



**Powys County Council**

***Procurement Strategy 2021 - 2025***

*Yn agored a blaengar - Open and Enterprising*



## Introduction

Our Procurement Strategy for Powys County Council (2021-2025) contributes to the Welsh national vision for procurement, the main principles of which are set out in the [Wales Procurement Policy Statement 2021](#) and also supports Powys County Council's [Vision 2020-2025](#) and [Medium Term Financial Strategy 2021-2026](#)

*“Welsh public sector procurement is a powerful lever with ability to affect sustained change to achieve social, economic, environmental and cultural outcomes for the well-being of Wales”  
(Source: Wales Procurement Policy Statement, 2021)*

## Our Vision

*We are committed to transforming the procurement of goods and services which contributes to the delivery of social value, and the development of the local and national foundational economies. Through better procurements, we will help to make Powys a community which supports healthy living, embraces environmental change, and provides opportunities for continuous learning and economic business growth.*

## Our Mission

*Our mission is to support the Council in the effective delivery of its Vision 2025 Plan and Wales National Strategy, by focusing on the delivery of professional procurements to help make Powys a fantastic place in which to work, live and play.*



## What is procurement?

*“Procurement is the process of acquiring, goods, works and services, covering both acquisition from third parties and in-house providers. The process spans the whole cycle from identification of needs through to the end of a services contract or the end of the useful life of an asset. It involves options appraisal and the critical ‘make or buy’ decision which may result in the provision of services in-house in appropriate circumstances”.*

(Source: National Procurement Strategy for Local Government).

## Progressive Procurement

The Procurement landscape in the public sector has changed dramatically over the last 2 years. A Welsh Government report published in March 2021 acknowledges that despite the unprecedented challenges facing the Welsh public sector through Brexit and Covid-19, Procurement has risen to the challenge and through effective leadership and collaborative working has accelerated its progress in the [Procurement Evolution](#) journey in Wales.

Brexit has had a significant impact on the supply chain and the economy in which our Procurement will be constantly reviewed. During the coming years, Procurement decisions will be further impacted by Welsh Government reforming the procurement legislation in Wales.

The Covid-19 crisis has required public bodies including Powys to increase its collaborative efforts to ensure that effective and efficient procurement delivers value for money and that vital supplies are provided in a timely manner.

The Commercial Service Team have reflected on the following changes to lead to the development of this new strategy.

- The [Well-Being of Future Generations \(Wales\) Act 2015](#) and the refreshed [Wales Procurement Policy Statement 2021](#) remain important drivers (and some might say represent a golden opportunity) to deliver further well-being benefits for the people of Powys through the supplier selection and award of contracts at this time.
- The [Social Service Wellbeing Act 2014](#) provides the legal framework for improving the well-being of people who need care and support, and carers who need support, and for transforming social services in Wales.
- The Council's pledge of a [Climate Emergency](#) has placed additional responsibility on the role of procurement within the Council and in delivering on these important agendas.
- The principles of Welsh Government's [Circular Economy Strategy](#) will ensure a greener, fairer and more prosperous community.
- The [Foundational Economy](#) directs public bodies in Wales to focus on services and products that keep us safe, sound, and civilised.
- Public bodies in Wales are expected to commit to Welsh Government's Ethical Procurement with reference to the [Code of Practice](#). Which includes obligations under Modern Slavery Act. Full account will be taken of the Welsh Language Act when procuring and delivering services.
- The Welsh Government are proposing the introduction of legislation on [Social Partnership and Procurement](#) to ensure fair work outcomes for all by delivering socially responsible Procurement.
- There is an ongoing consultation period by Welsh Government on the impact of a potential [Procurement Reform](#) that by introducing new legislation this does not minimise the opportunities for local supply chains.
- The [Public Contracts Regulations 2015](#) provides Commissioners with much more flexibility to achieve the outcomes they seek for their communities. By working more collaboratively with commissioning, we can explore the [Art of the Possible](#) for more innovative Procurement where the emphasis is on value rather than just cost savings. In this we will consider procurement procedures to better enable innovative practices.
- Collaborative Working underpins future progress in public service procurement and delivery. Local Authorities are encouraged to seek collaborative opportunities with other members of the [WLGAs](#) network and to embrace regional working where it makes economic sense to do so.

## How we will Support Vision 2025

Powys County Council has ambitious plans which have been set out in its [Vision 2025](#). These include objectives for the Economy, Learning and Skills, Health and Care, and Resident and Communities. The Procurement Strategy aims to set out the vision and priorities to help support the delivery of Vision 2025 through Procurement.

The Council values the support Procurement can deliver across all its objectives and how it will also support the Authority's Well-being Objectives and Welsh Government's Procurement policy, to achieve value for money in the most efficient and effective way, whilst aiming to achieve long term-term sustainable solutions for all its non-pay spend including benefiting local communities.

A Procurement strategy is important to align the Council's objectives with its procurement whilst identifying areas which require improvement.

## Vision 2025: Objectives Summary



**We will develop a vibrant  
ECONOMY**



**We will strengthen  
LEARNING AND SKILLS**



**We will lead the way in providing  
effective, integrated  
HEALTH AND CARE  
in a rural environment**



**We will support our  
RESIDENTS AND COMMUNITIES**



“ Making It Happen ”

 Engagement and communication  
 Leadership and governance  
 Changing how we work

### Developing a Vibrant Economy

- The Council will work with **partner organisations** to support the development of businesses in Powys including Powys Association of Voluntary Organisation, Business

Wales, and Wales Cooperative. This will include regular meet the buyer events and training & development events.

- The Council will **simplify its Procurement process** to be more inclusive and assist smaller businesses and local suppliers to bid for contracts, as well as using procurement models such as the dynamic procurement system (DPS) for smaller repetitive procurements.
- We will build into contracts, terms and conditions and consequences to safeguard against further waves of Covid-19 occurring for **an equitable allocation of risk** and to protect safe working of employees and employment.
- The Council values their local suppliers and providers and will do all it can with its non-pay spend to provide the necessary support to help them bid and be successful in their contracts. Local suppliers will be paid within a **maximum of 30 days** by the Council and its supply chain, and the Council will continue to extend the use project bank accounts for all projects valued at more than £2m.
- Where appropriate Contracts will be packaged to ensure **local supply chains have more opportunities** to bid for contracts either directly or in the supply chain.
- We will collaborate with relevant agencies in Wales to encourage **3rd sector involvement** to help develop the market and give better access to procurement activities.
- We will advertise appropriately to **ensure competition, value for money** and to target local interest.
- We will share links to our immediate and future pipeline of projects and procurements on our [Website](#) and with partners.



## Effective and Integrated Health and Care

- The focus now is on the lessons learned from the **Covid-19 pandemic which presented** significant challenges to the Council and its communities and for its business suppliers and third sector.
- By collaborating with relevant public bodies and other organisations, we will continue to ensure that our **frontline services** receive the protective equipment and medical supplies they need and when they need it.
- We will ensure that **sustainable** new Health and Social Care facilities are fit for purpose and meet the Council's 2022 targets.
- We will coordinate with the [Centre for Public Digital Services](#) to procure digital solutions which will enable more joined up Care.
- We will work to support the Council's objective to **reduce the number of cared for children** in Powys.
- We will continue to work with our partners to ensure people receive the support which **prevents homelessness**.



## Strengthen Learning and Skills

A central Commercial Services team support services to procure their needs through a Category Management approach.

- Collaborative working and **long-term** thinking and planning are central to our skills set in Progressive Procurement.
- To support digital training, skills development and benefit from knowledge sharing across Wales, we will **collaborate** with the [Centre for Public Digital Services](#)
- All procurement professionals will be made aware of ongoing changes to procurement legislation and policy to ensure that all spend is governed through **strict legislation and**

**regulation** set out in UK law (UK Public Contract Regulations) as well as internal Powys governance.

- We will ensure **prevention** measures are in place to ensure **safe working** with suppliers and contractors which will offer skills and learning opportunities for children.
- Ongoing **contract management** for the delivery of supplies, service, or ongoing use of and assets will continue to be managed by each individual service with advice, guidance, and support from Commercial Services Team.
- Business Wales will be engaged as a **key partner** in the delivery of any new contracts to provide support to local companies. Local companies will be required to engage early with Business Wales to obtain the support they need and to give them a better chance of success.

## Support Residents and Communities

- We will continue to engage with the market to procure **affordable and sustainable innovative housing** solutions for future generations.
- We will continue to invest in digital resources to protect and to improve access to our libraries and cultural heritage sites.



## Governance and Leadership

Leadership and governance play a key part of the organisation, and requires openness, transparency and integrity, performance orientation and effective collaboration. The structure for Procurement within Powys County Council is as follows:

- Leadership through Cabinet Members, the Portfolio Member for Finance Services and Deputy Leader and the Head of Service for Finance (S151 Officer).
- A Commercial Services Team, which sits within the Financial Services Directorate.

- A professionally qualified Professional Lead for Procurement who oversees Procurement activities, reporting to the Head of Service for Finance (S151 Officer)
- Clearly defined processes and procedures along with delegation of authority in respect of procurement activities embodied in the Financial Regulations and Standing Orders
- All Procurement over £50,000 to be managed via the Sell2Wales and/or Wales E-tender system Procurement electronic system. All procurements under £50,000 are devolved to service areas for efficiency of process: with common and repetitive spend being managed by pre-established arrangements which have been set up for such purposes.

All this is set out within the regulation in the Council Constitution through the Contract Procedure Rules and Financial Regulations, which in turn fits with the UK Public Contract Regulations.

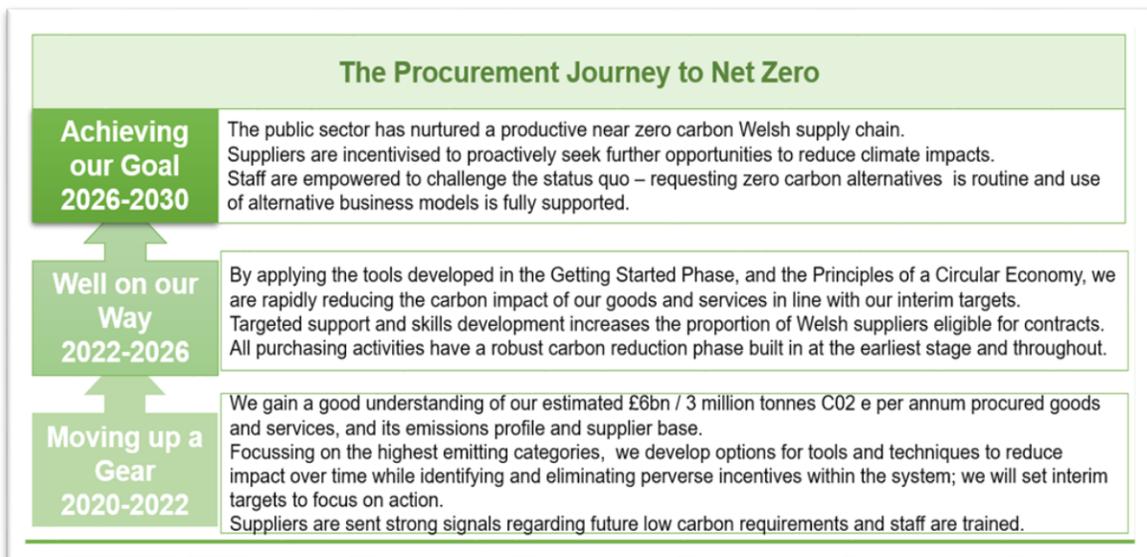


## Climate Change and Decarbonisation

Powys County Council declared a [Climate Emergency](#) on 24<sup>th</sup> September 2020. This included an ambition to reduce its carbon emissions to [net zero](#), which is in line with the Welsh public sector target for 2030.

Our priorities include:

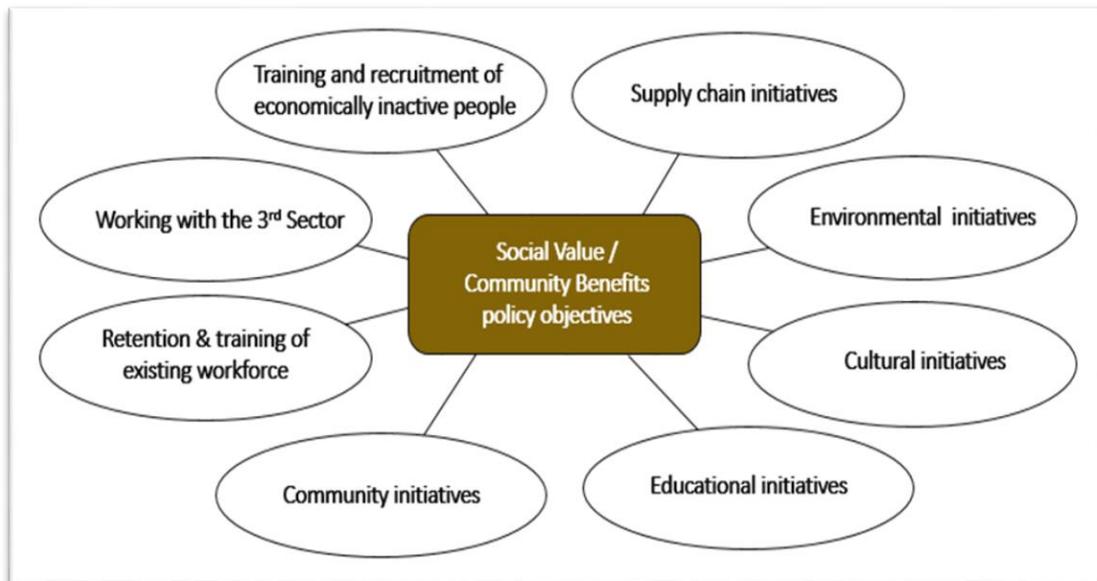
- Allow for and encourage innovation in tender specifications to enable decarbonisation.
- Endeavour to include CO2 target reductions within contracts.
- Gain a better understanding of markets to have an insight of carbon usage and impact within supply chains, identifying categories of opportunity and prioritisation, meaning the Council can purchase more sustainably and efficiently.
- Work with service areas to help the Council meet the Welsh Government targets for decarbonisation.
- Raise awareness of sustainability within the procurement process.



## Embedding Social Value

Wales Procurement Policy Note [WPPN 01/20](#) advises public bodies such as Powys County Council of Welsh Government’s overarching policy objectives and how to report the outcomes in relation to social value clauses and community benefits. [Socio-Economic Duty](#) has now come into force and aimed as a key mechanism to reduce inequality in Wales.

**Community Benefits** clauses will be included in all projects of more than £1m pound in value and where appropriate for projects under £1m, the Community Benefits Toolkit will enable the outcomes of the Community Benefits as illustrated below to be measured and reported on.



- We actively seek to address the seven Well-being Goals and Five Ways of Working from the [Well-Being of Future Generations \(Wales\) Act 2015](#).
- We will embrace the opportunity presented in the refreshed [Wales Procurement Policy Statement 2021](#) to deliver further well-being benefits for the people of Powys through the supplier selection and award of contracts at this time.
- The Council's pledge of a [Climate Emergency](#) has placed additional responsibility on the role of Procurement within the Council and in delivering on these important agendas.
- We will start to include the principles of Welsh Government's [Circular Economy Strategy](#) which will ensure a greener, fairer and more prosperous community in Powys.
- We support the development of the [Foundational Economy](#) in Powys which encourages us to develop new and existing supply chains to bid and to be successful in future council contracts.
- We will ensure as many of our suppliers and providers commit to Welsh Government's Ethical Procurement with reference to the [Code of Practice](#).
- We will continue to consult with Welsh Government on the proposed introduction of legislation on [Social Partnership](#) to ensure fair work outcomes for all and in our ongoing aim to deliver socially responsible Procurement.
- We will continue to consult with Welsh Government on the potential [Procurement Reform](#) to minimise the impact on our local supply chains.
- We will ensure Social Value Themes Outcomes and Measures (**TOMs**) are requirements for all Procurements over the value of £2m and where appropriate for procurements under £2m, to maximise the delivery of social value for our local communities. Companies will be evaluated in any tender process for what they are able to deliver.

- We will work with **partner organisations** to develop TOMs to maximise the outcomes for the communities in Powys.
- We will include social value clauses in our contracts and use the social value portal increase benefits to local communities.
- We will procure swiftly for any new funding provided to Powys to **enhance economic regeneration** post Covid-19.
- We will lobby Welsh Government to provide **funding and resources** to support our local economy either through our Public Service Board or directly.

## Measurement and Reporting

Measuring and Reporting is an important method of tracking progress of the goals within the Procurement Strategy.

- An **Action Plan** is appended to accompany this strategy identifying responsibilities and accountabilities for its delivery.
- Set up a **Procurement delivery cell** with key senior officers to drive the implementation of the strategy and Chaired by the appropriate Head of Service.
- Progress will be **reported regularly to EMT (Executive Management Team)** and through the CIP (Corporate Improvement Plan).
- **KPI's** will be developed and monitored.
- **Regular reports** will be provided to Cabinet as to the progress of the action plan and strategy.
- **A full review** will be undertaken at key milestones (e.g. 6 monthly) considering feedback and progress and actions plan will be refined if required.
- Ensure value for money is achieved for all our purchases through competition or where necessary by benchmarking.

