



Report of the Cabinet Member for Corporate Service & Performance

Procurement Scrutiny Inquiry Panel – 24 October 2024

Impact Report: Scrutiny Inquiry into Procurement

Purpose:	To help the Scrutiny Panel to assess the impact of the scrutiny inquiry report into Procurement.
Content:	<p>This report deals with three questions related to the impact of the inquiry:</p> <ol style="list-style-type: none">1. What has changed since the report was presented to Cabinet?2. Have the agreed recommendations been implemented?3. What has been the impact of the scrutiny inquiry?
Councillors are being asked to:	<ul style="list-style-type: none">• Consider the contents of the report• Reach conclusions about the impact of the inquiry
Lead Councillor:	Cllr David Hopkins Cabinet Member for Corporate Service & Performance
Lead Officer:	Chris Williams
Report Author:	Chris Williams (Head of Commercial Services) Chris.williams@swansea.gov.uk

1. Introduction

- 1.1 The Procurement Scrutiny Inquiry Panel undertook an in-depth inquiry during 2021/22 and presented its final report with conclusions and recommendation to Cabinet on 16 June 2022. The inquiry looked at *How can Swansea Council ensure it procures locally, ethically and greenly while being cost effective and transparent in its practices?* This final report can be viewed using this [link](#).
- 1.2 Cabinet made a decision on the scrutiny recommendations at its meeting on 20 October 2022. The Cabinet Member response and action plan were agreed by Cabinet can be viewed using this [link](#).
- 1.3 The final stage of the scrutiny inquiry process is the follow up. It is at this point that usually the original Panel reconvenes in order to assess the impact of the work. A Scrutiny Performance Panel for Procurement has

therefore been reconvened by the Scrutiny Programme Committee and it has been tasked with following up on the impact of this inquiry.

1.4 The purpose of this report is to assist the Panel as it seeks to answer the following three questions, each of which will be dealt with as follows:

- What has changed since the report was presented to Cabinet?
- Have the agreed recommendations been implemented?
- What has been the impact of the scrutiny inquiry?

2. What has changed since the report was presented to Cabinet?

2.1 Since the inquiry concluded the following changes have taken place:

2.2 Cabinet discussed and further reviewed and adopted / supported all of the Panel's recommendations (as per 1.2 above) thus illustrating the importance of this work and endorsing its direction.

2.3 Cabinet reconfirmed staffing budget for the Commercial Services area:-

due to a review of budgets a significant number of vacant roles were held open for twelve months, thus there has been a delay in recruiting for those roles, with this gap compounded by a staff member's maternity leave. However, staff recruitment has progressed and it is hoped to be fully concluded by December 2023. The staff referred to will have a primary focus of supporting the development of the suite of matters raised by the Panel and integrating them into the work of the Council as 'business as usual activities'.

2.4 Further multiple actions arising from the Panel's Inquiry have been undertaken and are detailed in the table in Appendix A (referred to in section 3 below).

3. Have the agreed recommendations been implemented?

3.1 In responding to the inquiry an action plan was drawn up showing what steps would be taken to implement all of the scrutiny recommendations agreed by Cabinet (see report [here](#)).

3.2 The table at **Appendix A** shows an updated action plan showing progress against each recommendation and specifically:

- the Cabinet decision in respect of each recommendation
- the action taken since the Cabinet response on 20 October together with any relevant explanatory statements
- the responsible officer(s)
- timescales involved

4. What has been the impact of the scrutiny inquiry?

- 4.1 As a result of the Inquiry the profile of the matters raised by the Panel has increased significantly - across the entire Council – from those working on climate change matters through to Audit, for example, as well as at senior management level, so the Panel’s focus and interest has highlighted the importance of the matters reviewed, particularly this work area’s ability to be a driver of and an agent of important change.
- 4.2 Wider trends have been magnified by the Panel’s focus and there has been a high degree of alignment between the Panel’s focus and Cabinet’s response and thus a general commitment to the direction of travel articulated, showing the strategic alignment of the work and its importance to the future of the Council’s operation and impact on its wider environment.
- 4.3 Appendix A (below) provides a detail on the impact of the Scrutiny Inquiry and progress made to date.

5. Legal Implications

- 5.1 There are no legal implications arising from this report – any future decisions taken will be the subject to the relevant component of the Council Constitution, particularly the Cabinet decision-making process and the Council’s contract procedure rules.

6. Financial Implications

- 6.1 There are no financial implications arising from this report and as noted in 5.1 any future decisions made will be reviewed in line with the Council Constitution and in this case the financial procedure and contract procedure rules.

7. Integrated Assessment Implications

- 7.1 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.

- 7.1.1 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'.
- 7.1.2 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.
- 7.2 An IIA screening report has been completed with the agreed outcome that a full IIA report was not required. The IIA report is provided as an Annex (IIA).

There are no negative impacts rather the proposed strategic direction is a positive endorsement of the Well-Being of Future Generations Act, and future decisions will be subject to appropriate Cabinet decisions and the Council's Constitutional decision-making framework.

Background papers:

Procurement Scrutiny Inquiry Report
Cabinet Report – Response to Procurement Scrutiny Inquiry (20 October 2022)

Appendices:

Appendix A – Update Action Plan on Implementation of Agreed Scrutiny Recommendations

APPENDIX A

Scrutiny Inquiry on Procurement – Cabinet Action Plan Follow Up/Impact

	Recommendation	Action already being undertaken	New Action Proposed	Timescale	Responsible Officer
1	<p>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.</p>	<p>A Social Value recording tool has been developed and is being utilised (secondary phase of the live testing) – please see examples in Annex 1.</p> <p>Current focus / late stage trial is for contracts with a value of £1 million plus and once the methodology is reviewed and finalised it is intended to apply it to all contracts valued at £140,000 plus, subject to Cabinet review.</p> <p>This recording tool / process is designed to integrate the Council’s approach to such matters into relevant procurement activity.</p>	<p>The Welsh Government is assessing an all-Wales approach to this matter, through its new <i>Social Partnership and Public Procurement Bill</i> and various other Well-Being focused working groups across Wales, and the Council is awaiting for formal / statutory guidance on the recording of such Well-Being outcomes - the latest status is published here - https://www.legislation.gov.uk/asc/2023/1/section/43/enacted</p> <p>A draft policy is in development which will dovetail with other specific policies, e.g. such as those for climate change activity – please see Annex 2. This policy will be finalised once the Welsh Government’s statutory guidance is understood - so that it may be properly integrated into the processes of the Council and ensure our systems and processes are aligned with new requirements.</p>	April 24	Chris Williams
<p>COMPLETE, IN PROGRESS OR NOT COMPLETED</p> <p>Progress: In progress</p>					

	Recommendation	Action already being undertaken	New Action Proposed	Timescale	Responsible Officer
2	Cabinet investigate how the impact of a contract's carbon footprint can be measured with the view to using this measure as part of the Council's procurement practice	The Council has created a Climate Change and Nature Recovery Group and is an active participant in Welsh Local Government Association fora which are reviewing this matter across Wales, and which also involve the Welsh Government as key stakeholder and too the Office of the Future Generations Commissioner.	<p>Interaction with the groups noted has yielded analytical tools developed by the Welsh Government (for tracking) and Welsh Local Government Association - included in Annex 3, and which is now being provided for Services review as part of the approach outlined in recommendation 1 (R1).</p> <p>Furthermore an additional tool has been provided by the Welsh Government – please see Welsh Procurement Policy Note WPPN 01/23: Procurement - sustainable risk assessments GOV.WALES - known as sustainability risk assessment, and that is also integrated into the approach outlined in R1.</p> <p>Further work is ongoing at the WLGA / Welsh Government level to create a definitive model for application throughout Wales - a model that can be used across all public bodies and enable the standardised comparison of the resulting data and approaches.</p>	Spring 24	Chris Williams
<p>COMPLETE, IN PROGRESS OR NOT COMPLETED</p> <p>Progress: In progress</p>					

Recommendation	Action already being undertaken	New Action Proposed	Times cale	Responsible Officer	
3	Cabinet increase the use of nature-based solutions in the Council's procurement practice, when it is assessed as the most sustainable solution.	This work is integrated into Recommendation 1 (above) as the net carbon zero agenda is an integral part of the above recommendation.	As for R1	Chris Williams	
<p>COMPLETE, IN PROGRESS OR NOT COMPLETED Progress: In progress / links to recommendation 1.</p>					
4	Cabinet develops a mechanism for measuring the impact of spending on policy commitments in relation to, for example, social benefit, local procurement, natural environment (including investigating as to whether this analysis should form part of the internal audit and/or performance monitoring process)	<p>This recommendation has been integrated into the corporate plan of the Council, to allow ongoing monitoring of this important area.</p> <p>Phase 1 of the project has been to consider a spend analytics tool related to our financial reporting system, and initial interaction has proved with regard to the further mapping of local spend.</p> <p>As noted above the WLGA and Welsh Government are also reviewing these matters.</p>	<p>The Council has moved from one financial system to a new system known as Oracle Fusion. Once development time for new activity is available (indicative plan is Q3) then it is intended to develop an automated reporting system to -</p> <ol style="list-style-type: none"> 1) phase 1 - detailed report on supplier spend (this will provide a number of reporting metrics including spend in Swansea, the city region, Wales and so forth) 2) phase 2 – expand / integrate other areas as appropriate, but taking into account all-Wales developments in this area. 	Jan 24	Chris Williams / the Service Centre (Oracle purchasing team)
<p>COMPLETE, IN PROGRESS OR NOT COMPLETED Progress: In progress</p>					

Recommendation		Action already being undertaken	New Action Proposed	Timescale	Responsible Officer
5	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.	Following extensive consultation the Guide has been developed and published and is now implemented.	<p>The Guide is provided in Annex 5 – and multiple meetings have been held through schools fora to seek input on and assist in the implementation of this guide.</p> <p>Ongoing attendance and schools training will provided through the following fora: Schools Finance and Premises Groups as well as an inter-link with the Secondary Schools and Primary Schools liaison groups - facilitated by the Education department.</p>	Sep 23	Chris Williams / Kelly Small
COMPLETE, IN PROGRESS OR NOT COMPLETED					
Progress: Complete					
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	The UK and Welsh Governments have organised multiple information sharing events to chart the progress of the legislation, however, the legislation has not yet been finalised (particularly its statutory guidance), so it is not possible to comment on the impact at this time.	Review upon publication of the final legislation and the accompanying statutory guidance. It is likely that there will be significant impact arising from the legislation, e.g. enhanced reporting and statutory requirements relating to the well-being of future generations agenda, so this will be further reviewed.	May 24	Chris Williams
COMPLETE, IN PROGRESS OR NOT COMPLETED					
Progress: In progress / dependent on publication of statutory guidance and outputs required					

	Recommendation	Action already being undertaken	New Action Proposed	Timescale	Responsible Officer
7	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	<p>A new website link has been created to assist Swansea based companies – part of a wider SME engagement programme of activity undertaken by colleagues in the Economic Development and External Funding Team.</p> <p>Also the core role of Sell2Wales has also been reviewed by both the UK and Welsh Governments (as part of the legislation review noted above) and its central role is to be maintained and strengthened (detailed proposals are awaited).</p>	<ul style="list-style-type: none"> • https://swansea.gov.uk/tenderingoopportunities <p>on-going work to promote this link via Economic Development, e.g. via the Council’s social media platforms to make local businesses aware of such opportunities (see Annex SME for an example of this work).</p> <p>We will also work with the Welsh Government and its agent partner Business Wales to maximise links with local businesses, e.g. through the provision of tendering workshops.</p>	Sep 23	Alyson Davies, Economic Development and External Funding Team
<p>COMPLETE, IN PROGRESS OR NOT COMPLETED</p> <p>Progress: Review complete / integrated into ongoing activity</p>					

Recommendation		Action already being undertaken	New Action Proposed	Timescale	Responsible Officer
8	Cabinet maximises opportunities to involve service users and citizens in the procurement process which will lead to more collaborative, co-produced services.	This work is fully integrated into the standard processes of the Council and backed by statutory obligations.	<ul style="list-style-type: none"> In addition the Council has commissioned independent experts to review this matter further with new policy and processes to be finalised - a draft policy is currently being consulted on - Coproductioin policy - have your say - Swansea 	Apr 24	Rhian Miller
<p>COMPLETE, IN PROGRESS OR NOT COMPLETED</p> <p>Progress: Complete / development work ongoing</p>					
9	Cabinet continues the work to address any areas of non-compliance in Council procurement activity	Commercial Services to further review all such activity; CMT has been briefed and this matter raised as part of the annual 'senior management assurance statement' and programme	Further audit work initiated to further explore this important area, to provide further info and assurance of the activity in this area, which will be reported to the Corporate Management Team and regularly monitored with audit recommendations reviewed at Audit Committee.	Jan 24	Chris Williams with input from Internal Audit
<p>COMPLETE, IN PROGRESS OR NOT COMPLETED</p> <p>Progress: In progress</p>					

	Recommendation	Action already being undertaken	New Action Proposed	Timescale	Responsible Officer
10	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	A significant degree of activity has historically been undertaken by the Council, and coming out of the pandemic further review of this important interaction with external partners was requested.	<p>Please find attached in Annex 6 an overview of recent and planned activity relating to this important topic during this calendar year.</p> <p>Opportunities for engagement with the supplier base will be consistently sought not least because this typically increases the number of tenderers for Council opportunities and also provides new opportunities for local businesses.</p> <p>This matter will be progressed in tandem with the actions outlined in recommendation 7.</p>	Jan 24	Chris Williams
<p>COMPLETE, IN PROGRESS OR NOT COMPLETED</p> <p>Progress: initial review complete</p>					

	Recommendation	Action already being undertaken	New Action Proposed	Timescale	Responsible Officer
11	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	The Council is engaged in multiple relevant working groups, particularly working via the WLGA.	This work to be integrated into recommendation 4 (above) - the Council is an active participant in all-Wales fora and for example the head of commercial services is chair of the North, Mid and West Wales (inc Bridgend) WLGA commercial delivery group. The Welsh Government, WLGA and the Office of the Future Generations Commissioner are all aligned in working to meet the outcome desired from this recommendation.	Jan 24+	Chris Williams
<p>COMPLETE, IN PROGRESS OR NOT COMPLETED</p> <p>Progress: participation is ongoing therefore the core action is complete although it is likely to take some time to deliver a functioning system at the all-Wales level given the wide variety of public bodies involved.</p>					
12	Cabinet increases the level of training for new starters by making procurement training a mandatory module for those involved in any procurement activity.	Dialogue has been entered into with the HR Department and the development of a procurement training module has been agreed. This proposed content of this module has been delivered via a number of training sessions to test its content.	The switch to a new IT system has meant that the development of the module is still underway. HR colleagues are involved, and it is hoped that the module will be live to by January once the relevant 'web authoring' component is complete'. Annex 7 contains the information proposed as content for the module and which is used in current training.	Jan 24	Chris Williams
<p>COMPLETE, IN PROGRESS OR NOT COMPLETED</p> <p>Progress: In progress</p>					

	Recommendation	Action already being undertaken	New Action Proposed	Timescale	Responsible Officer
13	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.	Please see the actions noted above with regard to the schools guide	The structure of the interaction with Schools has now been developed along with the Schools Guide noted in recommendation 5. Commercial Services is working with established groupings and with the Education Directorate and will evolve this approach as required. One initial aspect of this work that will be further reviewed is the training course provided to new Head Teachers, to see if that may be enhanced with further procurement knowledge and practice-related content and/or integration with the online procurement module noted in recommendation 12.	Apr 24	Chris Williams
<p>COMPLETE, IN PROGRESS OR NOT COMPLETED</p> <p>Progress: completed, but will be subject to further review and development</p>					

	Recommendation	Action already being undertaken	New Action Proposed	Timescale	Responsible Officer
14	Cabinet focus on reviewing documentation and contract design to further encourage SMEs locally to tender for Council works	This work is integrated into the daily activities of the Council.	This work is also now integrated into Recommendation 1 (above) - the development of local suppliers is a core part of that recommendation, and putting in place one clear system to manage such work is considered vital to success.	As for R1	Chris Williams
<p>COMPLETE, IN PROGRESS OR NOT COMPLETED</p> <p>Progress: in progress</p>					