



City and County of Swansea

## Minutes of the **Scrutiny Inquiry Panel - Procurement**

Committee Room 5, Guildhall, Swansea

Thursday, 24 October 2019 at 10.30 am

**Present:** Councillor C A Holley (Chair) Presided

**Councillor(s)**

P Downing  
M Sherwood

**Councillor(s)**

L R Jones  
T M White

**Councillor(s)**

J W Jones

**Officer(s)**

Chris Williams

Head of Commercial Services

**Apologies for Absence**

Councillor(s): E W Fitzgerald, I E Mann and B J Rowlands

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**1 Disclosures of Personal and Prejudicial Interest**

None

**2 Prohibition of Whipped Votes and Declaration of Party Whips**

None

**3 Strategic Overview of Procurement**

A report giving a detailed overview of Procurement was presented to the Panel by Chris Williams, the Head of Commercial Services. The report covered the following points:

- Procurement Rules and Regulations
- Contract Procedure Rules
- Procurement Functions
- Procurement Methods and Processes
- Efficiencies and Savings
- Beyond Bricks and Mortar
- Future Challenges and Opportunities; and
- Risks

Points noted from the discussion:

- Important to understand difference between purchasing and procurement
- Ethos of having level playing field for procurement. Must reinforce transparency and openness while enabling competition. Must have high standards.
- Council publishes its own Standing Orders and Contract Procurement Rules for the use of public money in Swansea. This helps stop fraud and ensure best

value. These procedure rules are currently in the process of changing and will soon be discussed at Constitution Working Group. The panel would like an update on these changes once they are agreed.

- Procurement do seek supplier feedback and the panel would like to see this as part of the inquiry.
- There are clear rules of engagement, respond to all so all bidders have the same information. All must be in writing with no verbal communication for robustness.
- Local procurement, rules are changes and will have more flexibility that have not been available before so will be able to work more with local providers. Cllr Hopkins wants to set up better ways of communication with local suppliers. Getting local suppliers to tender important. Must ensure it is easy for local suppliers to get on the list. Heard that different events with suppliers had regularly, panel members would like to attend one of these as part of the inquiry.
- Operate a category management structure, so transparent and stops silo mentality, can get best economies of scale this way. Try to do without a lot of bureaucracy. Online short form completed by suppliers, so registration not a barrier to entry.
- Have regular cycle of procurement to improve efficiencies and drive down costs. Also look at coming up with new ways of working to achieve reduced spend. We review spend with for example the People Commissioning Group which help to plan contracts and agree appropriate timelines. Commissioning process good to help get best outcomes. Panel will look at a Social Services case study as part of the inquiry.
- Must have good knowledge of system by all across the council, schools were raised as an example in relation to procedure rules and the complexity given they are all individually responsible bodies. Internal Audit do keep audit of schools. Panel would like to speak to Internal Audit to see how procurement is audited across the council as part of the inquiry.
- Officers attend a WLGA Procurement Working Group. This is made up of officers from across Wales with a view to sharing information, ideas and good practice.
- Social Value Act and those Local Authorities that are using it as a driver for improving investment in local communities, Cardiff Council and their Socially Responsible Procurement Policy was highlighted. The panel will have a session dedicated specifically to Social Procurement as part of the inquiry.
- Aim in Swansea to regenerate local economy and procurement is important to this. Need to look at gaps in local provision and to work with economic development to get business to fill these gaps.
- The length of contracts was discussed and panel were told as a rule it is 3-5 years but will depend on the service being procured.

The report today and discussion points will form part of the panels evidence pack and findings report at the end of the inquiry.

#### **4 Planning the Inquiry into Procurement**

The Panel discussed and agreed their Terms of Reference and a project plan for the inquiry will be put together and circulated to the Panel.

The meeting ended at 11.45 am