



## Report of the Cabinet Member for Corporate Service and Performance

Cabinet – 20 October 2022

### Procurement Scrutiny Inquiry Cabinet Member Response and Action Plan

<b>Purpose:</b>	To outline a response to the scrutiny recommendations and to present an action plan for agreement.
<b>Policy Framework:</b>	None
<b>Consultation:</b>	Legal, Finance, Access to Services
<b>Recommendation(s):</b>	It is recommended that:  1) The response as outlined in the report and related action plan be agreed.
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<b>Finance Officer:</b>	Ben Smith
<b>Legal Officer:</b>	Debbie Smith
<b>Access to Services Officer:</b>	Rhian Millar

#### 1.0 Introduction

- 1.1 The Procurement Inquiry report was submitted to Cabinet on the 16 June 2022 after the Procurement Scrutiny Inquiry Panel completed a detailed inquiry into this area. The Scrutiny Report is attached as **Appendix A**.
- 1.2 Having considered the contents of the Scrutiny Report, and the specific recommendations made, the following is Cabinet's response as to its agreement with the recommendations detailed in the report.
- 1.3 An action plan is provided along with the high-level submission below, in **Appendix B**.

## 2.0 Response to Scrutiny Recommendations

<b>Recommendation 1</b>
The Council's approach to social value, localism, biodiversity and the natural environment be further integrated and expanded in line with their key principles and current Council pilot programme reviewing this matter.
<b>Relevant Policy Commitments:</b> Climate Change and Nature Recovery Strategy and Climate Emergency Declaration and Nature Emergency Declaration, specific Well-Being objective in Council's Corporate Plan – Delivering on Nature Recovery and Climate Change. Beyond Bricks and Mortar programme.
<b>Action already being undertaken:</b>  As noted by the Panel in its report, based upon the submissions received / evidence reviewed - ' <i>There is evidence of good environmental and ethical practice</i> ' in the work of the Council.
<b>New actions following from the recommendation:</b>  That the activity related to this Recommendation be further expanded and incorporated into a new 'social value in procurement' policy.
<b>Cabinet Member Comments:</b>  Swansea Council has long valued its activity in this area and our approach will be expanded and further integrated into our work.
Recommendation is <b>AGREED</b>

<b>Recommendation 2</b>
Cabinet investigate how the impact of a contracts carbon footprint can be measured with the view to using this measure as part of the Council procurement practice.
<b>Relevant Policy Commitments:</b>  As for Recommendation 1. The Council is aware that the Welsh Government is reviewing this matter, and updating its approach and creating a new pan-Wales measurement tool.
<b>Action already being undertaken:</b>  As reviewed at the Panel, a climate change programme board is in existence and continually working within Welsh Government guidelines for emissions reporting to look at ways of reducing supply chain

emissions.

**New actions following from the recommendation:**

As above – first submission of emissions data made, so this is an evolving process and we will work with the Welsh Government in the development of this approach, which is currently subject to review.

**Cabinet Member Comments:**

Swansea Council has long valued activity in this area and in line with our declaration of a climate emergency for example this approach will be expanded and further integrated into our work.

Recommendation is **AGREED**

**Recommendation 3**

Cabinet increase the use of nature-based solutions in the Council's procurement practice, when it is assessed as the most sustainable solution.

**Relevant Policy Commitments:**

Climate Change and Nature Recovery Strategy and Climate Emergency Declaration and Nature Emergency Declaration, specific Well-being objective in Council Corporate Plan – Delivering on Nature Recovery and Climate Change.

**Action already being undertaken:**

A climate change and nature recovery programme board is in existence and investigating this area, and the Council is implementing improvements such as the sustainable drainage standards for Wales, when considering housing / infrastructure developments.

**New actions following from the recommendation:** This work to be considered as part of the Climate Change and Nature Recovery Strategy

**Cabinet Member Comments:** to be applied when appropriate / practical through the procurement process

Recommendation is **AGREED**

<b>Recommendation 4</b>
Cabinet develops a mechanism for measuring the impact of spending on policy commitments in relation to, for example, social benefit, local procurement, natural environment and climate change (including investigating as to whether this analysis should form part of the internal audit and/or performance monitoring process).
<b>Relevant Policy Commitments:</b>  Climate Change and Nature Recovery Strategy and Climate Emergency Declaration and Nature Emergency Declaration, specific Well-Being objective in Council's Corporate Plan – Delivering on Nature Recovery and Climate Change. Beyond Bricks and Mortar programme.
<b>Action already being undertaken:</b>  As presented at the Panel a wide array of existing activity already takes place under this subject heading – the Panel will be aware of the Community Benefits initiative and the Council's move towards electric vehicles and the use of solar panels as well as energy efficient homes.
<b>New actions following from the recommendation:</b>  Cabinet to consider and develop an appropriate mechanism taking into account the work that the Welsh Government are progressing in this area (for example the measurement of carbon emissions noted above).
<b>Cabinet Member Comments:</b> Consideration will be given to proportionate impact on small and medium sized suppliers, so ensure any mechanism does not impact the ability of local suppliers to serve Swansea due to reporting requirements.
Recommendation is <b>AGREED</b>

<b>Recommendation 5</b>
The Schools Guide for Procurement is finalised to assist schools in understanding Procurement rules and regulations and the best practice that they should follow when undertaking procurement.
<b>Relevant Policy Commitments:</b> Council Constitution
<b>Action already being undertaken:</b> The Schools Guide for Procurement is in the process of being updated
<b>New actions following from the recommendation:</b> The Schools Guide to be finalised.
<b>Cabinet Member Comments:</b> Agreed

Recommendation is **AGREED**

**Recommendation 6**

Resources to support procurement activities be reviewed upon enactment of the new UK reform of the UK Public Contract Regulations and the Green Paper to ensure support is fit for purpose in addressing any new or expanded requirements.

**Relevant Policy Commitments:** Council Constitution and applicable statutory regime

**Action already being undertaken:** This item is under consideration with budget allocated.

**New actions following from the recommendation:** This issue will be reviewed upon once the final legislation received (it is currently under review)

**Cabinet Member Comments:** Agreed

Recommendation is **AGREED**

**Recommendation 7**

The number of 'Open Days' are expanded to encourage local firms to tender for Council works and ensure that supplier feedback is obtained in order to understand the issues experienced by businesses particularly SMEs when bidding for Council contracts. The Panel felt that this could include for example roadshows and contract and/or subject specific events.

**Relevant Policy Commitments:** Opening Doors Charter of the Welsh Government

**Action already being undertaken:** The Panel were supportive of the current approach as reviewed during the Inquiry.

**New actions following from the recommendation:**

As per the Panel's recommendation this area will be reviewed and expanded as appropriate.

**Cabinet Member Comments:** Agreed

Recommendation is **AGREED**

<b>Recommendation 8</b>
Ensure that the Council develops and maintains direct links with local businesses including developing appropriate communication channels to alert them of up-coming procurement opportunities.
<b>Relevant Policy Commitments:</b> publication of Council procurement opportunities in Sell2Wales
<b>Action already being undertaken:</b> All Council tenders where supplier competition is sought are published via the all-Wales / Welsh Government procurement portal known as 'Sell2Wales'
<b>New actions following from the recommendation:</b>  Further review opportunities for publication of tender awards for example via existing social media platforms, targeting local residents
<b>Cabinet Member Comments:</b> Agreed
Recommendation is <b>AGREED</b>

<b>Recommendation 9</b>
Cabinet maximises opportunities to involve service users and citizens in the procurement process which will lead to more collaborative, co-produced services.
<b>Relevant Policy Commitments:</b> Co-production is a main principle / consideration of the Well-being and social services act
<b>Action already being undertaken:</b>  As reviewed at the Panel service users involved in decision-making on a regular basis.
<b>New actions following from the recommendation:</b>  This area will be further reviewed and such opportunities sought and action upon.
<b>Cabinet Member Comments:</b>  this will be implemented where appropriate / applicable
Recommendation is <b>AGREED</b>

<b>Recommendation 10</b>
Cabinet continues the work to address any areas of non-compliance in Council procurement activity.
<b>Relevant Policy Commitments – Council Constitution</b>
<p><b>Action already being undertaken:</b></p> <p>The Council Constitution provides the appropriate decision-making framework for this area and thus the Council is focused on ensuring compliance with the Council’s contract procedure rules contained within.</p>
<p><b>New actions following from the recommendation:</b></p> <p>The council will continue to review its procurement activities and CPRs to ensure they remain complaint and proportionate.</p>
<b>Cabinet Member Comments:</b> Agreed
Recommendation is <b>AGREED</b>

<b>Recommendation 11</b>
Cabinet works with the Welsh Local Government Association to press the Welsh Government to develop ways for the impact of key national commitments to be measured across Wales and the sharing of procurement good practice across Wales.
<b>Relevant Policy Commitments:</b> The Council is a key member of the WLGA
<p><b>Action already being undertaken:</b></p> <p>The Council does - and will continue to - work with the WLGA to raise such matters.</p>
<b>New actions following from the recommendation:</b> To review the above through attendance at regular WLGA meetings
<b>Cabinet Member Comments:</b> Agreed
Recommendation is <b>AGREED</b>

<b>Recommendation 12</b>
Cabinet increases the level of training for new starters by making procurement training a mandatory module for those involved in any procurement activity.
<b>Relevant Policy Commitments:</b> Mandatory training programme
<b>Action already being undertaken:</b> Procurement support / training is undertaken as part of normal activity
<b>New actions following from the recommendation:</b>  The development of a procurement programme / module and its implementation.
<b>Cabinet Member Comments:</b>  Such training to be applied when relevant and appropriate, e.g. for those whose role involves procurement activity
Recommendation is <b>AGREED</b>

<b>Recommendation 13</b>
A working group is created for education procurement which includes representatives from Schools and the Council's procurement team to help improve consistency in adherence to policy, ways of working and identifying gaps and finding common solutions. The group should consider issues such as addressing perception around building services quotes, to ensure Schools have a better understanding of 'like for like' quotes.
<b>Relevant Policy Commitments:</b> The Council supports Schools through multiple working groups
<b>Action already being undertaken:</b> There are regular Officer groups which review interaction between Council teams and Schools and this format will be reviewed to seek further opportunities to share best practice and seek common solutions in line with this recommendation.
<b>New actions following from the recommendation:</b>  Implementation of this recommendation
<b>Cabinet Member Comments:</b> Agreed
Recommendation is <b>AGREED</b>



<b>Recommendation 14</b>
Cabinet focus on reviewing documentation and contract design to further encourage SMEs locally to tender for Council works.
<b>Relevant Policy Commitments:</b> Opening Doors Charter of the Welsh Government
<b>Action already being undertaken:</b>  This work is already undertaken but an opportunity to expand best practice will be considered in line with this Recommendation
<b>New actions following from the recommendation:</b> Maintain and enhance focus on this work area.
<b>Cabinet Member Comments:</b> Agreed
Recommendation is <b>AGREED</b>

2.1 An action plan for the agreed recommendations is attached as **Appendix B**.

### 3. Integrated Assessment Implications

3.1 The Council is subject to the Equality Act (Public Sector Equality Duty and the socio-economic duty), the Well-being of Future Generations (Wales) Act 2015 and the Welsh Language (Wales) Measure, and must in the exercise of their functions, have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Acts.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.
- Deliver better outcomes for those people who experience socio-economic disadvantage
- Consider opportunities for people to use the Welsh language
- Treat the Welsh language no less favourably than English.
- Ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.

3.1.1 The Well-being of Future Generations (Wales) Act 2015 mandates that public bodies in Wales must carry out sustainable development. Sustainable development means the process of improving the economic, social, environmental and cultural well-being of Wales by taking action, in accordance with the sustainable development principle, aimed at achieving the 'well-being goals'.

3.1.2 Our Integrated Impact Assessment (IIA) process ensures we have paid due regard to the above. It also takes into account other key issues and priorities, such as poverty and social exclusion, community cohesion, carers, the United Nations Convention on the Rights of the Child (UNCRC) and Welsh language.

3.2 An IIA Screening Form has been completed with the outcome that a full IIA report was not required (IIA form appended):

No negative impacts are foreseen rather the proposed strategic direction noted is a positive endorsement of the Well-Being of Future Generations Act and future actions arising and their associated decisions will themselves be subject to the relevant framework for Cabinet decisions.

#### **4.0 Legal Implications**

4.1 The Council's procurement activity must comply with the Council's Contract Procedure Rules and the Public Contracts Regulations 2015 as relevant.

#### **5.0 Financial Implications**

5.1 There are no financial implications associated with this report.

**Background papers:** None

**Appendices:**

Appendix A – Scrutiny Inquiry Report into Procurement

Appendix B – Cabinet Action Plan

Appendix C – IIA Screening