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JR/ST  
19<sup>th</sup> November 2018  
Richard Dooner  
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**CLILC • WLGA**

Nick Ramsey  
Chair, Public Accounts Committee  
National Assembly for Wales  
Cardiff Bay  
Cardiff  
CF99 1NA

Dear Nick,

## **Public Procurement**

Thank you for your letter of 23<sup>rd</sup> October concerning the follow up to your inquiry into Public Procurement and the National Procurement Service.

We welcome the opportunity to share our views on the findings of the Welsh Government's review. These are appended in the following documents:

1. Statement: "The Future Shape of Procurement in Wales"
2. Report: "The Review of VW and NPS"
3. A guided conversation with Heads of Procurement in Local Government: "The Vision for the Future Shape of Procurement in Wales"

All three documents are contemporaneous with the Welsh Government review and the Gateway review. They represent the views of the officer networks involved rather than a formal WLGA response.

My own officers are presently taking the vision forward positively in collaboration with the Heads of Procurement network in Local Government and with Welsh Government officials.

I trust this provides the assurances required. If you require anything further or have any queries, please contact my office.

Yours faithfully,

**Steve Thomas CBE**  
**Chief Executive**

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## The Future Shape of Procurement in Wales

Much is rightly being asked of procurement in public service. Good supply management can make a big difference to the efficiency and service delivery capability of organisations.

It is best delivered with some form of collaboration among those with common needs and this requires some form of central support. Arrangements set up to do this have been subject to much recent scrutiny in Wales. Some of this scrutiny has become complex.

Welsh Governments review of Value Wales and the National Procurement Service has lately consumed a lot of resource and created a lot of material. Senior Local Government Officers were concerned that their voice was at risk of being lost or misunderstood within the sheer volume. They were also keen that future arrangements be supportive of ongoing initiative and the emerging priorities for procurement. Two reports were compiled to support this:

- **The Review** – a Local Authority Officers perspective of the review and the associated services provided by Value Wales and the National Procurement Service.
- **The Vision** – a Local Authority Officers perspective of future need and resourcing.

In short, the 'ask' from Heads of Procurement was for:

**One joint team going forward, comprising a policy team and a contracting arm.**

This would provide consistency for supply providers, with a common source for the distribution of information and intelligence among collaborating Authorities.

- With a series of coordinated events to support knowledge sharing.
- Supporting an affordable system of professional development and training.
- Providing a funded e-procurement system for Wales; supported centrally and implemented in support of collaboration.

The 5<sup>th</sup> September announcement by the Welsh Government concerning the conclusion of the review of Value Wales and the National Procurement Service is supportive of new arrangements which deliver wider benefits to people and communities. It illustrates that Welsh Ministers have listened to the concerns of Local Authorities and are committed to working with Local Government going forward.

The announcement rightly alludes to having the Local, National and Regional arrangements; which are suitable for purpose. This does not suit a designated structural approach. If we are to have supportive, adaptable forms of provision which continuously adapt and adjust to perform, the structures must be suitably adaptable. National and Local arrangements will be the default positions on which Regional arrangements must either defer to on or improve upon. Regional need will always change because of the nature of what it is that's procured and what procurement does.

The mix is about fit and function. It is driven by the things that make successful business or sustainable non-commercial functional relationships. It will change. It can improve. It must.

**Richard Dooner, Programme Manager, WLGA. 12<sup>th</sup> September 2018.**

## The Future Shape of Procurement in Wales – The Review.

### The review of Value Wales and the National Procurement Service

In July 2018, a workshop was held among Heads of Procurement in Local Government to provide the senior Local Government officers perspective on:

- a. The VW/NPS review process.
- b. The content of the review so far.
- c. Needs and demands from the perspective of Local Authorities, considering:
  - i. What needs to be the same?
  - ii. What needs to be different?

#### a. The VW/NPS Review Process

The workshop was concurrent with Welsh Governments Gateway Review of the review process. It was explained to the group that this Gateway process is reserved for large and important projects; reflective of the importance being placed upon the review by Welsh Government.

Verbal summaries of progress with the Gateway Review were made and recent work with the review group discussed.

In summary, there were significant concerns among Heads of Procurement that despite, or because of, the scale and complexity of the process being undertaken; that their voices were not being heard. The earlier good communication with the review had not been maintained. There was concern that the timescales were insufficient for the size of the task.

#### b. The content of the review so far

The omission of e-procurement from the review was an ongoing mystery. The financial implications for local authorities were significant and it was considered that any modern collaborative procurement initiative would need to have a significant electronic aspect. This highlighted the other major implication around e-procurement; which was the potential loss of cohesion and common working practices.

There was also a concern that despite assurances to the contrary, that the review was being influenced by the minority. The consultation process was considered a self-centred exercise which was not considerate of Local Authorities resources. There were concerns that the review was unable to escape the pressures to assure the established roles for Welsh Government officials. The reticence of the review to discuss resourcing was considered frustrating; given the general shortage of procurement staff and the need to collaborate to ensure all resources were deployed effectively.

In summary, it was expected that the review would be stopped.

#### c. Needs and Demands from the perspective of Local Authorities

Officers discussed the need for regional support. Linked current structural provision to the future needs of Welsh economic regions. Discussed issues with integration. A preference emerged for retaining and acquiring resource within Local Government and then coordinating it. The principle was that Local Government needed to take back control of procurement and regional procurement in particular.

It was recognised that resourcing will need to be funded through activity. The potential means to do this were considered; in recognition that whatever means were employed would likely result in Local Authorities paying somehow. It was concluded that we need to be very clear about how we want this to be.

The group referred to the National/Local/Regional triangle in the National Procurement Service Future Service Model. Delegates to the Welsh Government Review Group have previously asked officials to redraw this to better reflect volumes; but that has not yet been done. There was general concern that comments and updates are not being reflected in the papers. This led to the assertion that the balance of control needs to be within Local Government; so that this becomes about managing resources among Local Authorities. This was also said at the Welsh Government stakeholder group. Two needs were identified:

- A definition of Regional Procurement to suit LG's needs
- A coherent Local Government view on the future landscape for procurement

*"I'd rather pay someone in another council to work with me and develop the collective knowledge, than pay someone in an outside organisation to develop theirs."*

### **Role of Elected Members**

Group discussed the matter of Member support. Officers and Elected Members are collectively missing the democratic aspect of the former Welsh Purchasing Consortium, which gave Councillors a voice and influence in things which are important to them. The group recognised the role of Councillors as change agents within Authorities and for ensuring that arrangements weren't implemented unless they were fit for purpose and supportive of the strategic direction of the Council.

Some hard truths were brought home about where we are with the review and with the state of procurement in Wales:

*"There is no vision for the review. We were better off ten years ago."*

Group discussed the Welsh Government approach to this and earlier initiatives.

*"Whatever we say or take back, the outcome will be whatever Welsh Government thinks the solution should be"*

At this point the group revisited e-business.

*"I'd rather have an e-business solution than procurement frameworks."*

This highlighted the missing democratic link; which was not just about linking through Leaders but with Cabinet Members having responsibility for procurement.

WLGA offered to convene meetings with Cabinet Members. WLGA does this for other areas of practice and it could be done for procurement. Suggestion was to bring Members to WLGA twice a year. Group resolved to get an update paper to the next WLGA Executive, for Cabinet Members, S151 officers and other high-level contacts in Local Government. The suggestion was that this needs to be bold; to support regional resourcing; to put together what matters and say what's going to help.

It was suggested that the Local Authority network needs to control as much regionally as it can. Officers must also take their own advice and not be too prescriptive. That this is an opportunity, which deserves work on the benefits and not just the costs and cuts.

There is a concern that the papers we have from the Welsh Government Review are all about bringing regional to Welsh Government. There was an action for a re-draft but this has not been forthcoming. **Resolved** that the review is flawed and NPS has not delivered. We need a plan of our own for regional procurement using a clear definition. This will be our own version of resourcing. We need to say clearly that we want control and resourcing delivered from within Local Government. **ACTION:** Write to Welsh Government Review Board and inform them of this. With a paper to our Members and a similar paper for the Cabinet Secretary.

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### **In Summary:**

1. There is little confidence in the Welsh Government review process. It is widely expected that the Gateway Review will call a halt to the review.
2. There is a strong preference for retaining and acquiring resource within Local Government and then coordinating it.
3. Resourcing needs need to be funded through activity. We need to be very clear about how this is to work.
4. We need to regain our democratic voice and re-enable the influence of elected members.
5. Local Government needs its own high-level benefits driven strategy for procurement.
6. The Welsh Government Review is flawed and the NPS has not delivered. It is our duty to make this clear.

## Appendix 1. Report from Local Government Heads of Procurement on the Value Wales Service Delivery Models.

### Procedure

This report was initially given by the 6 North Wales Councils in respect to the Value Wales Service Delivery Models; in response to a survey circulated by Welsh Government.

Additional commentary was also provided for an accompanying baseline report which identified issues and lessons to be learnt for both Value Wales and the National Procurement Service.

A group representing 11 Councils across Wales reviewed the North Wales report and unanimously agreed with its content. The experience had been the same for all Local Authorities. References specific to North Wales also could be applied equally to other regions. Additional comments to the baseline feedback were given and these are also listed below.

It was explained that the scores below are marked low since the group felt that the strategic criteria fit did not include sufficient detail, without knowing further the level of detail the service delivery model would undertake and what is affordable going forward. It was agreed that Option 7 was the preferred option, although more detail regarding the actual service delivery needed to be seen before the group was prepared to sign off the recommendation.

### Option Scores for a future Value Wales

Option	Overall Score (out of possible maximum of 54)
Option 1 - Status quo	10
Option 2 - Inward facing Policy development and provision of Ministerial advice	8
Option 3 - Collaborative Policy development and provision of Ministerial advice	12
Option 4 – Collaborative Policy development, delivery of practical support and provision of Ministerial advice	16
Option 5 – Collaborative Policy development, delivery of practical support, growing individual procurement capability and provision of Ministerial advice	16
Option 6 – Collaborative Policy development, delivery of practical support, growing individual and organisational procurement capability (including a pipeline	16

of future talent) and provision of Ministerial advice	
Option 7 – Collaborative Policy development, delivery of practical support (including focus on key categories), growing individual and organisational procurement capability (including a pipeline of future talent), delivery of innovative projects and provision of Ministerial advice	20
Option 8 – Close down Value Wales service	6

### Value Wales Feedback

- Procurement Policy was developed without due consideration to prior consultation with Procurement Professionals and Value Wales do not always understand the practical implications of implementing the policy.
- There needs to be more support to implement policy which includes more legal advice with standard terms and conditions and sample tender evaluation questions
- There needs to be less focus on telling us what we need to do i.e. Health Checks but more support in implementing procurement improvements
- Currently the resource levels within Value Wales is not adequate, resulting in an unacceptable service delivery level when promoting recent new policies such as ESPD, which has been several months late in being launched.
- There has been a clear lack of strategic vision regarding taking forward e-procurement. The EPS programme was too much focused on e-trading marketplace delivery to the detriment of e-sourcing activities. There has also been too much emphasis put on using Crown Commercial Service Framework solutions, rather than testing the solutions market with what was deemed appropriate for Wales.
- There needs to be greater recognition that some Organisations are using alternative e-procurement solutions and that organisations using the alternative solutions are supported in an equal manner.
- There needs to be greater access to WG Procurement Legal Advice on policy and case law matters, with potentially the option for public sector organisations to be able to contact to discuss legal implications when new policy that is launched. This would negate the need for 22 Councils to seek their own legal opinion.
- There is a need for the re-launch of a centrally funded Procurement training programme, which is available for Council officers to engage. The training requirements need to be more than the Home-Grown Talent Programme
- There is a need for more hands on practical implementation support when launching new policies. Due to a reduction in Council resources we no longer have capacity to implement new policies and initiatives.
- There needs to be a joined-up approach across National, Regional and Local procurement organisations. There should be a “golden thread” which ensures that there is a standardised and consistent approach in delivering procurement and this should ensure that £6 billion of procurement spend in “Wales PLC” is managed and procured in a co-ordinated manner, but recognising that local / regional service delivery is a better service delivery than a national approach.

- We have lost the regional/sectoral partnership. This needs to re-establish.
- Business Wales needs to be integrated into this too. The direction of procurement is towards closer supply chain relationships. Services which support business need to work closely with those which support procurements. Each should be complementary to the other.
- The nature and level of Ministerial work at VW is important. How much is done? Who pays for it and are we getting Value for Money? There is a concern that Local Authorities are being asked to pay for this; perhaps not directly; but at a cost to them nevertheless.
- Option 7 has been selected as a good catch-all; but it is not without caveats and concerns. These need to be articulated and duly admitted to the review.
- NPS isn't in here. This is concerning because what happens in one place affects what needs to happen in the other. It's an integrated system, which includes Local Governments own resource.
- Opt in or opt out is a business choice and should be entirely voluntary.
- Needs a flexible approach to business needs.
- Category Management should be to meet the business needs of Local Government.
- Buying Once for Wales has proved too simplistic. It's not just about aggregation of spend.
- Postcode of invoice is not the way to identify locality in spend analysis. The whole premise is wrong.
- There is a massive volume of paper and discussion surrounding this review. We need short, meaningful summaries which can be used to feed back to Ministers and the Public Accounts Committee. For example:
- A policy and resource supportive central team supported by a considerably smaller contracting arm. Centrally funded, not by rebate, because rebate drive the wrong business model.
- A service which can quickly provide supplier intelligence. (The Artemis model does not do this).
- A Market Risk intelligence service – to avoid a Carillion type incident occurring here.
- Coordination and common practice on ESPD.
- A level of support and coordination which allows good suppliers to bid for good business and which is sustainable.
- What VW needs is good products and the right communications. Have these and engagement is a given.

### **NPS Feedback**

- There has been limited technical input and / or lack of engagement from Welsh public sector organisations with regard to various Category Forum Groups that are arranged by the NPS. As a result, there is a high risk that the Frameworks being put in place are not directly in line with end user requirements. The main reason behind the lack of engagement is the resource drain on Council Officers in attending the various category forums and it has become impractical and no longer feasible to provide input into all the groups.



- The framework agreements delivered do not on the whole provide improved savings via a direct award process and a hence a mini competition process is required to try and improve pricing, which results in the Council having to do their own competitive tender process after all.
- The NPS is not proving price competitive. For example, an external hard drive was priced by an end user at £87 NPS, £63 Amazon, £68 Currys. We might also consider that the retail prices included 20% VAT.
- Meet the buyer events could be advertised more widely to encourage better engagement with local suppliers.
- NPS category officers have made little attempt to come out and visit the individual Councils to ensure what they are delivering satisfies needs and to support benchmarking and promotion of the frameworks
- Questions still remain on the VFM savings and whether the calculation is flawed, this view predominantly being formed since calculations are reliant upon supplier management information and the savings claimed is not in any way verified by individual Councils.
- Views have been stated that there needs to be a flexible Opt-out option available once the results of the framework agreement are known.
- The voice of North Wales client organisations are not always considered when the NPS is putting together the options appraisal strategy on how to procure individual projects. This was highlighted in the recent options paper for the Supply and Distribution of Groceries, Provisions and Frozen Foods, which didn't recognise at all that 4 out of the 6 Councils in North Wales are already members of a HE & FE Catering consortium (TUCO).
- There is still the ongoing issue of the NPS not delivering frameworks to time against their project timescales.
- Having to undertake further mini competitions has resulted in the need to contract manage and implement new arrangements which has been resource intensive in some of the NPS frameworks we have used. We also feel that we have been able to generate better community benefit outcomes locally through our own procurements or when we have under taken mini competitions via the NPS frameworks rather than directly calling off the framework.
- There are examples whereby tenders processes have had to be aborted and re-procurement commenced, due to the inability on the NPS to manage the procurement process
- There needs to clear evidence of benchmarking tender evaluation pricing against existing contracts or frameworks in order to determine if the NPS frameworks deliver value for money BEFORE Tender Award. The outcome of the benchmarking evaluation then needs to be communicated in the User Guides. If the benchmarking does not demonstrate value for money then a decision must be made not to award and re-procure.
- The NPS sourcing strategy for individual tenders is not deemed bespoke, since it a "cut and paste" from other sourcing strategy. Hence there seems a lot of duplication and not innovative thinking.
- There are issues with the NPS lacking awareness of North Wales supplier markets, therefore not enough is being done to ensure current suppliers to North Wales public sector organisations are made aware of the tendering opportunity. Hence we find current suppliers have not bid for NPS frameworks.

- There seems to be lack of communication and engagement between NPS, Business Wales and individual public-sector organisations (procurement unit and service areas) to plan and communicate regional supplier events for NPS framework agreements.
- More NPS Frameworks blend themselves to regional and sub-regional solutions rather than national.
- The offer to undertake collaborative mini competitions need to be realistic based on resource capacity available. This offer although has been in place for about 2 years the reality is that not all NPS Category Managers are aware of the service being offered and have no resource capacity to undertake the work, since they are delivering against the Agreed Programme pipeline.
- In the past, there was a perception of a lack of NPS engagement with North Wales public sector organisations hence a North Wales NPS Relationship Manager post was created. Although the principle of having the post was sound, in reality the new post didn't bring any improvements or benefits since the Relationship Manager was a just "a go between / messenger" between e.g. the Council and Individual NPS Category Managers.
- Majority of NPS Frameworks put in place did not deliver value for money, since we would end up paying more than current contracts. Also some of the NPS frameworks would be detrimental to our local supplier market, since local suppliers either didn't relate to the importance of tendering to retain existing business or didn't know about the tender opportunity (see above note about lack of communication)
- There is a perception that some staff in the NPS are not solely focussed on NPS, since they have other procurement responsibilities. This in turn has resulted in not enough attention being given to ensure the NPS is delivering for the customers.
- The governance arrangements in general relating to various Procurement Boards need to have better representation. North Wales representation is generally under represented. The Procurement Board representation needs to include more procurement professionals.

**Acknowledgements: The following officers from the WLGA Heads of Procurement Network have brought their knowledge, experience and insight to this report:**

Andrew Maisey,	Torfaen CBC
Arwel Staples	Denbighshire CC and Flintshire CBC
Chris Mc Lellan	Cardiff CC
Diane Spencer	Neath Port Talbot CBC
George Ryley	Ceredigion CC
Helen Rees	Mid & West Fire Service
Helen Williams	Bridgend CC
Jon Rae	WLGA
Lee Morgan	C&C of Swansea
Lee Williams	Blaenau Gwent CBC
Liz Lucas	Caerphilly CC
Mary Salmon	Powys CC
Mike Halstead	Conwy CC
Paul Ashley Jones	Pembrokeshire CC and Carmarthenshire CC
Paul Davies	Merthyr Tydfil CBC
Richard Dooner	WLGA
Richard Leake	Newport CC
Roger Barnett	Wrexham CBC
Scott James	Monmouthshire CC
Steve Lock	RCT CBC
Steve Robinson	Cardiff CC

## The Future Shape of Procurement in Wales – The Vision.

This paper records a guided conversation that was had among Heads of Procurement to examine the immediate needs and wants for procurement in Local Government and to articulate the collective vision for the future shape of procurement in Wales.

This candid view was supplementary to an earlier session concerning the Welsh Government review of Value Wales and the National Procurement Service and was intended to identify the place of that review in the wider landscape while articulating priorities for Local Government.

### Model of Provision

The conversation was opened with a statement:

“Whatever model we use, we want it to work.”

This received general agreement and was further detailed. In summary, it was agreed that:

- The model must be responsive to stakeholder voice.
- People need to use the arrangements because they want to; because they are suitable for purpose and helpful.
- If it works, its responsive to stakeholders and people use it because they want to, the model of provision hardly matters. However, to achieve these things, the model needs to fit the landscape and the organisations within it. As the majority of public service expenditure is associated with Local Government; that would tend to indicate a Local Government led model.

Stakeholder voice was picked up as a concern in the present Welsh Government review. Stakeholders must be given a voice and not simply listened to. Selective minutes were not acceptable.

“We’ve had enough of seen to be done, not done to be seen.”

Motivations of those conducting the present review were considered to be good; but different to those of Local Government procurement leads. They were thought to be favouring the minority and protecting the Welsh Government organisational lead. This was not considered to be a new phenomenon and it was given that any organisation seeing to protect its position and its staff would do the same. The group agreed to try and keep this conversation organisationally neutral.

### Business Need

The conversation was guided towards business need; which identified a requirement for centres of excellence for each area of procurement. This was not necessarily conditioned by present arrangements or any preconceived notion of what a centre of excellence should be.

“Give me something best in class as collective guidance on policy and practice. I’ll do the rest myself. Any one of us\* can run a procurement.”

\* within the professional group; given adequate time and resource.

The need for collective guidance was further discussed and could be summarised as:

- Doing what the expert consultants and lawyers do.
  - Advice and guidance on difficult matters such as WG policy, market intelligence, major projects, business transformation and TUPE.
  - Targeted and purposeful – generic isn’t good enough.
- Enabling collaboration with:
  - Collaborative electronic systems
  - Help for suppliers to win business and be collaborative in business development; meeting supply voids and addressing market concerns
  - ‘Business Wales’ type activity. It was noted that where BW was engaged such as in Monmouthshire, we were working well; but as a result of cuts, BW was no longer handholding suppliers in tendering with the result that some suppliers weren’t tendering at all. Caerphilly has taken over some of this role locally; being able to directly help suppliers in everything but the commercials. This was only possible because it was politically supported.

“It’s not enough to just expect local suppliers to do this. You have to get involved. You need to help them.”

The theme of business support was picked up and can be summarised as a collective need for a business support service that knows how to use e-bravo and provides consistency as part of a coordinated supply management process. This could be direct or indirect. What matters is that its efficient and it works.

Food was raised as a category for regional and local procurement which is currently being provided by the NPS; but may be dropped. We would need something in place if this was to happen.

### **Resourcing**

The conversation was guided to the subject of resourcing. It was generally considered that we did not have enough collective resource and that the vision of the NPS taking away the more administrative aspects of procurement to a more efficient centre had not been realised. Cuts and short-term prioritisation now means that procurement is now seen more as a back-office function. Professional Development was sorely lacking. There is no CPD process in Wales. No funding for the development of the Human Resource that does procurement. We are reliant on legacy skills and a diminishing pool of expertise are not enhancing our capability. We are not doing anything to protect the organisational memory of Local Authorities and are considerably depleted in experience as a result. Future knowledge needs must include the ability to support Foundational Economies.

“The need to support the Foundational Economy and the knowledge requirement for procurement is massive. It is way beyond our present capability. It is very difficult. It is currently too big to even consider and I pity the poor devil who tries.”

### **Legal**

The conversation was guided to the provision of expertise; beginning with the role of professional legal officers and the provision of legal advice; including revision of Contract Procedure rules and organisational behaviours to better exploit the changes in the 2015 Procurement and Contracting Rules.

“Legal are a friend. Its working really well.”

A collective need for specific legal advice on the likes of TUPE, pressures on services such as Homecare, GDPR and IT law was identified. In many cases this need is application specific but not place or organisation specific; which offered potential efficiencies in collaboration. The advantage of having a specialist lawyer operating across spatial and organisational boundaries was appreciated; with reference to past assistance from a shared service lawyer and from private sector suppliers of legal services.

Group was asked whether Contract Procedure Rules had been changed to take into consideration the 2015 changes to Procurement & Contracting Rules. The response was that trying new things is less about rules than the will and capability of individual officers in disciplines that include procurement and legal; but also, others relating to the subject matter. No profession is immune – there needs to be co working to develop light touch solutions. It is about having people with the knowledge experience and ability. We need to find a way to keep this knowledge within the sector.

### **Knowledge Management**

Group was asked where our procurement knowledge comes from? “Google” was the smart reply. This was reflected on and considered to be remarkably close to the truth.

Partly reflective of the lack of professional support for procurement knowledge within Wales; it’s a fact of austerity that those who might have the knowledge have little capacity to respond. We must either rely on familiar practice or have a go and learn by doing. Looking on Google then verifying via the procurement network is often the reality. There is pressure on this process, as we are collectively reducing the numbers of our more experienced and knowledgeable officers.

The group reflected on the positive; in that Local Authority officers are open to new ideas; but this was tempered with the observation that much is not done, because there isn’t the capacity to do it.

### **Changing Role for Procurement Officers**

It is the role of procurement in local government to get operational delivery departments to their best. This might mean suggesting to operational colleagues that the thing they think they want; isn’t what they want; but that’s just good advice. A lot of the historic criticism of procurement as naysayers, as a barrier to innovation; is invalid. It is very unlikely that

procurement will say 'no' to anything. The closest that happens is advice on identified risks or a considered opinion of any known issues; with alternative suggestions provided. That's not to deny the role of challenge; it's to affirm the role of procurement as a partner in service delivery.

Concern was expressed about the role of consultants; in consultant's tenders not being good enough. Any criticism tends to elicit bluff and bluster; with the assertion that 'procurement is making it difficult' when the reality is that the third party tendering practices are inadequate and putting services at risk. It is because so many people have left, that these people are being brought in. A further concern was that consultants are being used to do things which the Council wouldn't otherwise do, because of the known risks.

### **Procurement Support**

A centre of excellence would tame this and prevent Local Authorities being isolated in the event of challenge. The view of the group was that we should be able to use our in-sector expertise for mutual support. The ability to foster specialism was considered valuable.

There was general agreement that much of the procurement support that the National Procurement Service currently delivers would be better delivered on a Regional basis. Heads of Procurement discussed potential options such as working to Health Board boundaries, City Regions, or split City regions; with current NPS sites working through the appropriate Local Authority team.

Much thought and work has been put into this process; yet the Local Government group cannot really come to a conclusion on the best Regional model option without more information on what Welsh Government intends to do in the future. There are very big issues related to that with regards to the future funding and staff issues.

If we are to innovate, the use of alternative procurement solutions needs to be supported; in particular a guide to the solution, who did it, what worked and what to watch out for. The immediate need is for something on driving community benefits through procurement. A group in the Cardiff City Region was referred to; but knowledge of the practice leadership seemed vague, which highlighted the need for stronger collaborative links in knowing who's trying what.

The conclusion was that the group misses the nascent Value Wales; which gave them a co-ordinating and support resource that was welcome and engaged with. The balance was just about right. Something happened along the way; but the overwhelming view among Heads of Procurement was that they would like to bring it back.

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### **In Summary:**

- 1. The nature of the model matters less than the fact that the model must work, be responsive and be used because people want to use it.**

- 2. Stakeholder voice needs to be proportionate to the size of the stake. The 80/20 rule makes that a Local Government voice.**
- 3. The business need is for**
  - a) centres of excellence in each area of procurement**
  - b) Advice and guidance on difficult matters such as WG policy, market intelligence, major projects, business transformation and TUPE.**
  - c) Collaborative electronic systems**
  - d) Help for suppliers to win business and be collaborative in business development; meeting supply voids and addressing market concerns**
- 4. Procurement Resourcing needs to be managed, across the broad piece, to meet the demands and expectations placed upon the profession.**
- 5. Expert support is needed in specific areas of practice. We need to enable specialism.**
- 6. The central support arrangements of the future may have been modelled in Value Wales' past.**



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Mary Salmon	Powys CC
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