

Caerphilly Public Services Board Well-being Plan Performance Report
6 Monthly Report – May to October 2022

E2 - Procurement

Objective 1 - 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

12/12/2022

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 and possibly other sectors. 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	Several meetings have been held from May - October 2022. These include (but not limited to) Food in Schools, Universal Free School Meals, Foundational Economy, Welsh Local Government Association (WLGA) & Welsh Government. Additional meetings held with Suppliers re: supply and cost pressures and information on supply and cost pressure issued on a monthly basis via National Procurement Network.
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, SCAPE, Welsh Procurement Alliance.
Simplifying and sharing Best Practice (Procurement Policy/ Contract Procedural Rules).	Standardised Terms & Conditions produced by a specific working group in conjunction with Blake Morgan LLP. Further work being considered on standardising on Standing Orders for Contracts/ Contractual Procedures.
Manufacturing Deep Dive (including other Commodities) to explore potential to re-localise spend currently outside of Wales.	Awaiting further information from Welsh Government. However, the Council is further exploring opportunities in conjunction with Simply Do and the use of Data Analytics and Simply Do's advanced technology platform.

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.	Cross sector Social Value Working Group established by Welsh Government. The group will seek to address the current 'social value landscape' that exists in Wales. Three meetings held between May-October 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. 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.).	The Council is looking to grow internal data analytics, Power Bi and search capabilities in order to solve problems related to supplier voids. In particular, an overarching aim is to ensure that Council is sourcing suppliers from local and surrounding areas, where possible, and helping potential suppliers in adjusting or growing their processes to be more fully compatible with the needs of Council. Draft dashboard produced and working with Simply Do on the next steps.
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 (avoiding boom and bust for contractors whilst maximising opportunities for business and employment growth) in a mixed model of provision (DLOs plus	Contract Pipeline developed in conjunction with WLGA, Welsh Government and other members of the National Procurement Network. The pipeline is available via Sell2Wales. 6 weekly National Procurement Network meetings scheduled throughout the year. Other initiatives associated with social value and decarbonisation continue via various forums. Concerns raised in meetings on potential duplication of work across Wales and this has been highlighted to Welsh Government and other bodies. Work stated within 3.1 will also inform this workstream.

	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.	Limited information received from Welsh Government. Council working with Simply Do to further progress this workstream.
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.	Work ongoing. Standardised Terms and Conditions for Goods and Services have been developed and issued to the National Procurement Network. Visibility on spend and local suppliers is progressing and will also be considered via the procurement reform agenda and UK Procurement Bill and Social Partnership Public Procurement (Wales) Bill.
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.	Contract Pipeline developed in conjunction with WLGA, Welsh Government and other members of the National Procurement Network. The pipeline is available via Sell2Wales. Work being progressed via Simply Do and the increased use of Data Analytics within the Council.

Conclusion

The procurement lead is actively involved in Welsh Government's Social Value Working Group to develop a clearer definition for Social Value in a Welsh context. This definition will contain social (including fair work), economic, environmental and cultural elements.

Develop a consistent methodology to measure and report social value within the Welsh public sector. This work will support the development of statutory guidance on the Annual Reporting duty in the Social Partnership and Public Procurement Bill, which will become law in late 2023. Work is developing in conjunction with Simply Do to develop a dashboard that supports the Community Wealth Building and Foundational Economy agendas, identifies voids in the supply chain, aim to further enhance and develop local supply chain (suppliers/contractors) and support the Council to understand our CO2 emissions that's associated with our third party spend. This is aligned to the previous CLES project, however, is specifically for Caerphilly CBC at this time. Once developed best practice can be shared with other public sector bodies on a regional and national basis.

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.