



City and County of Swansea

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

Remotely via Teams

Monday, 13 September 2021 at 10.00 am

Present: Councillor C A Holley (Chair) Presided

Councillor(s)

M C Child
J W Jones
M Sherwood

Councillor(s)

P Downing
I E Mann
T M White

Councillor(s)

E W Fitzgerald
B J Rowlands
P K Jones

Other Attendees

Mark Child

Cabinet Member - Adult Social Care & Community Health Services

Louise Gibbard

Cabinet Member - Supporting Communities

David Hopkins

Cabinet Member - Delivery & Operations (Deputy Leader)

Officer(s)

David Howes

Director of Social Services

Jane Whitmore

Strategic Lead Commissioner

Christopher Francis

Commissioning and Care Services

Lee Morgan

Digital and Transformation

Chris Williams

Head of Commercial Services

Michelle Roberts

Scrutiny Officer

Apologies for Absence

Councillor(s): L R Jones, E J King and A Pugh

1 Disclosures of Personal and Prejudicial Interest

None

2 Prohibition of Whipped Votes and Declaration of Party Whips

None

3 Minutes and responses to follow up questions

The Minutes from the previous Panel meeting on the 16 August 2021 were agreed.

The Panel received the further information they had requested following the meeting on the 16 August. After looking at this information they raised the following:

- Social value – the Panel will look at this aspect further
- Role of the Planning Ecologist in Sustainability Statements

The Panel have asked further information from the Place Directorate on:

- What the role the Planning Ecologist plays in the Sustainability Statements? The Panel understand that a Biodiversity Officer is involved but they feel that the Ecologist could be involved because they are able to assess whether the contractors are serious about the issues, are committed to taking them forward and could also monitor that the commitments made have been taken forward.

4 Public Questions

One Public Question was received:

I am concerned with the lack of provision of housing for the Learning Disabled community. Is the council using the best/ most ethical companies for LD housing? Example – gentleman aged 44 still waiting for supported living within his own community.

Reply from Social Services Directorate

All of our service providers are charitable or not for profit organisations who are experienced in LD design and development. We actively encourage tender submissions from not for profit organisations and are working with regional partners to develop approaches to commissioning services which promote social value and similar ethical considerations.

We have systems in place for assessing accommodation needs and developing appropriate housing, care and support solutions. We are also developing a regional policy to ensure the support and accommodation needs of young people transitioning from children's services to adult services are anticipated. This will help to achieve more effective future planning. We are currently exploring the possibility of re-shaping some of our existing specialist adult Learning Disability services so that they can offer care and accommodation to younger people. This may expand the range of accommodation options available.

New opportunities are sometimes dependent on the availability of capital grant funding from Welsh Government as well as property that is suitable for adaptation, or availability of land for new build within the county. In some instances the mix of people within a shared setting is considered integral to the longer term wellbeing of tenants and these considerations can sometimes lead to delays in finding suitable options. However, we presently manage over 100 properties accommodating over 250 people. Later this year an additional 8 x 1 bedroom flats, and a further 4 beds within a shared house will become available. I am advised by colleagues that this is more than any other LA in Wales.

5 Procurement in the Social Services Directorate

The Panel thanked Cabinet Members Mark Child, David Hopkins and Louise Gibbard, and Officers Dave Howes, Jane Whitmore, Lee Morgan, Chris Williams and Christopher Francis for attending the meeting and providing the information the Panel requested that relates specifically to the Social Services Directorate.

The following was noted from the discussion (a copy of the full report provided will also be included in the Inquiry Evidence Pack):

- We have a large spend in Social Services particularly in adult social services. It is called Commissioning rather than contracting. We have the statutory responsibility for most of the services that we do Commission, but a substantial proportion of those services are delivered by independent organisations.
- It is at times a difficult market to operate in for providers, their margins are narrow and it has been particularly difficult over the last year. It tends to be a different relationship we have with them to a normal contractual relationship we might have in other parts of the Council.
- Some of the problems we are experiencing at the moment, as an example, the stability of the domiciliary care markets. They are experiencing real pressures being able to meet demand and similar for our in house services. What we are experiencing right now is that of fragility, particularly the external market. It is leading to us having to step in at very short notice. When we are already really stretched it is really difficult for us.
- We do not tend to have purely contractual arrangement with organisations but a more of a co-productive approach. That is good but it does mean that we have to step in and support organisations much more actively than we would perhaps need to with other sorts of contractual arrangements.
- Our resources to meet care and support needs in both health and social care are stretched in ways that we have never experienced historically. This has been compounded by experiencing issues around workforce being impacted directly by COVID. This is having a huge strain on our services and the sector. Staff are also exhausted, staff are leaving health and care services and where we already have got huge competition for that workforce this is difficult. It is still a low paid workforce, Welsh government have expressed ambition to do something about this.
- The services in this directorate are about people so it is different from buying goods. In 2018 the authority created a virtual commissioning hub that brings all of our Commission and contracts within the different teams across the directorate together. This is to make sure that we can build capacity across all elements of that Commission and the cycle. It also helps when analysing what the market looks like? What the current situation is and needs planning done around? How we would meet that need and then thinking about how we could do it in different ways.
- There has been a huge amount of work done since there so 2016 around non-compliance to ensure that social care contracts are compliant with the County Council contract procedure rules and the public contract regulations. We do have a huge amount of contracts, around 133 at this point. Currently about 8 are non-compliant and have had a waiver for a period of time (this is usually for 1 year), we do not renew those waivers. We do also work closely working with the National Commissioning Board around Social Care Wales.
- Contracts are refreshed regularly and have ongoing monitoring.

- There is a piece of legislation or guidance to come in this month (September) that will now look at those exit strategies after Covid as we taper down support. But again, it is a very much of a moving beast as things move so quickly.
- The legislation will also give some high level principles about working through and reviewing our contractor arrangements and looking closely at the contracts. If there has been some really good innovation and different things that we have done over the COVID period then we need to consider that moving forward.
- We do ensure that there is a consistency of approach in alignment with the Council strategies and objectives, it is discussed in our people commissioning group. This includes bringing in adult services, children, services, prevention services, education and housing to make sure that we can have that consistent approach for the residents of Swansea. We also look at where we can join up some resources and grant funding opportunities.
- Grant funding has its own approval processes, which is slightly different and are on top of revenue funding.
- When we work through the commissioning process we look at Contract Procedure Rules and other relevant policy as well as considering things like the Wellbeing and Future Generations Act. Also other regional drivers including social value and community benefits, this is all included in the tender packs as well.
- We have the standard terms and conditions that look at social value, community benefits, modern slavery, Welsh language, equal opportunities and safeguarding. So if a contractor failed one of those they would not be able to operate a contract. We do 'meet the buyer' events to ensure those contractors understand the requirements.
- We make sure that all of the public sector equality duties are met. IIA process for screening are put on full reports.
- Training on procurement and tendering is done jointly, commissioning and procurement training done together for teams across the directorate.
- We are under the normal audit procedure for the Council, but we do have external audit requirements in terms of the large grants, mainly the housing support grant and the children communities grant, and that is carried out by West government.
- In terms of Brexit (and in conjunction with Covid) we have experienced some supply issues and currently a shortage of HGV drivers. Some issues in terms of some supplies, for example, with the joint equipment store having longer lead in times, especially for some key equipment which has a knock on effect of delaying discharges from hospital etc. But there is a national viewpoint on this led by the NHS supply chain in Wales so we are looking to use our collective buying power to see how we can address this.
- As far as working with Health, we are working more closely with Health following Covid which has been positive, but it is still a journey and there is still a way to go.
- In terms of when we award a contract we do not necessarily award to the lowest bidder because of the nature of the contracts that we provide. As it is services to people we provide rather than a product we look at 70% of the contract award

being about quality of service. So that we are making sure they are applying with all of the requirements fully and that they are registered in the proper way.

- Monitoring of compliance is built within the contract specifications. When we award we have an inception meeting that talks to the provider in terms of managing expectations between both parties. Compliance will be monitored regularly, some quarterly but many more frequently that, depending on the type of contract.

The Panel have asked for the follow up information below to be supplied to a future meeting of the Panel:

1. Standard Terms and Conditions for Contracts (Social Services)
2. Membership of the Commissioning Group
3. How many contracts not compliant and the current position
4. Update of figures in table 3.5
5. What will the effect of the new NI contributions on Social Services, staff and providers (positives/negatives)?
6. Details of the Real Living Wage and the impact on the Council and providers (positive/negatives)
7. Link to the Legislation mentioned provided

6 Inquiry Project Plan

The Panel agreed to add Business Wales to the evidence gathering meeting on the 10 November.

The meeting ended at 11.40 am

Chair