

## Caerphilly Public Services Board Well-being Plan Performance Report

6 monthly report April – Sept 2021

### Enabler E3

#### 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

27/10/2021

## Performance Levels

Performance measures where identifiable	Is there a risk this will not be achieved?
Food Procurement and Strengthening Local Supply Chains	Yes
New Build Construction and Green Retro Fit	Yes
Simplifying and sharing Best Practice (Procurement Policy/ Contract Procedural Rules).	Yes
Manufacturing Deep Dive to explore potential to re-localise spend currently outside of Wales.	Yes

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.	Yes
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.	Yes
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.	Yes
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'.	Yes

## Evidence

Priority	Comment
Food Procurement and Strengthening Local Supply Chains	Meetings held representatives of the PSB Gwent Cluster, CLES and Welsh Government on 27 April, 9 June and 21 September 2021
New Build Construction and Green Retro Fit	Meeting held representatives of the PSB Gwent Cluster, CLES and Welsh Government on 7 July 2021
Simplifying and sharing Best Practice (Procurement Policy/ Contract Procedural Rules).	Meetings held representatives of the PSB Gwent Cluster, CLES and Welsh Government on 6 July, 12 & 17 August 2021.
Manufacturing Deep Dive to explore potential to re-localise spend currently outside of Wales.	Meeting held representatives of the PSB Gwent Cluster, CLES and Welsh Government on 20 May 2021.

## 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.	TOMs implemented within Caerphilly CBC via the Council's Social Value Policy, which was agreed by Cabinet in July 2021. The TOMs are aligned to the 7 well-being goals and lead Officers actively involved in the National Social Value Taskforce for Wales. It is envisaged that a subgroup will be established to formalise specific TOMs for future food procurements.
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. Information provided to CLES on baseline spend and commodity specific products.
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.).	Meetings held with representatives of the PSB Gwent Cluster, CLES and Welsh Government. An example is the data platform used in Monmouthshire called Asterio. There is a shared aspiration to collate information to produce meaningful food related data across the Gwent geography and use this to produce a gap analysis and a common structure. Caerphilly, Torfaen and other organisations have shared

		information on approaches to local food projects and data.
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 procured contractors); Fair work / living wage agenda; Skills and employment opportunities.	Limited progress in the last 6 months. Concerns have been raised with CLES and Welsh Government.
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 progress in the last 6 months. Concerns have been raised with CLES and 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;	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. Meetings now include representatives from organisations economic development/ business development and support.

	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.	
3.3	Seek to improve coordination across business development functions (supported by intelligence from procurement) to consolidate/streamline supplier engagement processes.	Meetings now include representatives from organisations Economic Development/ Business development and support. Best practice.
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 has been limited progress in the last 6 months. Concerns have been raised with CLES and Welsh Government.

## Conclusion

The areas of focus agreed by the 'Gwent Cluster' are: 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. There has been progress in relation to Food Procurement and Procurement Policy, however there has been limited progress with the Construction and Decarbonisation and Manufacturing Deep Dive. This has been discussed with CLES and Welsh Government. An application for funding to secure additional resource to support the programme has been submitted via Caerphilly to Welsh Government and we are awaiting the outcome at the time of this report.

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. This report is presented to the PSB on 27 October 2021.