

Caerphilly Public Services Board Well-being Plan Performance Report

7 monthly report Oct 2021 – April 2022

E2 - Procurement

Positive Change - A shared commitment to improving the way we work together to develop a modern, flexible and innovative approach to procurement.

The proposed work also has the potential to support and contribute to other Action Areas, and links are being made to these Groups. There is particular synergies with the Apprenticeships, Asset Management, Job Growth and Employability Support and Resilient Communities Groups.

The work will make contributions towards a Prosperous, Resilient, Healthier, Cohesive and a Globally Responsible Wales.

Ian Evans

25/05/2022

Performance Levels

Performance measures where identifiable	Is there a risk this will not be achieved?
Food Procurement and Strengthening Local Supply Chains	No
New Build Construction and Green Retro Fit	No
Simplifying and sharing Best Practice (Procurement Policy/ Contract Procedural Rules).	No
Manufacturing Deep Dive to explore potential to re-localise spend currently outside of Wales.	No

Quantifiable measures	Is there a risk this will not be achieved?
Develop a collective approach to maximising the impact of Food Procurement, including: Local Employment; Strengthening Local Supply Chains; Carbon Reduction & Wider Environmental Objectives; Strategic Regional Approach to Food Procurement Policy. Collaborative Analysis of baseline Spend. Learning & Exploring Opportunities.	No
Exploring potential collaboration on existing housing stock and planned new build. Understand and maximise the potential of the local supply chains & local markets, including: Social Value (Economic recovery & reform post-Covid); Skills and Employment Opportunities; Fair Work / Living Wage Agenda; Decarbonisation Agenda; Manufacturing Capacity (National and Local); SMEs/Micro-Business Sub-contracting Opportunities.	No
Streamline and develop approaches to Contract Procedural Rules and strengthen links with Economic Development/ Business Support activity. Enhance opportunities for Local Suppliers (incl. SMEs/Micro-Businesses etc.); Increase visibility of Local Suppliers (incl. development of a Gwent Supplier Directory); Supplier Engagement Processes.	No
Explore the contracts which constitute 'leakage' (i.e. spend with Suppliers based outside of Wales) in the manufacturing sector. Understand the potential for local Suppliers to meet demand, or the support needed for local Suppliers to repurpose or new business development activity to achieve this objective. Original spend data analysis identified that the manufacturing sector was one of the highest areas of 'leakage'.	No

Evidence

Priority	Comment
Food Procurement and Strengthening Local Supply Chains	Circa 20 meetings have been held from October 2021 to April 2022. These include (but not limited to) Food in Schools, Universal FSC, Foundational Economy, Monmouthshire Food Resilience, WLGA & Welsh Government. Additional meetings held with Suppliers re: supply and cost pressures.
New Build Construction and Green Retro Fit	Representatives meeting on a regular basis via various forums to discuss New Build Construction and Green Retro Fit. This includes representatives from Procurement, Property, Housing, Education and the wider Construction sector. Forums include (but not limited to): The South East & Mid Wales Collaborative Construction Framework, Welsh Procurement Alliance.
Simplifying and sharing Best Practice (Procurement Policy/ Contract Procedural Rules).	Meetings held on 20 October 2021, 18 November 2021, 18 January 2022, 17 February 2022 and 17 March 2022. Future meetings also planned.
Manufacturing Deep Dive to explore potential to re-localise spend currently outside of Wales.	Meeting held with representatives of Welsh Government on 21 March 2022 to discuss supply chain mapping in relation to manufacturing.

Key Tasks

Ref	Task	Progress
3.1	Develop a common approach to considering wider social, economic, cultural and environmental value. Using Themes, Outcomes and Measures (TOMs). Understand what social value outcomes organisations are seeking to achieve or influence via food procurement.	On 20 January 2022 the Director of Commercial & Procurement within Welsh Government announced a review on the scope and understanding of the term Social Value on a national basis. Social Value is a broad term that has been used to describe the social, environmental, cultural and economic impacts of actions taken by communities, organisations, governments and individuals. Procurement is one of many powerful levers that has the ability to deliver Social Value outcomes for the well-being of Wales. Welsh Government commissioned the services of Wales Co-operative Centre

		(now known as Cwmpas) to map the current Social Value landscape, including the various tools available to the Welsh Public Sector. Interview undertaken with Cwmpas on 15 February 2022 and a workshop on 4 April 2022.
3.1	Develop a collaborative analysis of baseline spend on food (by product as opposed to sector specific) ascertain commonality on spend and any emerging quick-win opportunities.	Caerphilly CBC are the lead organisation on food procurement on behalf of the WLGA and other public sector bodies. Working is continuing in this area across the Welsh Public Sector in conjunction with Welsh Government Food Division and Foundational Economy Teams. This initiative titled : Covid-19 Rapid Recovery Plan: Public Procurement 2021/22. The aim is to increase the volume of Welsh products available for schools, hospitals, universities, colleges and other public sector bodies. Additional work being taken forward in relation to supply and cost pressures associated with food.
3.1	Explore opportunities to learn from and engage with organisations current data (combining data on: production, supply dynamics, demand (public plate, hospitality and citizens), land etc.).	There is a shared aspiration to collate information to produce meaningful food related data across the Gwent geography and pan Wales and use this to produce a gap analysis and a common structure. Caerphilly, Torfaen and other organisations have shared information on data and approaches to local and national food projects and initiatives.
3.2	Project pipeline collaboration to include: Mapping of current and potential contractors and gap analysis; Consistent approach to decarbonisation and capturing and leveraging social value via Themes, Outcomes and Measures (TOMs); Develop options to maximise local social and economic impact as driver for local economic recovery and reform post-Covid, to include: Plurality of supply chain (generative businesses) and simpler model for SMEs/micro-business to access sub-contracting opportunities; Coordination to ensure smoothing out of demand	This work stream is being considered via the WLGA South East Wales (SEW) Delivery Group. It should be noted that certain anchor institutions of the PSB are not associated with the SEW Delivery Group e.g. NRW, NHS. However, there will be opportunities to discuss this work stream with representatives of those organisations via the National Procurement Network.

	(avoiding boom and bust for contractors whilst maximising opportunities for business and employment growth) in a mixed model of provision (DLOs plus procured contractors); Fair work / living wage agenda; Skills and employment opportunities.	
3.2	Establishing the potential to link local manufacturing capacity to new build programmes: Establishing the potential pipeline across anchors; Linking Welsh Timber production and manufacturing to modular new build; Local manufacturing capacity for recycled plastic components.	Welsh Government leading on a national approach titled: Health of the Sector – Manufacturing, Engineering, Technology. Online Survey (with c.700 businesses) : 13 April to 31 May 2022. Deep-dive interviews (with a limited number of businesses) : May 2022. This data will be reviewed in Q2 with results in Q3 and an updated Manufacturing Action Plan later this year. Please note the timelines and associated information is with Welsh Government.
3.3	Streamline and develop contract procedure rules and practice in relation to lower value contracts e.g. below £25k, below £50k. Consistency of approach re specifying local contractors; Improve visibility of local suppliers and procurement opportunities; Explore the current approaches to business support and opportunities to give more equal weight to the social and solidarity economy; Develop a joint statement of intent for consideration / approval at PSB level; Share information and best practice across Gwent Cluster.	Information submitted and collated by CLES on the participating organisations Standing Orders for Contracts/ Contract Procedural Rules and approaches to sourcing from local supply chains and publicising opportunities. Best practice shared across the PSB on different approaches. It is anticipated that the wider UK and Wales Procurement reform agenda will aid this specific workstream.
3.3	Seek to improve coordination across business development functions (supported by intelligence from procurement) to consolidate/streamline supplier engagement processes.	Business as usual in Caerphilly CBC and best practice being shared.

3.4	The aim of this working group will be to explore the contracts which constitute 'leakage' (i.e. spend on suppliers based outside of Wales) in the manufacturing sector and the potential for existing local suppliers to meet this demand, or the support needed for local businesses to repurpose or new business development activity to achieve this objective.	Spend analysis data submitted to CLES. Organisations can identify spend by commodities such as manufacturing with suppliers outside Wales. There was had been limited progress with this work stream. However please refer to work stream being progressed via 3.1. above and specifically Project pipeline collaboration via the WLGA SEW Delivery Group.
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Conclusion

The areas of focus agreed by the 'Gwent Cluster' was: Food Procurement; Construction and Decarbonisation; Procurement Policy and Manufacturing Deep-Dive. It is important to highlight that at the outset of the project certain tasks and priorities were subject to change as the programme develops and also taking into account other similar programmes that Procurement practitioners are actively participating on a local, regional and national basis. There has been progress in relation to all four areas of focus, however that progress is not specifically attributed to the CLES project alone. A number of representatives from organisations within the Gwent Cluster participate in other collaborative forums in relation to Food Procurement, Construction & Decarbonisation and Procurement Policy. These are areas of specific interest to Welsh Public Sector bodies and are actively being progressed. Manufacturing is currently being progressed via Welsh Government as outlined in the key tasks stated above. The CLES project and funding has concluded and a draft report has been produced, however the next steps are to be confirmed.

Community Wealth Building & Progressive Procurement contributes to the 7 Well-being Goals: A prosperous Wales, A resilient Wales, A healthier Wales, A more equal Wales, A Wales of cohesive communities, A Wales of vibrant culture and thriving Welsh language, A globally responsible Wales.