monmouthshire County Council.

This note concerns the correct application of Contract Procedure Rules in regard to a piece of work described to the Committee as 'Extension to contract with Alan Griffiths for construction work, phase 2 of the Abergavenny Public Realm scheme'.

Where a manager proposes that the normal contract procedure rules should be not be followed in regard to a particular piece of work, the correct procedure was described as follows:

- Obtain a sequentially numbered exemption form from Internal Audit
- Record the reason for requesting the exemption on the form
- Obtain the appropriate level of approval
- Return the fully signed off and approved form to Internal Audit

It appears that an exemption form was applied for in regard to the contract referred to in the second paragraph, above, but has not been returned, fully signed off, to Internal Audit.

As a result the Head of Internal Audit has told the Audit Committee that it cannot be verified that the application has been correctly authorised.

There is therefore a concern in the Committee that it is not possible to determine whether or not the correct procedures have been followed.

In such circumstances, the Committee is concerned that some operational managers procuring goods, works and services on behalf of the Authority may not

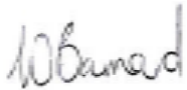
be as familiar with Contract Procedure Rules and the exemption process as they should be.

As the contract referred to, above, is for a significant sum (£300,000), the Committee would like you to attend a future meeting of the Audit Committee to tell us more about the contract, why there was a need to circumvent normal Contract Procedure Rules, and to give you an opportunity to give the Committee a full account of the circumstances with regard to this piece of work.

You should be prepared to make a short statement, preferably as a written report to the Committee, and after your presentation, Committee members will be invited to ask further questions or seek clarification of any of the points raised.

You are invited to appear either at the March 8 2018 meeting of the Audit Committee. Mrs Wendy Barnard can advise you of the deadline for any written submission you need to make.

Yours sincerely



pp Mr. P. White  
Chair, Monmouthshire County Council Audit Committee