

Date of Meeting	Item	Members wished to make the following comments and conclusions:	Response/Comments
	Procurement Update	<p>Members were concerned that the Authority were not signed up to the Code of Practice -Ethical Employment in Supply Chains and recommended officers undertake a review of the full implications of the Authority signing up to the code, including the cost to the Authority for paying the Real Living Wage and report the cost implications back to Members.</p>	<p>A review will be needed to consider the finance and resource implications of implementing the other commitments within the Code. The new National Minimum Wage will reach £9.00 per hour by 2020. The Council is on course for this, and budget provision has been made. It is known that this will cost an extra £800K per annum. It is unknown however is the cost of adjusting the grades in terms of "relativities" – work is being undertaken but is at an early stage. This will mean opening up the collective agreement with the trade unions and so the developments on the NJC spc at national level need to be factored into this. The Real Living wage (to which the ethical code aspires) is currently £8.75 per hour [the current national minimum wage being £7.50]. Already £1.25 an hour higher than the NMW but there is no information on what level it may be set at by 2020. It is proposed to keep Scrutiny informed as progress is made.</p>
<p>Members recommended that when undertaking the Procurement Business Review that the Authority state in the procurement specifications that they support ethical employment, and did not support the following:</p> <ol style="list-style-type: none"> 1. Gender disparity in relation to pay and career opportunities 2. Zero hour contracts except in exceptional cases 3. Suppliers who do not allow their employees to join a trade union 		<p>Our current contracts contain the following clause: "The Provider shall ensure compliance with all applicable employment legislation, including any relevant regulations, directions or guidance in force during the term of the Agreement. In particular the Provider shall comply with the provisions of the National Minimum Wage Act 1998 and shall ensure all relevant working time as referred to in said Act is included in calculations for compliance with the National Minimum Wage and Working Time Regulations 1998." This clause would cover the gender disparity and trade union issues mentioned.</p> <p>We do not specifically exclude the use of zero hours contracts. In some circumstances the use of zero hours contracts is legitimate. In certain sectors their use is justified and imposing a prohibition on their use could mean we don't attract the providers needed.</p>	
<p>The Committee recommend that Officers look to pursue best practice with other Local Authorities in relation to procurement software packages that identify due diligence and signpost Officers to Due North. Members recommended that as part of the Corporate review process that a mechanism be put in place to support the local economy when procuring contracts and ensure that the contract is efficient, fit for purpose provides value for money and the Authority do not just sign a contract with those suppliers offering the lowest price.</p>		<p>All procurements are tendered on the Most Economical Advantageous Tender (MEAT) - this includes criteria for quality and price. We do not contract purely on price unless we have included a high quality specification in the pre qualification stage. The authority currently utilises up to date software packages - the etenderwales portal - Bravo Solutions- this is the same type of procurement portal as Due North. Recently we have been contacted by another authority to share our best practice on procurement and the etenderwales portal we utilise.</p>	
<p>Members requested the following further information from Officers</p>		<p>Response/ Comments</p>	
<p>What percentage of contracts awarded are offered to local businesses and welsh based businesses</p>	<p>From 1st October 2016 of the contracts which have been procured through the corporate procurement unit, 44% were awarded to local businesses and 19% are welsh based businesses.</p>		

05-Oct-2017	How many Local Authorities in Wales have signed up to the Code of Practice – Ethical Employment in supply Chains, and of those signed up how many pay the voluntary Real Living Wage as set by the Living Wage Foundation which is calculated on actual living costs	We do not have this information at present.
	What Strategic Overview is undertaken for large scale contract awarding to ensure due diligence such as reputational issues of suppliers, past performance and engagement and consultation with other Local Authorities.	Procurement utilise the Welsh Government supplier qualification information database (SQuID) as a standard template for assessing bidders. For large scale contracts our finance department assess financial standing of bidders and there is a panel for evaluations consisting of procurement, finance, technical and operational staff to ensure due diligence.
Rationalisation of the	Members wished to make the following comments and conclusions:	
	Members recommended that the Authority engage with the local community, including Town and Community Councils before council owned buildings are demolished and allow an opportunity to retain the heritage of the Community. Members recommended that a written plan be drawn up well in advance with clear timelines on the consultation period so that all consultees are clear on the timings involved in the process.	In the event that it is disposing of buildings with heritage features which may be of interest to the local community, Property Services can incorporate contact with the Town and Community councils, within its marketing strategy.
	Members were concerned that there was a lot of land in the Borough that had been left in a poor visible state after the building had been demolished but not disposed of. The Committee supported the Directorates desire for Welsh Government intervention to aide with making communities more aesthetically pleasing when a building has been demolished.	Property Services will establish whether there are opportunities to work with the Welsh Government to seek support in improving the physical appearance of the environment in the vicinity of its demolished properties.

	<p>Councils Estate</p>	<p>Members recommended exploring the opportunity of generating Apprenticeship opportunities during the procurement process. Members recommended that this could be made a part of the contract when companies bid for properties/ land.</p>	<p><u>Response from OPS Directorate</u> The Directorate as a whole support the Apprentice programme. We are currently seeking to support 5 new apprentices internally. The requirement to provide "Community Benefits, Targeted Recruitment and Training Requirements" has been included within tenders where appropriate. It has been included in the procurement process for school builds. In general the requirement is that for every £1m spent 52 weeks employment and training opportunities must be provided by the contractor. Below are examples of where this has been successful.</p> <p>Pencoed Primary School Betws Primary School Brynmenyn Primary School Porthcawl Town Beach</p> <p><u>Response from Communities Directorate</u> Property Services can encourage purchasers to include apprenticeship opportunities within their development programmes but will not be able to enforce as part of a sale contract.</p>
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