

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO CABINET

14 SEPTEMBER 2021

REPORT OF THE CHIEF OFFICER – LEGAL, HR & REGULATORY SERVICES

REVISED SOCIALLY RESPONSIBLE PROCUREMENT STRATEGY, ADOPTION OF THE MODERN SLAVERY STATEMENT AND UPDATE ON THE RESPONSE TO THE RECOMMENDATIONS OF THE PROCURING WELL-BEING IN WALES REPORT

1. Purpose of report

- 1.1 The purpose of this report is to seek Cabinet approval for the adoption of the Socially Responsible Procurement Strategy and Modern Slavery Statement to take effect from 1 October 2021 and update Members on the response to the recommendations of the Procuring Well-being in Wales – Future Generations Commissioners for Wales' Section 20 Procurement Review Report.

2. Connection to corporate well-being objectives / other corporate priorities

- 2.1 This report assists in the achievement of the following corporate well-being objective under the **Well-being of Future Generations (Wales) Act 2015**:-

Smarter use of resources – ensure that all resources (financial, physical, ecological, human and technological) are used as effectively and efficiently as possible and support the creation of resources throughout the community that can help to deliver the Council's well-being objectives.

3. Background

- 3.1 The Council delivers its services directly through its own workforce, private and third sector organisations. The Council spends over £186 million a year procuring a diverse range of goods, services and works with over 4,000 suppliers and contractors.
- 3.2 The Council has a responsibility to manage public money with probity, to ensure that value for money is achieved and to manage it in such a way that we can support wider Council objectives.
- 3.3 In order for the Council to fulfil their responsibility and deliver the Council's objectives a Procurement Strategy and Delivery Plan is required.
- 3.4 The current procurement strategy is out of date and requires a full review of the vision of procurement across the Council, including the consideration of changes to legislation and new and updated policies and initiatives.

4. Current situation/proposal

- 4.1 The Socially Responsible Procurement Strategy ("the Strategy") at **Appendix 1** to this report builds on the previous procurement strategy that established the

adoption of category management to improve procurement performance across the Council.

It sets out the Council's key procurement priorities through to 2024 and the key changes that it will make to improve the management of its external spend on goods, services and works. The Strategy is focused on the delivery of seven broad over-arching Organisational Procurement Objectives:

- Making procurement spend more accessible to local small businesses and the third sector.
- Improving Fair Work and Safeguarding practices adopted by suppliers.
- Increasing community benefits delivered by suppliers.
- Contributing to the Council's aim to be a Carbon-Neutral Council by 2030.
- Securing value for money and managing demand.
- Ensuring legal compliance and robust and transparent governance.
- Promoting innovative and best practice solutions.

4.2 The Strategy has been informed by the Council's corporate plan, Welsh Government and UK legislation and policy including the Wales Procurement Policy Statement, Well-being of Future Generations (Wales) Act 2015 and the draft Social Partnership and Public Procurement Bill (2021).

4.3 In particular, the Strategy places an increased emphasis on the delivery of economic, social, environmental and cultural well-being objectives relating to progressive procurement, such as the Foundational and Circular Economy, and preventing climate change by prioritising carbon reduction and zero emissions through more responsible and sustainable procurement.

4.4 The delivery of this Strategy will be managed through a delivery plan with progress reported by the Chief Officer – Legal, HR & Regulatory Services on an annual basis to the Corporate Management Board. The delivery plan will include detailed actions and KPIs.

Modern Slavery Statement

4.5 The Council will publish an annual Modern Slavery Statement setting out our commitments to ensuring modern slavery and human trafficking have no place in our business and supply chains.

4.6 The Modern Slavery Statement at **Appendix 2** to this report sets out the commitments we are making to manage and minimise the risk of slavery or trafficking occurring within day to day operations.

Response to the recommendations of the Procuring Well-Being in Wales – Future Generations Commissioners for Wales' Section 20 Procurement Review Report

4.7 In March 2020, the Council was one of nine public sector bodies that participated in the Procuring Well-Being in Wales - Future Generations Commissioner for Wales' Section 20 Procurement Review.

4.8 In March 2021 the Future Generations Commissioner for Wales published the Section 20 Procurement Review Report that highlighted key recommendations.

Based on the research and review phase of the Commissioner's procurement work, they identified some areas of strength, as well as further opportunities for development, when considering our contribution to the seven well-being goals and organisational well-being objectives and using the five ways of working to think differently about our approach to procurement.

4.9 A key strength for the council is the long-term approach to working collaboratively with the commissioning teams, considering the outcomes procurement can deliver.

4.10 An action plan has been developed to implement the main recommendations of the report which shall include:-

- Revise the current Council's Contract Procedure Rules (CPRs).
- Consider and act upon the awaited Welsh Government response to the report including making any necessary amendments to the CPRs.
- Update the CPRs following any changes to the procurement regulations.
- Update the council Pre-Tender Client Information Sheet to specifically request consideration of a Well-Being Impact Assessment, which includes longer-term implications of a purchasing activity.
- The development of the revised Procurement Strategy which shall address how opportunities to include the well-being objectives into procurement processes in line with the Well-being of Future Generations (Wales) Act 2015 can be maximised.
- Reduction in the use of Exemptions from tendering, in order to avoid the same contract rolling over with no opportunity for improved, or new, well-being obligations included in the contract terms.
- Commissioners will be encouraged to use the appropriate quality criteria in the context of future generations and carbon footprint.
- Increase collaboration with the Councils' Economic Development team and continue the existing work with the Centre for Local Economic Strategy initiative.
- Officers in the corporate procurement team will encourage the use of longer term contracting, rather than short term repeat exercises.
- Consideration is being given to amending the Pre-Tender Client Information Sheet Form to greater reflect the Well-being of Future Generations (Wales) Act 2015 and how it could be adapted in the future to take into account any decision made by Welsh Government in respect of the Real Living Wage.
- Continue to explore the use of the Themes, Outcomes and Measures tool (TOMS) in our procurement process.
- Encourage commissioners and key stakeholders to actively take part in internal and external groups in order to share learning and develop best practice.
- Continue with the work on the Cardiff Capital Region City Deal and encourage sharing best practice.
- Continue working with our cluster, Cwm Taf and Bridgend Public Service Boards, to develop an anchor institution with the support from the Centre for Local Economic Strategy.

5. Effect upon policy framework and procedure rules

- 5.1 The Socially Responsible Procurement Strategy is an important document setting out procurement practices and actions the Council will take in respect of its procurements and in line with internal and external policies and procedures.

6. Equality Act 2010 implications

- 6.1 An initial Equality Impact Assessment (EIA) screening has identified that there would be no negative impact on those with one or more of the protected characteristics, on socio-economic disadvantage or the use of the Welsh language. It is therefore not necessary to carry out a full EIA on this policy or proposal.

7. Well-being of Future Generations (Wales) Act 2015 implications

- 7.1 The well-being goals identified in the Act were considered in the preparation of this report. It is considered that there will be no significant or unacceptable impacts upon the achievement of well-being goals/objectives as a result of this report.

8. Financial implications

- 8.1 The strategy is essential not just in providing a strategic direction and framework for the Council's procurement arrangements but in terms of securing value for money and will continue to support directorate savings from the Council's external spend.

9. Recommendations

- 9.1 It is recommended that Cabinet:

- (i) approve and adopt the revised Socially Responsible Procurement Strategy attached at **Appendix 1** to this report to take effect from 1st October 2021;
- (ii) approve and adopt the Modern Slavery Statement attached at **Appendix 2** to this report to take effect from 1st October 2021;
- (iii) delegate authority to the Chief Officer – Legal, HR & Regulatory Services to conduct an annual review of the Modern Slavery Statement, make amendments to that statement as appropriate and publish the Modern Slavery Statement every financial year as required;
- (iv) Note the responses to the recommendations of the Procuring well-being in Wales Report as outlined in Section 4.10 of this report.

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