

Notes of the meeting of the Sustainable Procurement Investigation Scrutiny Group - 18 March 2013

Present: Councillor Dafydd Meurig and Mair Rowlands.

Officers: Janet Roberts, Senior Manager Delivery and Change Support, and Ann Roberts, Performance and Scrutiny Officer.

Others that were invited: Councillor John Wynn Jones, Cabinet Member.

Apologies: Councillor Gwynfor Edwards

- 1 **Election of Chair:** Resolved to elect Councillor Mair Rowlands as chair of this scrutiny investigation.

2 Presentation

- 2.1 The members received a short explanation on
 - the purpose of the Sustainable Procurement Policy
 - the reason for establishing this Scrutiny Investigation, and
 - the need to present a draft brief to the Corporate Scrutiny Committee on 25 April 2013.
- 2.2 During the period between April and December 2012, there were 97 new contracts between £50k and £500k, with just 14% of them compliant with the Sustainable Procurement Policy namely, using the procurement sustainability checklist.

3 Planning the Brief

- 3.1 A member reported that the 2011 Sustainable Procurement Policy on the Council website is a draft version.
- 3.2 The Cabinet Member was asked if there were arrangements in place to ensure that the Departments follow the procedures.
- 3.3 The Cabinet Member reported that
 - a) there was a requirement for the Departments to use the Sustainability Checklist for contracts between £50k and £500k but there was no requirement for them to present the document anywhere.
 - b) he wasn't sure how many of the departments complied with the procedure and that 14% looks like a very low number
 - c) he was concerned that opportunities to keep the benefit local were being missed and that there was unnecessary expenditure if the Departments to not use the Sustainability Checklist.
 - ch) many of the contracts fall under the responsibility of the Head of Gwynedd Consultancy.
 - d) it is important to comply with the procedure to ensure best value and lifelong value as well.
 - dd) it is the responsibility of the Strategic and Improvement Department to lead on and facilitate the setting of contracts across the Council.
 - e) there is no justification in changing the procurement structure of the Council before seeking to get the present structure to work first.

- 3.4 The above points were discussed and it was noted that there was a connection with some of the improvements in the Strategic Plan, namely 'Keeping the Benefit Local', and 'Empowering Communities'.
- 3.5 It was noted that performance measurements have been developed for Sustainable Procurement and that there was a need to improve the performance.
- 3.6 Discussion took place on how to undertake the investigation and it was agreed that the Scrutiny Investigation Group needed:
- a) to speak with someone who had been through the process recently for the first time, and also speak with a variety of people about different contract areas.
 - b) to know how those Departments that do not comply with the Sustainable Procurement Policy, prepare their contracts and how they arrive at a decision on the form of the contract.
 - c) a list of new contracts set during the year 2012-13, noting the sum, area, department and the relevant officer.
 - ch) comparable information across Wales.
 - d) the Corporate Procurement Manager to guide them through the Sustainable Procurement Policy at its next meeting.
 - dd) to consider interviewing a company as well.
- 3.7 The Cabinet Member explained that the Asset Unit was in the process of distributing 3 year frameworks to the Council Departments (namely a list of companies that are to be used for electrical, plumbing, etc work at schools). It was noted that these Frameworks and 5-year Frameworks are encouraged by the Welsh Government. As well as this, the Welsh Government encourages Authorities to get together to set one large contract, for example, one company to supply computers for every authority across Wales.
- 3.8 It was explained that the arrangement was seen as very unfair for other companies as they cannot seek work for a long period of time and that small companies lose out.
- 3.9 The Cabinet Member suggested that 2,000 posts are created for every % of contract expenditure.
- 3.10 It was confirmed that the Chair of the Scrutiny Investigation would be presenting the draft brief to the Corporate Scrutiny Committee on 25 April.

4. Resolved

- To ask the Corporate Procurement Manager to guide the Scrutiny Investigation Group through the Sustainable Procurement Policy at its next meeting.
- To ask for a final copy of the Policy, list of new contracts set in 2012-13, and comparable information to be distributed before the next meeting.
- To update the brief and share with the members for their comments.

Ann Roberts
19 March 2013