
STATUTORY INSTRUMENTS

1997 No. 999

**The Local Authorities (Direct Labour Organisations)
(Competition) (Wales) Regulations 1997**

Exempted works contracts

8.—(1) Section 7(1) of the Act shall not apply to works contracts of any of the following descriptions—

- (a) a contract for the carrying out of emergency work;
- (b) a contract for the gritting of, or the clearing of snow from, highways; or
- (c) a contract which satisfies each of the following conditions—
 - (i) it is a contract for the carrying out of works of new construction, general highway works or for the construction of a sewer;
 - (ii) it is a further contract the value of which does not exceed by more than ten per cent. the value of a former contract of a similar description awarded to the local authority at any time in the immediately preceding period of 12 months and in relation to which the value of each of the separate items of work comprised and priced in the contract does not exceed by more than ten per cent. the value of each corresponding separate item of work (if any) comprised and priced in the former contract; and
 - (iii) the work comprised in the contract is to be carried out on the same site or surface as the work comprised in the former contract or on sites or surfaces adjacent to those on which the work comprised in the former contract has been or is to be carried out.

(2) For the purposes of this regulation a contract is a former contract if, and only if—

- (a) it was made as the result of an invitation to tender which was extended to at least three other persons who were not, or included at least three other persons who were not, local authorities or development bodies for the purposes of Part III of the Act⁽¹⁾;
- (b) the local authority in question submitted the lowest tender following that invitation; and
- (c) it has not been renewed (either by extension or the making of a new contract for work of a similar description) unless the invitation to tender, as a result of which it was awarded, specifically referred to the award to the successful contractor of one or more further contracts.

⁽¹⁾ For the meaning of “local authority”, in relation to the application of Part III of the Act, *see* the full definition in section 20(1) of the Act and the amendment and additional provision referred to in the footnote to regulation 3(1). The full definition has also been amended by the Local Government Act 1988, Schedule 6, paragraph 10(4), by the Education Reform Act 1988 (c. 40), Schedule 13, Part I, by the Police and Magistrates’ Courts Act 1994 (c. 29), Schedule 4, Part I, paragraph 20 and by the Local Government etc. (Scotland) Act 1994, Schedule 13, paragraph 120(4). For the meaning of “development body” *see* the definition of that term in the said section 20(1) to which there are amendments by the New Towns Act 1981 (c. 64), Schedule 12, paragraph 28, and by the Local Government Act 1988, Schedule 6, paragraph 10(3).