



A Suppliers' Guide

Find, Bid for, and Win
Contracts under the
New Procurement
Legislation



Llywodraeth Cymru
Welsh Government



Public Procurement in Wales is Evolving.

Busnes Cymru | Business Wales

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Mae'r ddogfen hon ar gael yn Gymraeg hefyd / This document is also available in Welsh
Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg / We welcome correspondence and telephone calls in Welsh

Introduction

Public Procurement in Wales is Evolving.

Would you like to learn how to find, bid for and win public contracts?
Is your business based in Wales, with a Welsh postal address, and
do you employ people living in Wales?

If the answer to these questions is yes,
please read this Guide for Suppliers that
explains improvements in the way goods
and services are procured in Wales.

NEW procurement reforms in Wales
and the UK bring a **simpler, more flexible
and transparent process** for suppliers
of **ALL** sizes to find, bid for and win public
contracts.

The Guide provides simple and clear
explanations, unpacks any myths, and
offers step by step support on the necessary
process to win more business with the
public sector in Wales. Links to videos,
templates, checklists, a further resources
page, and an acronyms and definitions
table are included in the guide.

Supplier Guide **PART 1**

PART 1 of this Guide explains the simple steps for finding contract opportunities,
understanding how to register on Sell2Wales and the new Central Digital Platform (UK).
The Guide also offers tips on how to improve your bid writing.

Supplier Guide **PART 2**

PART 2 of this Guide offers NEW and practical learning resources aimed for suppliers in
Wales to understand what is meant by socially responsible procurement. This Guide will
help you and your business to win more business and prepare to supply the public sector.

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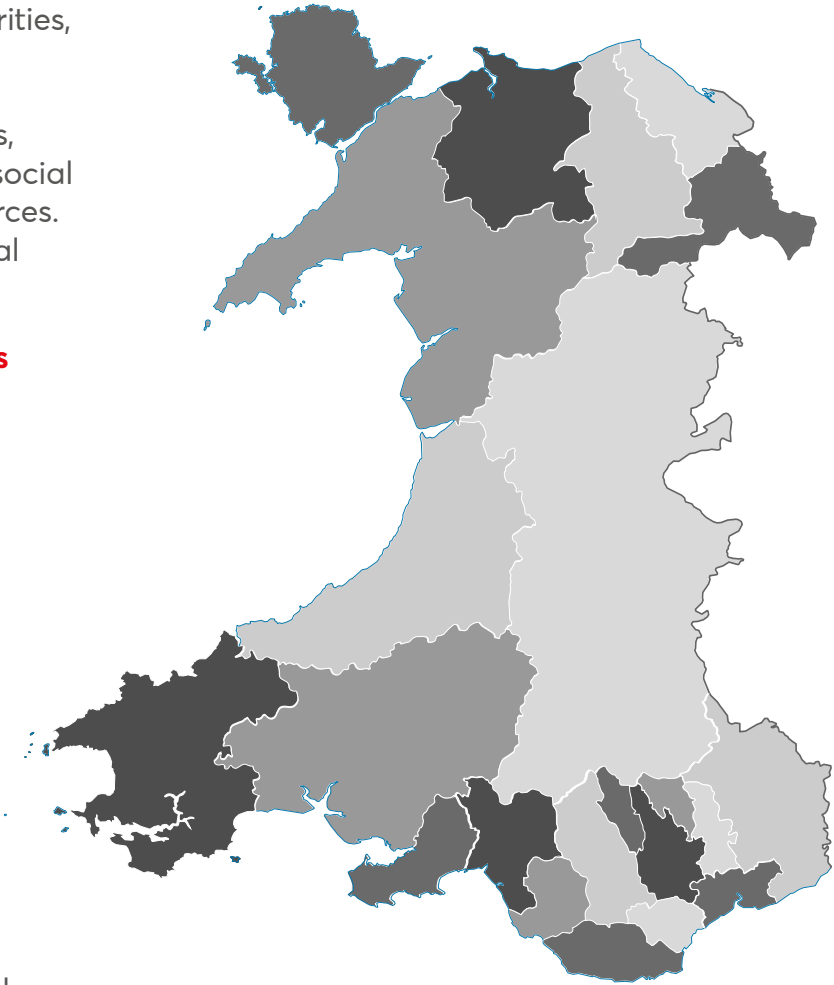
PART 1 PUBLIC PROCUREMENT GROWTH OPPORTUNITIES

What are public bodies?

The public sector is not for profit and operates in a different way to the private sector.

Public bodies include local authorities, education institutions, health and social care, emergency services, libraries, museums, national parks, sports associations, arts council, social care, transport and natural resources. These public bodies sit within local authority areas.

There are 22 local authority areas in Wales as featured on the map.



North Wales

Anglesey, Gwynedd, Conwy, Denbighshire, Flintshire and Wrexham

Mid Wales

Ceredigion and Powys

South West and South East Wales

Pembrokeshire, Carmarthenshire, Swansea, Neath Port Talbot, Vale of Glamorgan, Bridgend, Rhondda Cynon Taff, Merthyr Tydfil, Blaenau Gwent, Caerphilly, Cardiff, Newport, Torfaen, and Monmouthshire

Getting Started with Public Procurement

To people working outside of the public sector, public procurement may initially look 'scary', and without the right support, the tender process can feel overwhelming. This Guide for Suppliers removes some of the complexity and explains the procurement process in simple terms to help you get started.

The way that goods and services are procured in Wales is evolving, and since new procurement legislation took effect on 24th February 2025, there is now a wealth

of guidance publicly available for buy and supply sides. Finding the right help and guidance can be time consuming and it is often difficult to know where to start.

This guide consolidates the important messages into six steps for suppliers to get started.

- STEP 1: UNDERSTAND THE PUBLIC SECTOR TENDERING PROCESS**
- STEP 2: BE VISIBLE**
- STEP 3: SUPPLIER EXPOS AND MEET THE BUYER EVENTS**
- STEP 4: INVEST IN YOUR BUSINESS**
- STEP 5: BID WRITING**
- STEP 6: SOCIAL RESPONSIBILITY FOR BETTER OUTCOMES**

Charities and third sector organisations can find help and support with Social Business Wales, a consortium between Cwmpas, Social Firms Wales, Development Trusts Association and Coalfields Regeneration Trust. Wales Council for Voluntary Action (WCVA) influence and shape the sector providing finance for start-ups. Links to these organisations are provided at the end of the guide – Other Resources.

STEP 1: UNDERSTAND THE PUBLIC SECTOR TENDERING PROCESS

Public procurement and contracting authorities

Globally, public procurement spend is significant and represents approximately 12% of Gross Domestic Product (GDP). Public procurement is a devolved issue. Scotland has set its own regulations, but Wales follows similar rules to England and Northern Ireland with a small number of exemptions.

In the past, there have been many barriers for smaller businesses to find, bid and win public contracts. Following the UK's departure from the European Union, public procurement in Wales is evolving and this will create many NEW opportunities for new entrants to the market and attract businesses of all sizes and governance models.

In Wales, contracting authorities spend approximately £11 billion each year on goods and services. Reforms in public procurement in Wales are relevant to all contracting authorities. These include local authorities, central government departments, arm's length bodies, NHS trusts, schools, housing associations and universities.

In Wales, arm's length bodies include Natural Resources Wales, Transport for Wales, Future Generations Commissioner, Life Sciences hub, Development Bank of Wales, libraries, museums and Arts Council, Sport Wales and many more organisations.

Procurement reforms will offer greater transparency, fairness, a simpler procurement tender process for buy and supply sides, and a promise to deliver exceptional value for money¹.

One of the objectives for reforming procurement is to increase the spend (£) with local SMEs - that involves contracting authorities breaking down some of the previous barriers for micro and small businesses, voluntary sector, community and social enterprise (VCSE). New entrants to public sector contracts are strongly encouraged to engage with public sector buyers to understand the opportunities becoming available.

Myth

Public procurement is only for well-established and larger organisations. Historically, it can sometimes be smaller local authorities and public bodies with lower spend that drives innovation when it comes to engaging with micro and small business in the supply market.

For example, Mid and West Wales Fire and Rescue Service have won national awards for pushing the boundaries to engage with the small business and third sector business communities.

It is important for suppliers to understand the objectives set out for contracting authorities in Wales.

- i) Deliver value for money,
- ii) Maximise public benefit,
- iii) Share information to ensure transparency,
- iv) Act with integrity to ensure appropriate processes that are fair and transparent, and prevent corruption, fraud and misconduct,
- v) Treat suppliers the same,
- vi) Contracting authorities must not put any one supplier at an advantage or disadvantage,
- vii) Have a new duty to consider reducing barriers that prevent SMEs participating in the tender process.

Collaborative Procurement

Some contracting authorities collaborate through their procurement activity. One example of this is **Ardal²** - a collaborative agreement between Cardiff Council, Monmouthshire Council, Torfaen Council and Vale of Glamorgan Council.

Collaborative procurement prevents unnecessary, repetitive and costly processing, and improves the quality and consistency of procurement. Collaborative procurement delivers better value for money.

Examples where collaborative procurement is used include the building of new roads, schools or hospitals, and waste management. These procurements are often managed through framework agreements. More on frameworks is included in the guide. **Ardal has published guidance for suppliers wishing to bid for collaborative contracts**

Myth

It has been argued that collaborative procurement represents a higher spend value (£) taking public contracts even further and out of reach for smaller businesses. Much more effort is taken to ensure suppliers of all sizes are invited to meet the buyer events.

This attendance informs buyers about the market competition and helps them to shape the final tender process.

Compared with the private sector, public sector procurement has strict regulations to follow and there are different processes dependent on the contract spend (£) which is governed by threshold values.

Procurement Threshold Values

The approaches to procuring goods and services by contracting authorities across Wales should start to become simplified and more standardised under new legislation, but the types of goods and services each public body procures may still differ. This will impact the threshold values and the necessary procurement route options permitted for procuring goods and services.

Under the new reform, there are new threshold values (£ inc. VAT) to consider. Contract values can start from as little as £5,000, and you can see from this table that threshold spend varies by category of spend which means there are opportunities for all types and sizes of businesses.

Contracting authorities are encouraged to advertise contracts valued over £25,000 via an online tender portal as shown later in the guide. Anything under £25,000 is where greater flexibility can be applied in the procurement process. Anything above thresholds as indicated in the table must follow stringent procurement legislative guidance.

It is not necessary for suppliers to get absorbed in the different legal procedures, but a link is provided at the end of the guide under Other Resources to learn more if you wish to do so. The respective procuring body will guide you through the relevant process.

Type of Contract	Thresholds (including VAT): 1 January 2024-31 December 2025
Utility works contract	£5,372,609
Utility contract that is not a works contract, a defence and security contract or a light touch contract.	£429,809
Concession works and services contract.	£5, 372,609
Works Contract.	£5, 372,609
Contract for the supply of goods and services (which may be mixed contracts that contain some works elements) to a central government authority not within any other row.	£139,688
Contract for the supply of goods or services (which may be mixed contracts that contain some works elements) to a central government authority not within any other row.	£214,904

What is Tendering?

If you want to know more about the tendering process and procurement journey planners, CYD is a central digital platform with relevant information accessible to buy and supply sides <https://cyd.cymru/journey-start/>

Like many professions, procurement has its own terminology. If you are new to supplying the public sector, it can feel challenging to understand abbreviations and acronyms during the tender process.

The Chartered Institute of Procurement and Supply (CIPS) offers [clear guidance of the main types of tendering](#)³.

A tender is a formal offer or bid from a potential supplier to win goods and or services being procured.

- An **Invitation To Tender (ITT)** is a formal request sent by contracting authorities to pre-approved suppliers for a quotation on the works required.
- A **Request To Tender (RTT)** is a document used to invite tenders.

As explained previously, contracting authorities use the relevant tender process based on spend threshold (£) to find the supplier who will deliver best value for money.

In Wales, for low value items, there is an electronic system called Quick Quotes which allows public buyers to obtain competitive quotes relatively quickly for below threshold spend. Public buyers will scan the digital tender system to select relevant suppliers and invite them to submit a short proposal and quote via the online Postbox.

Business Wales offer advice and training on finding a tender and writing bids: <https://businesswales.gov.wales/topics-and-guidance/tendering-and-supply-chain>

What is a Framework?

A framework is designed to help public, private and third sector buyers procure goods and services from a pre-approved list of suppliers. Every framework has a maximum budget or spending (£) limit. To enable a more competitive and fair system, the framework is often split into Lots.

The lotting process can help SMEs and VCSEs benefit more from contract opportunities. These lots become smaller contract packages which can be determined by geographical area, type and or spend category.

A framework will normally have two or more pre-approved suppliers. Individual public bodies may draw from the framework once it is set up. This saves time for buyers

managing the tender process and is more efficient use of time for suppliers bidding for work with multiple contracting authorities. Frameworks are normally long term, lasting up to four years, but under the new reforms, they may be extended for longer periods.

An alternative approach used by some public buyers is dynamic market. The Procurement Act (2023) replaces dynamic purchasing systems (DPS) and qualification systems with a single new 'commercial tool' called a dynamic market. This approach operates in a similar way to frameworks but offers greater flexibility for suppliers who can join and introduce new products or services at any time throughout the agreed timescale.

Changes to the way frameworks are being regulated means that they are more dynamic and offer similar flexibility dynamic markets (previously dynamic purchasing system). Contracts can be awarded under Open or Competitive Tendering Procedure.

The dynamic market approach means that suppliers have more agility when there are sudden inflationary costs on materials, or the global environment forces pricing volatility. Supplier proposals can be updated to reflect what can sensibly be delivered; this is termed as dynamic pricing.

Suppliers may be charged a fee if they are awarded a contract through a dynamic market process. You will not be charged a fee until you are awarded a contract.

Such fees need to be communicated in the tender notice period and can only be a fixed percentage of the estimated value of the contract awarded to the supplier under the dynamic market.

TIPS: Never overpromise.

Registering on a framework not only increases your chance of winning a contract, but it also provides an opportunity to meet and build relations with larger suppliers. This may lead to future business development and growth opportunities.

Frameworks (issued pre Feb. 2025)	Frameworks (issued post Feb. 2025)	Dynamic Markets ⁴
Closed (after the tender process)	Open (throughout the agreed timescale)	Open
Suppliers can only register at the start of the tender process	Suppliers can enter at any time for the duration of the framework agreement	This brings a more agile approach; suppliers can be added at any time through the project duration
Being on a framework does not guarantee winning a contract	Being on a framework does not guarantee winning a contract	Once approved, suppliers bidding for work through the dynamic market approach will most likely win contracts
At least two suppliers need to be registered and approved	At least two suppliers need to be registered and approved	At least one supplier needs to be registered and approved



STEP 2: BE VISIBLE

Register your business

The most important first step is to ensure that your business is visible to public buyers.

There are **two main platforms** that suppliers should register with. This Guide will now show you how to register on to both tendering platforms.

Before Registering

You will need to establish the type of business, the date of the first trading day, approximate turnover, contact information and relevant codes and numbers if the business is registered with HMRC, Companies House, and registered for VAT (Annual turnover >£80,000).

The common digital platform used in Wales to advertise contract opportunities is called **Sell2Wales**. This will help you to prepare for new business development and growth opportunities. Businesses of all sizes based in Wales should register with Sell2Wales.

The digital platform advertises a wide range of supplier support opportunities and signposting to ensure you gain access to the right help and advice. Even if you are a micro or small business and public sector opportunities are new to you, ensuring that you are registered on Sell2Wales platform means that you become visible to public buyers for Quick Quotes, relevant for low or below threshold (£) spend. Below threshold spend may vary slightly depending on the



contracting authority, but it is normally between £25,000 - £30,000.

Contracting authorities are encouraged to advertise contracts over £25,000 on Sell2Wales. The notice may simply provide an email contact for below threshold and low value contracts (<£25,000).

Contracts of higher value will require one of the regulated tender processes and you may be directed to another digital platform for the tender process, such as Bravo Solutions or E-tender Wales. There is no need to register with these other platforms unless instructed to do so.

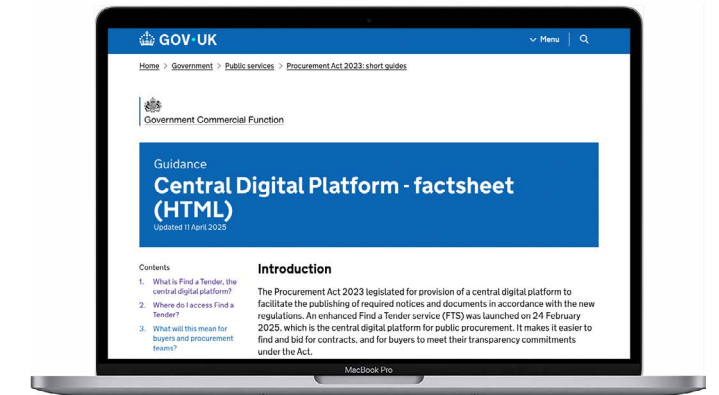
When you register on Sell2Wales, the system asks you to select the types of services or work your business provides. This is done by selecting relevant categories (CPV codes) and providing descriptive information about your business. By providing this information, you will receive daily or weekly updates on the most relevant opportunities for your business.

The **NEW** Find a Tender service known as the **Central Digital Platform** is available for every business to use. It is sometimes referred to as a central register.

This is a UK wide platform advertising contract opportunities from across the UK and beyond. First register for GOV.UK One Login. This will give you a code to proceed with registration on the Central Digital Platform.

Create your profile and register information about you and your business. Select and save your searches, to tailor and receive notification emails when your new notices match those criteria.

To help you plan, open the pipeline link to see up to 18 months of contracts likely to come up in the future.



More on this is featured on page 20 of the guide.

Transparency – Once tender responses are submitted online, the Central Digital Platform enables you to track progress of your submission, receive feedback if unsuccessful, and you will be able to see online which organisation has been awarded the contract.

TIPS: Start small.

Public contracts are not always in the millions (£). Quick quotes provide an efficient way for suppliers to benefit from the opportunities available through public spend in Wales. The online registration process for **Sell2Wales** is fully funded and quick and easy to set up.

Click here to get started:
<https://www.sell2wales.gov.wales/>

TIPS: You should never pay to view public sector contract opportunities.

The central governments in the UK provide tender platforms that are free and easy to access. More information on the **Central Digital Platform** can be found here: <https://www.gov.uk/government/publications/procurement-act-2023-short-guides/central-digital-platform-factsheet-html>

Business Wales offers a wide range of **FREE** start-up support and guidance here: <https://businesswales.gov.wales/starting-up/>

More information on tendering from Business Wales can be found here: <https://businesswales.gov.wales/topics-and-guidance/tendering-and-supply-chain/sell2wales-selling-public-sector>

STEP 3: SUPPLIER EXPOS AND MEET THE BUYER EVENTS

Attend as many as you can

Another way to make your business visible is to get out there and promote it at key networking events. It is important to look out for 'meet the buyer' and regional 'Supplier EXPO' events. These may be advertised by direct email or advertised on Sell2Wales and the Business Wales home pages. These events are not designed as one way channels of information. They bring enormous benefit for buyers and suppliers.

Supplier engagement events provide a valuable opportunity to learn ways to grow your business, build relationships and connect with public procurement professionals and other business leaders.

These events provide you with an important and sometimes a unique

opportunity to share information about you and your business.

Remember that public buyers need to understand your business, where you are based and your unique selling point. There are going to be an increasing number of supplier events coming up. Plan how you can fit in attendance whilst juggling the running of the business.

It is important to realise that tenders published on Sell2Wales, and the Central Digital Platform visible to all. This may include international suppliers which are eligible for bidding in the tender process. Equally by registering, you will have visibility of global contracting opportunities.

Find supplier events here: <https://wales.business-events.org.uk/> and at the bottom of the page here: <https://www.sell2wales.gov.wales/>. The Sell2Wales platform also advertises private, and third sector led meet the buyer events.



STEP 4: INVEST IN YOUR BUSINESS

Invest in your business and know your supply chain

It is important to build credibility for your business that makes it attractive to the public buyer and importantly is compliant.

Keep any online registration details updated. The same applies for business websites. Keep the content fresh and appealing.

Accreditation may be important depending on the industry sector in which you operate, they may be a condition of the contract to hold certain certification.

Accreditation can be costly business, so please use the opportunities to meet buyers and speak with Business Wales advisors about the likely requirements are for your business to be compliant.

All businesses winning public contracts need insurance for due diligence.

Consider the following when building credibility in your business:

- **Public liability insurance** with a limit of at least £5 million in relation to any one or a series of claims,
- **Employer's liability insurance** with a limit of at least £5 million in relation to any one or a series of claims,
- **Professional indemnity insurance** with a limit of at least £5 million in relation to any one or a series of claims.
- **Cyber liability insurance** with a limit of at least £1 million in relation to any one or a series of claims.

TIPS: Insurance

If you employ consultants or subcontract any of the proposed works, they too must maintain the appropriate insurance cover.



You can access support and guidance from Business Wales here: <https://businesswales.gov.wales/growing-a-business>

Some examples of accreditation schemes can be found here: <https://businesswales.gov.wales/tourism/green-accreditation-and-award-schemes>

Supply Chain Management – do your own due diligence checks. If we wait for a crisis to happen it can be too late for your business. Whenever we face a global or national crisis such as political warfare, the financial crash in 2008, the 'Horsemeat Scandal' in 2013, and the Covid-19 pandemic period in 2020, there are important lessons to be learned. Therefore, it is critical to build resilience in your business and in your supply chain. Scaling up operations is one of the greatest barriers for smaller businesses winning public contracts, so think ahead and consider how you will fund and manage scaling up inventory through the supply chain.

Be a responsible business leader. Know who supplies your business, i.e., your supplier's supplier, etc. Having end to end visibility is now a critical element of successful business management. Do you source globally or locally? Consider how can you source more responsibly for your business.

When you submit a proposal, be prepared to respond to questions about your supply chain. **Your business is only as strong as your weakest supplier.** When suppliers let you down, this can have a detrimental impact on your business reputation, so choose suppliers and business partners carefully. **More about supply chain support can be found here:** <https://businesswales.gov.wales/supply-chain-support>

Net Zero – Public procurement is one of the biggest contributors of greenhouse gases through its supply chain which means that businesses large and small should be focusing efforts to reduce or mitigate the use of carbon in business operations and the supply chain.

For contracts over threshold (£) suppliers will be expected to present a Carbon Reduction Plan (CRP).

More guidance can be found here: <https://businesswales.gov.wales/news-and-blog/business-decarbonisation-guidance>.

Since 2021, as part of a wider ethical agenda, The Size of Wales is also driving deforestation free procurement in Wales - <https://sizeofwales.org.uk/news/senedd-2021-manifestos/>

PART 2 of the Guide (p.xx) includes guidance on embedding social well-being and includes guidance on embedding fair work, inclusivity, antiracism and mitigating modern slavery.

Procurement reform impacting small businesses

18-month pipeline notice period – contracting authorities in Wales are encouraged to advertise all contract opportunities on the Sell2Wales platform. This will vary depending on the approach and capacity of the buying team. However, it is mandatory for contracting authorities to advertise (make public) the pipeline of contracts (valued over £2 million) that may come up in the next 18-month period.

Increased Supplier Engagement - It is always worth attending the ‘meet the buyer’ or supplier engagement days, as these events offer so much more than just meeting the buyer! You will gain much more clarity on what is expected in terms of increasing your likelihood of being awarded the contract. The closer it gets to the competitive tender process you should receive information on percentage evaluation criteria.

Reserving contract values for small businesses – under the new procurement legislation, contracting authorities in the UK are encouraged to reserve business for SMEs and VCSEs. This ensures that a proportion of spend is more likely to be reinvested into the local business economy. Being awarded a contract means that you re able to employ people living and working in Wales. More guidance on that is provided in Part 2 of the guidance.

Evaluation Criteria - Your bid will be evaluated by contracting authorities on multiple criteria including quality, reliability, social value and cost. Each criterion will have a percentage weighting. This is normally communicated at supplier engagement events.

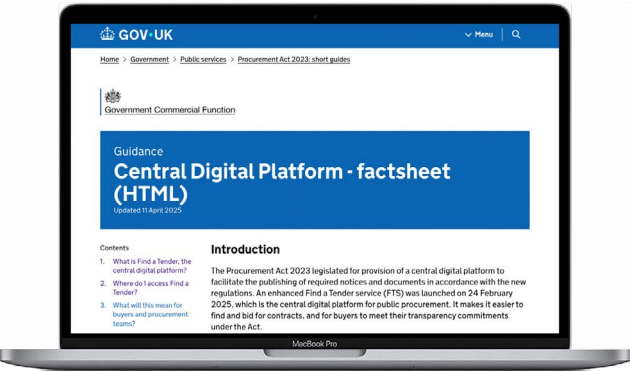
Settlement Terms – all contracting authorities must settle invoices within 30 days. Take note, they also expect you and your business to adopt the same policy for your suppliers. Expect to be questioned about this in the tender process if you haven't already mentioned it in your bid. Cashflow is critical for sustainable business development.

During the competitive tender process, bids should no longer be awarded on lowest cost – or a race to the bottom as one supplier described it - this was termed Most Economically Advantageous Tender (MEAT).

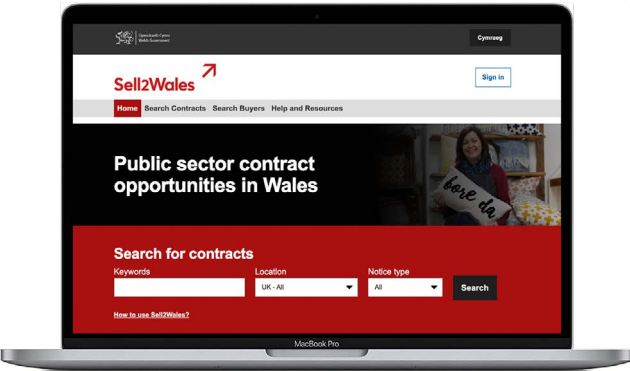
For tenders advertised after 24th February 2025, **contracts will be evaluated on Most Advantageous Tender (MAT)**. This implies that buyers should be awarding contracts based on most value adding and not based on the cheapest or lowest cost.

A debarment list shows suppliers that should be excluded from the tender process - Don't be naughty – the list is communicated to all public bodies on those suppliers that should be excluded from the tender process. This may be due to corruption fraud or misconduct. Individual contracting authorities can make the decision to exclude these suppliers.

Two main platforms publish pipeline opportunities in Wales



www.gov.wales/procurement-pipeline-for-welsh-public-sector



www.sell2wales.gov.wales/helpandresources/welshconstruction/localauthoritiespipelinedocuments



STEP 5: BID WRITING

Tips on bid writing⁵

The following guidance may look obvious, but these points are very often missed, and the advice is important to follow.

You are closest to your business, and **a contract can only be evaluated on the written content provided in the proposal.**

- Good bid writing takes time and often takes several drafts.
- The published pipeline notices help you to plan.
- Keep to the word count (not above and not under).
- Re-read the question and answer it.
- Ensure your claims are supported with evidence (include facts and figures). Explain WHY and HOW your business stands out?
- Ask someone else to proof-read before submitting. You might ask an outsider or pay a professional to proof read your bid before submitting.



PART 2 SOCIALLY RESPONSIBLE PROCUREMENT

Welsh National Strategic Priorities

PART 1 of the Guide explained how to find and bid for public contracts, deepening your understanding of how public sector procurement works, and how it can have a profound impact on your business growth plans.

PART 2 of the Guide explains how to improve the bid writing to stand a better chance of winning contracts while understanding what is meant by socially responsible procurement in Wales.



STEP 6: SOCIAL RESPONSIBILITY FOR BETTER OUTCOMES

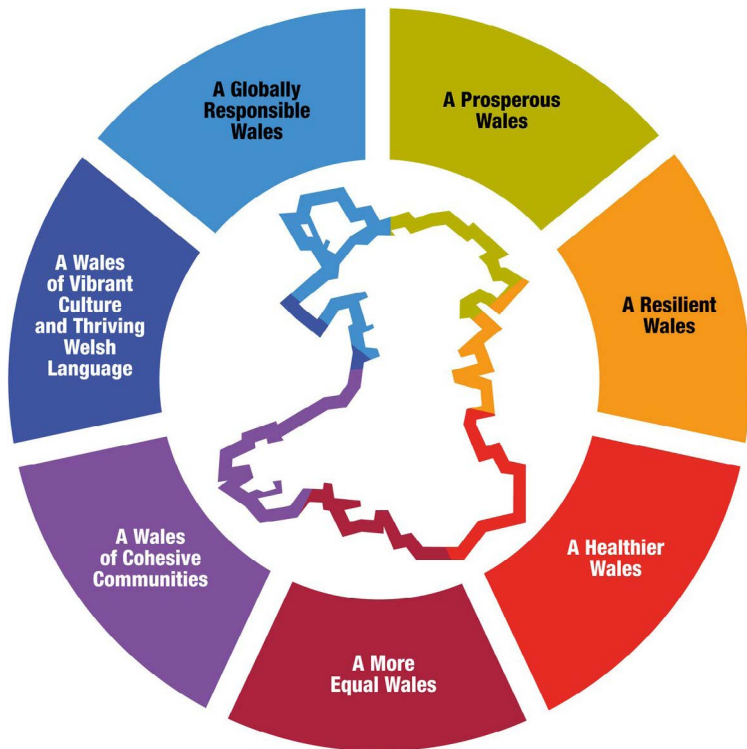
Socially Responsible Procurement

In Wales, contracting authorities are required by law to deliver socially responsible procurement. To explain this, supplier guidance is framed around two pieces of legislation. Weblinks with more information can be found in the footnote:

- Well-being of Future Generations (Wales) Act 2015⁶
- Social Partnership and Public Procurement (Wales) Act 2023⁷

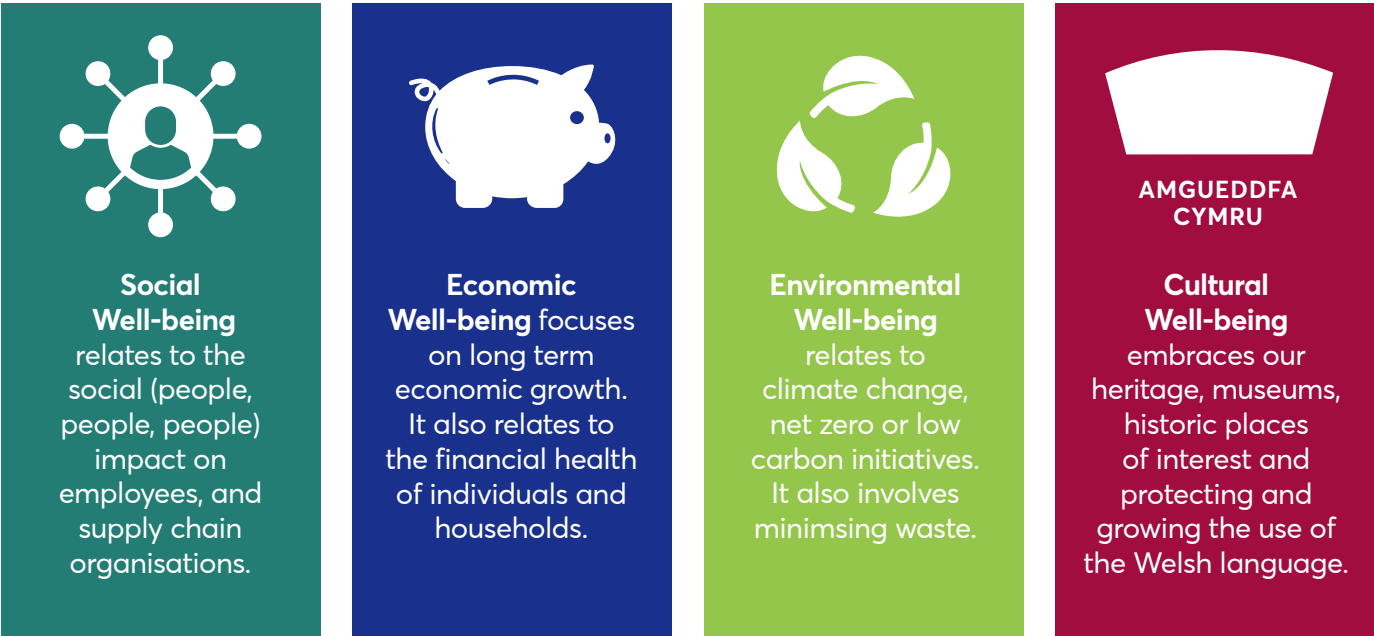
The procurement strategy for Wales⁸ is linked with sustainable development and seven national well-being goals designed to benefit Future Generations.

The Well-being of Future Generations (Wales) Act 2015 was developed from a national campaign and big conversation about the 'Wales we want'.



Welsh public sector procurement is a powerful lever with ability to affect sustained change to achieve social, economic, environmental and cultural outcomes for the well-being of Wales

Figure 1 explains in simple terms what is meant by social, economic, environmental, and cultural well-being. These pillars of sustainable development are sometimes described using other terms, including Social Value. In Wales, we mostly refer to this as **Socially Responsible Procurement**.



In Wales, contracting authorities, spend approximately £11 billion annually on goods and services for hospitals, schools, transport, defence, infrastructure and much more.

The aim is to make sure that this money provides as much well-being benefit as possible within Wales. In the UK, that figure is over £400 billion annually.

New procurement reforms will transform the way that public spend is managed to ensure that every pound spent positively

impacts the local economy, and people living and working in Wales⁹.

As mentioned in Part 1 of the Guide, Ardal has been introduced as the new collaborative agreement, led by Cardiff Council in partnership with Monmouthshire, Torfaen and Vale of Glamorgan.

Ardal is fully committed to delivering socially responsible procurement. The general purpose of socially responsible procurement¹⁰ is as follows: (overleaf)

The general purpose of socially responsible procurement¹⁰ is as follows:

To improve the economic, social, environmental and cultural well being of the local area by carrying out public procurement in accordance with the sustainable development principle.

Sustainable Development means that all public bodies in Wales must act in a manner that seeks to ensure that the needs of the present are met without compromising those of our future generations.

It is ten years since the Well-being of Future Generations (Wales) Act came into force; it was originally inspired by a campaign and national conversation¹¹ about the **Wales We Want in 2050**.

The Well-being Act has transformed the way that public sector buyers leverage annual spend to improve the social, economic, environmental and cultural well-being of people living and working in Wales.

There are currently 56 public bodies subject to the duties of the Act. These include

ALL councils or contracting authorities, emergency services, libraries, museums, national parks, sports associations, arts council and health boards in Wales.

In addition, Cardiff Capital Region, Social Care Wales, Transport for Wales and Natural Resources Wales must embed the principles of the Well-being Act into their procurement.

These organisations must also report annually on the progress made in their local region.

The seven Well-being Goals of the Well-being Act¹²

A Prosperous Wales	An innovative and productive society that uses resources efficiently and proportionately (including acting on climate change); and which develops a skilled and well-educated population in an economy which generates wealth and provides employment opportunities.
A Resilient Wales	A nation which maintains and enhances a biodiverse natural environment with healthy functioning ecosystems that support swocial, economic and ecological resilience and the capacity to adapt to change.
A Heathier Wales	A society in which people's physical and mental well-being is maximised and in which choices and behaviours that benefit future health are understood.
A More Equal Wales	A society that enables people to fulfil their potential no matter what their background or circumstances (including their socio economic circumstances).
A Wales of Cohesive Communities	Attractive, safe, viable, well-connected. The COVID-19 crisis has shown what can be achieved when public bodies work closely with community-help initiatives in their areas, particularly concerning vulnerable and isolated people, and this should continue beyond the pandemic to help connect Welsh communities.
A Wales with Vibrant Culture /Thriving Welsh Language	A society that promotes and protects culture, heritage and the Welsh language, and one that encourages people to participate in the arts, and sports and recreation.
A Globally Responsible Wales	A nation which, when doing anything to improve the economic, social, environmental and cultural well-being of Wales, takes account of whether doing such a thing nay make a positive contribution to global well-being.

The 7 National Goals 5 are underpinned by 5 Ways of Working.

Long term	Balancing short term needs with the needs to safeguard the ability to also meet long term needs.
Prevention	Acting to prevent problems occurring or getting worse.
Integration	Consider how a contracting authority's well-being objectives may impact on the well-being goals.
Collaboration	Acting in collaboration with another person to meet the well-being objectives.
Involvement	The importance of involving people with an interest in achieving the well-being goals.

The Procurement Act (PA23) enables Wales to maintain a greater focus on fully embedding the principles of the Well-Being of Future Generations (Wales) Act 2015. The four pillars of Sustainable Development are underpinned by **5 Ways of Working**; these are mandatory for public bodies in Wales inferred by the Well-being Act¹³.

The principles of the Well-being Act help us to understand the national purpose in Wales, but to better understand how your business can contribute to that purpose, refer to the objectives of the Foundational Economy¹⁴. The Foundational Economy (FoEc) approach refers to industry sectors that provide the basic goods and services that keep Wales more resilient as a nation.

For example, one in every three pounds (£) is spent with businesses from the Foundational Economy.

TIPS: When preparing your bid, it is important to demonstrate the ability to apply some or all these Ways of Working through the contract. Long term and prevention seem to be the most challenging ways of working to apply in practise.

TIPS: As a supplier, if your product or service offers disruptive, trans-formative or preventative action then make this clear when writing your bid.

The aim in Wales is to grow industry sectors such as **social care, energy, utilities, food, health, housing, construction, technology, transport, tourism and high street retail**.

These provide the basic goods and services that will improve the health, wealth and environment of citizens living and working in Wales.

Contracting authorities and other public bodies are encouraged to ensure that through a more responsible procurement approach¹⁵, local community needs and local business growth opportunities are better supported.

The Foundational Economy (FoEc) approach is recognised by Welsh Government¹⁶ as instrumental for building a resilient economy.

Public buyers and suppliers in Wales are required to jointly consider these **five objectives** as follows:

- 1) Create jobs, more, better, greener** – this involves promoting fair work, good pay, representation, security, and designing career pathways.
- 2) Increase household liveability** – this requires raising wages, improving the affordability of essential goods and services, and improving health and wellbeing.
- 3) "Made in Wales"** – building local supply chains, keeping people living and working in Wales, and building a strong and productive supplier base.
- 4) Achieve net zero** – requires businesses to source clean, renewable energy and promote environmentally friendly production and consumption.
- 5) Encourage collaborative and innovative experimentation** – this will improve GE goods and services, build resilient infrastructure, and encourage community-owned projects.

More information on the Foundational Economy approach can be found here: <https://businesswales.gov.wales/foundational-economy>

Sustainable Development in Wales

The Social Partnership and Public Procurement (Wales) Act 2023 (SPPP) brings a sense of duty to enhance the well-being of the people of Wales by improving public services through social partnership working, promoting fair work and socially responsible public procurement .

The SPPP Act will change how public spending in Wales is allocated, and the ways goods and services are procured through socially responsible public procurement. The Act places a mandatory requirement for public bodies to deliver on the ambitions set out by the Well-being Goals of the Well-being of Future Generations (Wales) Act 2015.

This Guide will elaborate on the concepts of Fair Work and Social Partnership, with a notable focus on developing a 'More Prosperous Wales', and 'A More Equal Wales'.

There is time to prepare as the Social Partnership and Procurement (Wales) Act 2023 goes live in 2026 (date to be confirmed), but there is a gradual roll out of some changes that suppliers need to take note of for 2025 as indicated in this Guide. Fair Work at its core and this guide will explain in more detail what is meant by Fair Work.

While considerable progress on social impact has been made in Wales due to the Well-being Act, Wales still faces multiple long standing challenges now, and in the future. These grand challenges include, climate change, poverty, health and wellbeing, and economic activity.

A five year review was presented at the Future Generations Action Summit event in April 2025, with heavy emphasis by the Future Generations Commissioner¹⁸ that **urgent action** is needed by us all to:

- i) protect the environment,
- ii) tackle poverty, and
- iii) prevent ill health. and

Suppliers should be aware of the 'social partnership' approach which will require more engagement and scrutiny with trades unions, employers and organisations through innovative approaches and open dialogue. It will mean changes to how the Welsh Government allocates public spending and the way goods and services are procured.

The Social Partnership legislation is founded on 4 Key Principles

4 Key Principles	Relevance to Suppliers	Relevance Rating
The Social Partnership Council (SPC)	The SPC and steering group membership will include 9 employers and 9 employees from a range of industry sectors	Medium
The Social Partnership Duty (SPD)	Relates and aligns with successful implementation of the seven Well-being Goals	High
Fair Work	Suppliers must take full responsibility of ensuring Fair Work not only in their own organisation, but across the supply chain.	Very High
Socially Responsible Procurement	This is a partnership requirement between the contracting body to award and the supplier to deliver in a socially responsible way.	High

The Future Generations Commissioner said:

“The Well-being of Future Generations Act has never been more needed. Wales was bold when it committed to the well-being of future generations 10 years ago and we know that people across Cymru feel proud of this pioneering law. But Wales is still facing challenges that prove we need bigger and faster change, and we need everyone to feel like their lives are better and will continue to be better”¹⁹.

Fair Work

The Welsh public sector has a long standing reputation for delivering exceptional community benefits through contracts in construction, health and other categories of spend. This places a requirement for successful contractors to deliver additional value (benefit to the community) which may include offering employment opportunities to vulnerable communities, apprenticeships and graduate placements.

Fair Work means treating your employees respectfully, fairly and without discrimination. Workers should be rewarded fairly, listened to and represented, feel secure in their jobs and able to progress in a healthy, inclusive working environment where rights are respected.

The Welsh Government's Guide to Fair Work can be found here:
<https://www.gov.wales/guide-fair-work>

In response to rising house rises, food inflation and the rise in the general cost of living, **Cardiff Council** pays its employees the National Living Wage. The Council believes that paying employees a Living Wage demonstrates to the employee a real sense of commitment to fair work practices.

Neath Port Talbot Council is the first to win a prestigious award which recognises how the Council is committed to becoming an employer of choice and championing better work and working lives. The council sought to become a career of choice rather than a job that people fell in to.

Merthyr Bus Station has switched from gas or fossil fuels to only using renewable energy sources. The bus station achieved 100% waste diversion, and reduced construction carbon by 100%. Subcontractors are asked to increase spend with local businesses and drive employment of the local people.

Modern Slavery - the number of referrals for cases of modern slavery in Wales and the wider UK is at its highest recorded. In 2024, there were 563 referrals in Wales alone, 56% of which were children. The most reported cases involved criminal exploitation, sexual exploitation and labour exploitation. As a supplier in Wales, it is

important to make all employees aware of the risks. Try to ensure you use reputable agencies you should be aware of the ways. Develop a written statement or policy that every employee refers to. All organisations with a turnover of £36 million or more must prepare a slavery and trafficking statement for each financial year.

More on modern slavery can be found here: <https://www.gov.wales/welsh-government-modern-slavery-statement>

Anti racism and non-discrimination – steps that your organisation can take includes mandatory training on understanding unconscious bias, racism and cultural awareness. Ensuring that any recruitment is fair and without bias.

Equality, diversity and inclusivity – small and medium sized businesses may be advised to appoint an EDI champion in the organisation or seek professional guidance.

Business Wales offers strategic guidance here: <https://www.gov.wales/equality-planning-strategy>

One important step that suppliers can do to build credibility and address these issues, is to sign up to the Code of Practice – for full details and guidance click here: <https://www.gov.wales/ethical-employment-supply-chains-code-practice-html#163019>

Suppliers may wish to sign the **Equality Pledge** this gives a clear signal to internal and external stakeholders that you and your business are proactive and committed to embedding inclusivity, fairness, and diversity in the organisation. The same values can be requested across the supply chain.

National Living Wage – the Welsh Government encourages all employers to consider paying a wage that reflects living costs and is above National Minimum Wage. This means that as of 1st April 2025, employees gain £2,262 more per year than on National Minimum Wage. The National Living Wage Foundation clarify the difference between the National Living Wage and the Real Living Wage, the latter being the highest hourly pay.

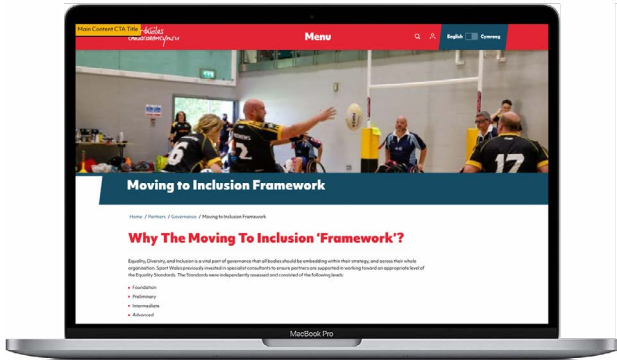
More information can be found here: <https://livingwage.wales/real-living-wage-increases-in-wales/>

Case Example

Sport Wales moved to an Inclusion Framework. They encouraged a culture of continuous improvement both in the organisation and that of their partners.

<https://www.sport.wales/partners/governance/moving-to-inclusion-framework/>

sportwales
chwaraeon cymru



Additional Measures to Embed Social Well-being

TUC Cymru have long been campaigning to eradicate low pay, zero hours and inequality in our workforce. They propose collective bargaining to protect workers rights and put a stop to illegal practices. You can find out more here: [Making Wales a Fair Work Nation](#). To help you build your dialogue for writing bids and to understand the evaluation criteria above cost, quality and reliability, the table below illustrates how these initiatives overlap and work together.

TIPS: When it comes to evaluating procurement bids, in the tender process, suppliers will be expected to evidence how they adhere to Fair Work practices, with the collective aim of driving-up the quality of work and employee's access to their rights.



Sustainable Development Social, Economic, Environmental, Cultural Sustainability

Well-being Act
An Equal Wales; Resilient Wales; Prosperous Wales (decent work)

Foundational Economy Objectives
Increase household liveability – this requires raising wages, improving the affordability of essential goods and services, and improving health & wellbeing.
Create jobs, more, better, greener – this involves promoting fair work, good pay, representation, security, and designing career pathways.
Encourage collaborative and innovative experimentation – this will improve GE goods and services, build resilient infrastructure, and encourage community-owned projects.
Achieve net zero – requires businesses to source clean, renewable energy and promote environmentally friendly production and consumption.
“Made in Wales” – building local supply chains, keeping people living and working in Wales, and building a strong and productive supplier base.

Social Partnership
Fair Work / Non discrimination / Anti-racism / Modern Slavery

Importantly, embedding these ways of working is about more than just winning public contracts.

These are fundamental values that will significantly enhance the reputation of your business, leading to:

- Greater staff loyalty and satisfaction,
- Increase employee morale & productivity,

- Reduce the likelihood of employee absenteeism, and
- Lower staff turnover which brings preventable overhead costs for the business.

Embedding these social-wellbeing values will further impact on your supply chain relationships, making them stronger which makes your business more resilient.

Top tips for embedding social well-being when writing bids

- Make sure you are familiar with the Well-being of Future Generations (Wales) Act 2015 – Essentials Guide .
- Draw on i) the 7 well-being goals and ii) the 5 ways of working when writing your proposal. You don't need to include everything. Choose the elements most relevant to your business and the work being offered for the contract.
- Evidence commitment to fair work practices and demonstrate how your business rewards employees and offers them job security, how you offer workplace flexibility, especially for carers and working parents. Fair work practices can be evidenced through policies on equality and inclusivity, having clear channels for the worker voice.
- Know your end to end supply chain to ensure you are aware of any unethical practices.
- Evidence how your business is compliant with employment legislation and other national standards.
- Explain how you promote cultural well-being (e.g., supporting Welsh language), how your business embraces global responsibility and manages ethical supply chain practices.
- Working with vulnerable communities is strongly encouraged and desirable, but be realistic about what can be achieved and, the partners you may need to involve, to make it happen.
- Your organisation will need to evidence that fairness is applied on activity such as payment conditions – all suppliers MUST be paid within 30 days.

General advice on Winning Public Contracts

- Often employment targets look good on paper but in practise, become difficult to deliver on. Be ambitious but don't overpromise.
- Objectives agreed can still change through the duration of the contract, e.g., election period, suppliers falling into administration, a pandemic – remain in close contact with the client to prevent surprises.
- Don't be afraid to ask questions when prompted at supplier engagement events and other mechanisms for communication.
- Be clear about what is expected before finalising your proposal.
- Contracting authorities may enquire about any subcontracting arrangements that may be used during the contracting period.
- Expect to receive feedback if you are not successful with the tender process.
- There is an 8 day standstill period following the contract award, so don't panic if it all goes quite for a few days! This allows either party to withdraw from the process.

Conclusion

There has never been a better time to engage with contracting authorities. This Guide for Suppliers in Wales has provided **SIX Steps** to get started with embracing the business growth opportunities and better understanding the procurement reforms.

The headline messaging and advice in this guide will support business leaders of all sizes and governance structures to prepare for the procurement reforms in Wales, i.e., Procurement Act 2023, Social Partnership and Procurement (Wales) Act 2023 and the Health Procurement Act 2023.

The Guide has indicated that even the smallest supplier should have easier access to public sector contracts through a more transparent and flexible process.

The Sell2Wales and the Central Digital Platforms have been featured with relevant links. There are improvements with payment (30 days) but cautions around the introduction of a debarment list for those suppliers who don't follow protocol. Suppliers are responsible for their own business but also the supply chain.

The Well-being Act offers a framework, toolkit and measures for embedding sustainable development to improve the lives of people living and working in Wales.

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Other Resources

Ardal Newsletter available at;
<https://ardal-procurement.gov.wales>.
Business Wales [Homepage](#) | [Business Wales](#)

Coalfields Regeneration Trust available here: <https://www.coalfields-regen.org.uk/programmes>

[Cyd Home - CYD Procurement](#)

[Cynnal Cymru Sustainability Advice – Cynnal Cymru – Sustain Wales](#)

Cwmpas available here:
<https://cwmpas.coop/>

Development Trust Association
<https://dtawales.org.uk/>

[Future Generations Commissioners Office Well-being of Future Generations Act 2015 - Future Generations Wales](#)

Social Business Wales available here:
<https://businesswales.gov.wales/socialbusinesswales/>

Social Firms Wales available here:
<https://www.socialfirmswales.co.uk/>

Supplier Knowledge Drop Videos (Parts 1, 2, and 3, SMEs and VCSEs Parts 1, 2 and 3) available at;
<https://www.gov.uk/guidance/the-official-transforming-public-procurement-knowledge-drops#kd3knowledge-drop-forsuppliers-part-1>

The Sourcing Playbook, UK Cabinet Office, Government Commercial Function, available at; <https://www.gov.uk/government/publications/the-sourcing-and-consultancy-playbooks/the-sourcing-playbook-html#evaluating-bids-and-contract-award>

UK Government Guidance for Suppliers available at; <https://www.gov.uk/government/collections/information-and-guidance-for-suppliers>

Welsh Government – Smarter Procurement for Suppliers available at; <https://www.gov.wales/smarter-public-procurement-wales>

Welsh Government – Stakeholder Toolkit available at; <https://www.gov.wales/sites/default/files/inline-documents/2025-02/procurement-stakeholder-toolkit.pdf>

WCVA available here: <https://wcva.cymru/>

What is a framework? Crown Commercial Service (CCS) available at; <https://www.crowncommercial.gov.uk/news/what-is-a-framework-procurement-essentials>

Contact us

To find out more and start to benefit from the support outlined in this brochure, please contact us via

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