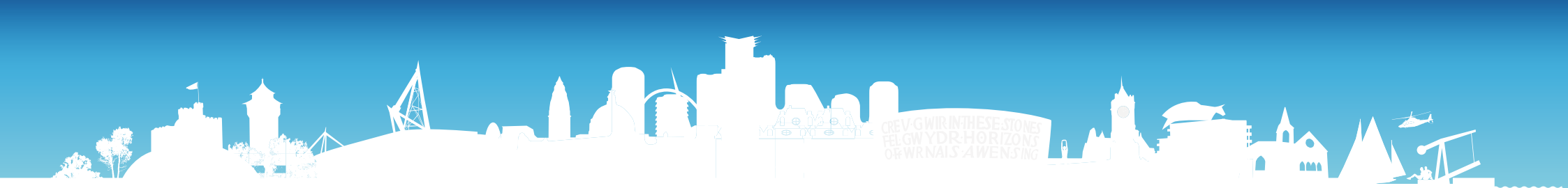


Cardiff Council's Socially Responsible Procurement Strategy 2022-27



Mae'r ddogfen hon ar gael yn Gymraeg hefyd /
This document is also available in Welsh

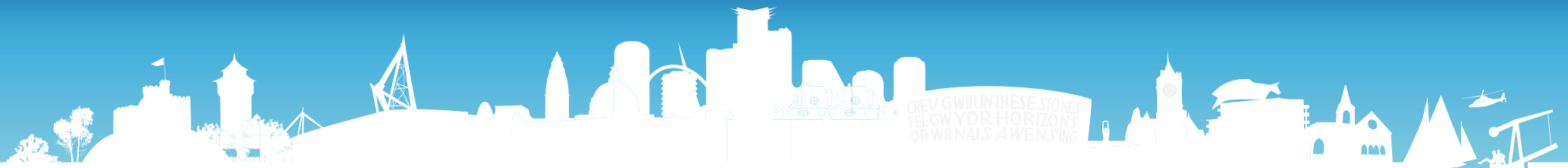




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Foreword

The Council faces a number of key challenges including our response to the impact of the Covid-19 pandemic and cost of living crisis on our communities and businesses, our climate emergency response, and managing our ongoing budgetary pressures at a time of increasing demand for services and uncertain market conditions.

The Cabinet vision for Cardiff, STRONGER FAIRER GREENER, makes it clear that the power of the Council’s spending and investment decisions must be fully leveraged to provide opportunities for local businesses to create local employment and training opportunities and promoting wider social and environmental improvements.

We will continue to use the full size and scale of the Council as a force for social and environmental good, setting the standard for all other organisations to follow. This will mean maximising the social impact of our spend, accelerating the move to net zero and leading the way as a ‘Fair Work’ employer.

To this end we are committed to the delivery of community benefits, including employment and apprenticeship opportunities, and the promotion of “Fair Working Practices” including payment of the Real Living Wage. We are proud that Cardiff is recognised as a Living Wage City and would encourage all employers to look at the benefits of becoming an accredited Living Wage employer.

This Strategy sets out the key role that procurement will continue to play in enabling the Council to meet these challenges and outlines our key procurement objectives for the next five years.

This is a corporate Strategy, and its delivery will require the commitment and support from all Directorates and their staff.

Cllr Chris Weaver
Cabinet Member for Finance, Modernisation & Performance
Cardiff Council



What's Important to Cardiff



Stronger Fairer Greener

The Council's commitment to economic, social, environmental and cultural well-being is clearly reflected in Stronger Fairer Greener the Cabinet's vision for Cardiff.

The vision for Cardiff Stronger Fairer Greener sets out the priorities of the Leader and the members of his Cabinet to deliver:

- **A STRONGER CARDIFF**, with an economy creating and sustaining well-paid jobs, with an education system that helps our young people reach their potential, with good, affordable housing in safe, confident and empowered communities, all supported by well-resourced, efficient public services.
- **A FAIRER CARDIFF**, where the opportunities of living in Cardiff can be enjoyed by everyone, whatever their background, where those suffering the effects of poverty are protected and supported, where a fair day's work receives a fair day's pay, and where every citizen is valued and feels valued.
- **A GREENER CARDIFF** which, through our One Planet Cardiff programme, takes a lead on responding to the climate emergency, which celebrates and nurtures biodiversity, with high-quality open spaces within easy reach for rest and play which are connected by convenient, accessible, safe sustainable transport options.



Stronger Fairer Greener contains a number of priorities that informed the Key Objectives within this Strategy, namely:

- Decarbonising our supply chains.
- Keeping Council spend local and more accessible to SMEs.
- Using our purchasing power to drive up workers rights and improve environmental standards.
- Continuing to champion the Real Living Wage across all sectors and employees.
- Securing Community Benefit commitments to support the work of our Into Work Service and Cardiff Commitment.

One Planet Cardiff Strategy

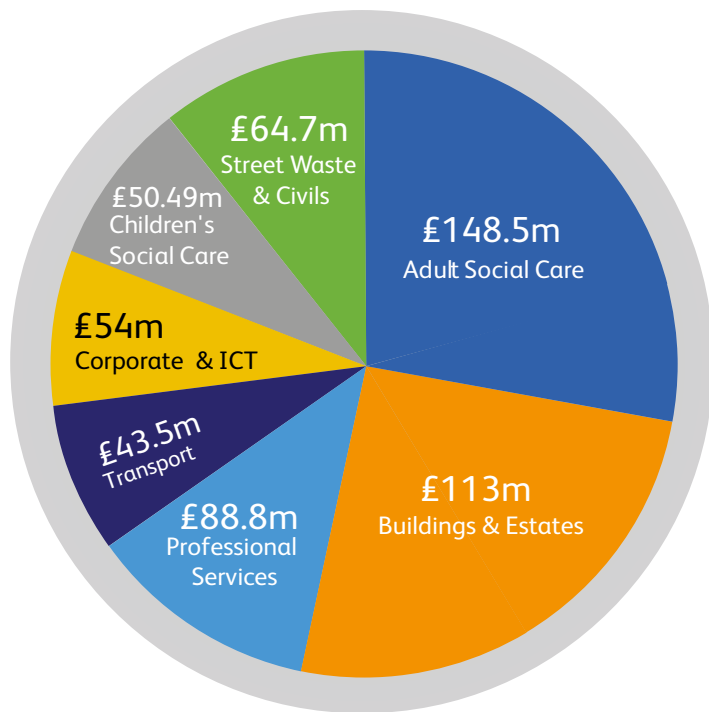


One Planet Cardiff Strategy – in 2019 Cardiff Council declared a Climate Emergency. One Planet Cardiff is the Council's strategic response to the climate emergency and sets out how Cardiff will become a Carbon Neutral Council and a Carbon Neutral City by 2030. The Strategy recognises that procurement will be a key tool in reducing the Council's carbon impact as we adopt circular procurement principles.

Why Procurement is Important

Cardiff Council is the largest unitary authority in Wales and is responsible for the delivery of a wide and diverse range of statutory and discretionary public services. The Council delivers its services directly through its own workforce, and through private and third sector organisations.

As a result, the Council spend during 2021/22 was over £560 million procuring a diverse range of goods, services and works from over 8,000 suppliers and contractors. The chart below shows the key areas of spend during 2021/22.



In addition to managing public money with probity, and demonstrating value for money, procurement is increasingly seen as a key agent for the delivery of a number of Local and National priorities around key areas such as decarbonisation, fair work, delivering 'added wellbeing' and support for local businesses and communities.

This Strategy therefore seeks to set out what the Council will do to continue to improve the way in which it manages its procurement activity to support delivery of these priorities.

Procurement is

“the process whereby organisations meet their needs for goods, services, works and utilities in a way that achieves value for money on a whole life basis in terms of generating benefits not only to the organisation, but also to society and the economy, whilst minimising damage to the environment. It includes the identification of need, consideration of options, the actual procurement process and the subsequent management and review of the contracts.”



Informing Our Strategy

There are an increasing number of legislative and policy requirements that inform and influence the way in which the Council manages its procurement activity which have been taken into account when developing this Strategy. This section highlights some of the key overarching legislative and policy requirements and priorities with further information contained within this Strategy.

The Well-being of Future Generations (Wales) Act

The Well-being of Future Generations (Wales) Act focuses on improving the economic, social, environmental and cultural well-being of Wales. The aim of the Act is to help create a Wales that we all want to live in, now and in the future. Procurement is one of the seven corporate areas for change in the Act's statutory guidance.

Although this Strategy has been structured around seven key Procurement Objectives, we do indicate how each objective contributes to each of the National Well-being Goals. We will use the five ways of working to further embed sustainable procurement across the Council.

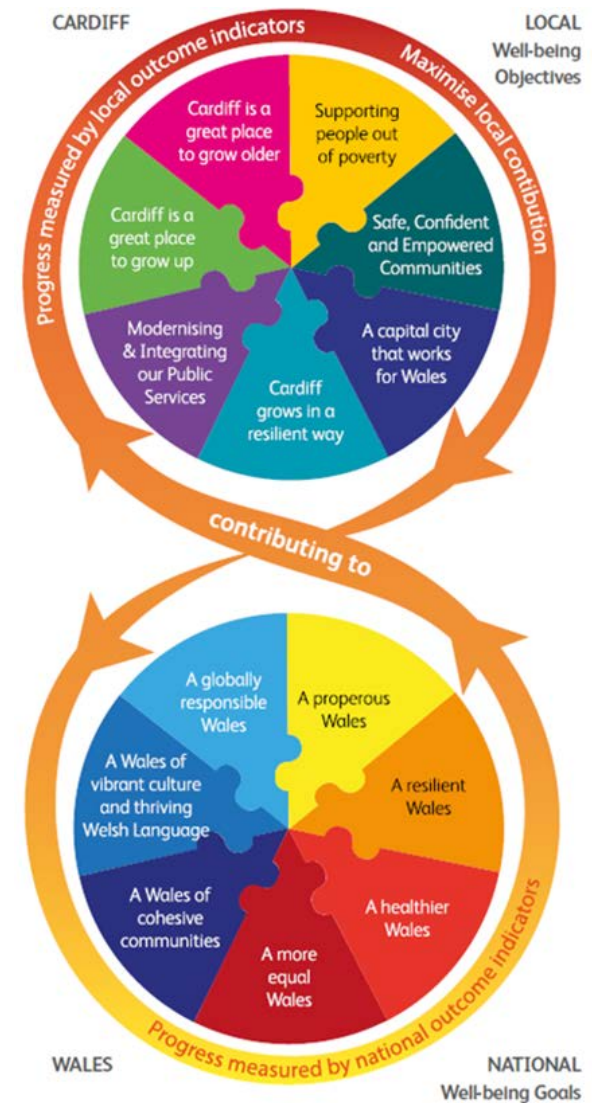


INTEGRATION **COLLABORATION** **LONG TERM** **INVOLVEMENT** **PREVENTION**



Contribution to National Well-being Goals

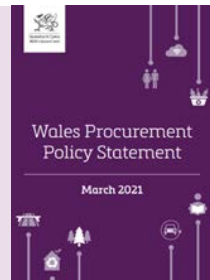
Cardiff Council and the Cardiff Public Service Board have agreed complementary local Well-being Objectives which are set out in the Cardiff Well-being Plan. In order to measure Cardiff's progress towards achieving the seven Well-being Objectives, a series of high level outcome indicators were selected which provide objective measures of the city's performance.



Informing Our Strategy

The Wales Procurement Policy Statement (WPPS)

The WPPS sets out the ten principles the Welsh Government expects the Welsh public sector to follow for procuring well-being for Wales based on the Well-being of Future Generations (Wales) Act Goals and key Welsh Government policies. The Social Partnership & Public Procurement Act will strengthen the requirement for public sector organisations to adhere to the WPPS.



In 2021 the Welsh Government published the Net Zero carbon status by 2030 route map which states:

'By 2030, choosing zero carbon will be routine culturally embedded and self-regulating across the Welsh public sector.'



Equality Act 2010

The Equality Act 2010 requires the Council to adhere to the Public Sector Equality Duty (PSED) through all its functions and services by:

- Eliminating discrimination, harassment and victimisation
- Advancing equality of opportunity
- Fostering good relations

Equality is considered throughout our procurement cycle and we ensure the PSED is applied to all contracts regardless of value, aiding us in meeting the requirements of the Act's Specific Procurement Duty. Where applicable, we will work with contractors to ensure they meet the requirements of the PSED.

Public Contracts Regulations and Procurement Reform

The procurement of goods, services and works by the public sector is governed by the Public Contracts Regulations 2015 (PCRs 2015) as amended which are grounded in the principles of free movement of goods, freedom of establishment and freedom to provide services. These principles are underpinned by values of equal treatment, non-discrimination, mutual recognition, proportionality and transparency.

In response to the UK leaving the EU the UK Government issued a Green Paper: Transforming Public Procurement (published December 2020) and in May 2022 introduced the Procurement Bill to Parliament. The Bill, yet to be enacted, introduces a new public procurement regime and, when it is enacted, will revoke the Public Contracts Regulations 2015. The new regime is unlikely to take effect until mid-2023 at the earliest. It will look to enshrine in law the principles of public procurement: value for money, the public good, transparency, integrity, efficiency, fair treatment of suppliers and non-discrimination.

Social Partnership and Public Procurement (Wales) Bill

The Bill is expected to become law in 2023 and recognises that Procurement is one of the most important levers we have to support the creation of a more equal, more sustainable and more prosperous Wales. It will require the Council to carry out procurement in a socially responsible way by taking action, in accordance with the sustainable development principle, as defined by the Wellbeing of Future Generations Act. The Council will be required to:

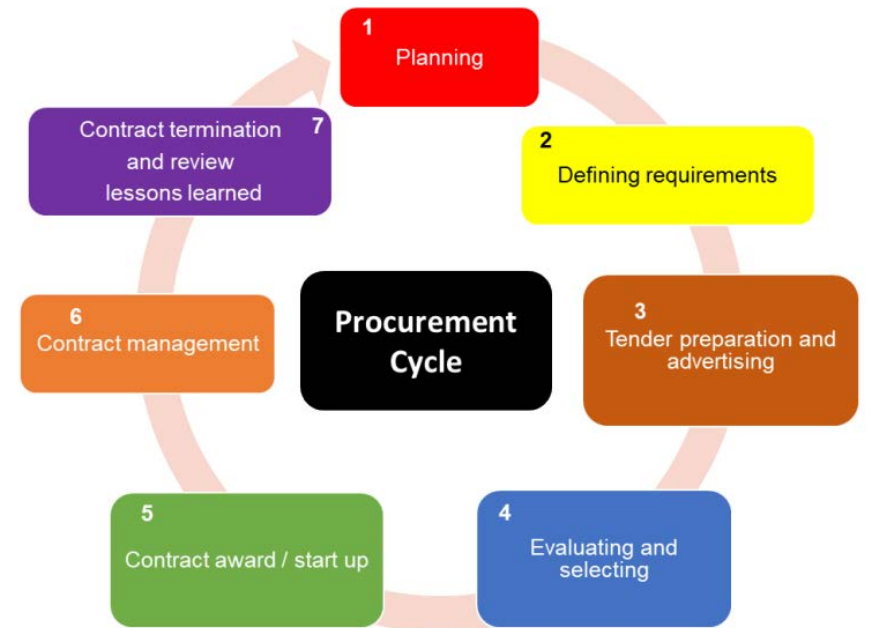
- consider socially responsible public procurement when carrying out procurement for 'prescribed contracts'
- include social public works clauses in major construction contracts and social public workforce clauses in any outsourced service contracts.
- carry out contract management duties to ensure that socially responsible outcomes are pursued through supply chains.
- publish a Contract Register and Contract Forward Plan.
- produce an annual Procurement Report.

Delivering Value Throughout the Procurement Cycle

There is an increasing recognition of the key role that procurement can play in tackling some of the greatest challenges facing our Communities and the Planet as a whole.

To achieve this it is crucial that these challenges are considered at each stage of the procurement cycle which means that all staff involved in specifying, sourcing, awarding and managing contracts have a key role to play. It is particularly important that adequate attention and time is invested in the planning and contract management stages.

When considering delivery of value, it is important to differentiate between the primary objectives / purposes / anticipated benefits of committing public money to projects or contracts and the added value secondary objectives that may also be deliverable.



Examples of the way in which value can generated / delivered through the procurement cycle include but are not limited to:

- Encouraging innovative solutions from the market by focusing on outcomes rather than inputs and outputs.
- Using tender specifications to require lower carbon materials or construction methods.
- Encouraging circular procurement and economy approaches.
- Structuring tenders to improve accessibility for smaller businesses.
- Considering whole life cost when awarding contracts.
- Using contractual clauses to ensure that fair work commitments are achieved.
- Ensuring community benefit and social value commitments from contractors are targeted at supporting the delivery of wider Council priorities.
- Effectively managing contracts to ensure that requirements and added value commitments are delivered.

Key Procurement Objectives

To ensure our Strategy addresses the priorities already outlined, the following Procurement Objectives have been identified.

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

The next section of this Strategy expands on these procurement objectives providing a brief overview of the current position, setting out the key aims, identifying what we will do and how we will measure achievement. The detailed actions are contained within the accompanying Socially Responsible Procurement Strategy Delivery Plan.



Key Procurement Objectives



Contributing to the Council’s aim to be a Carbon Neutral City by 2030

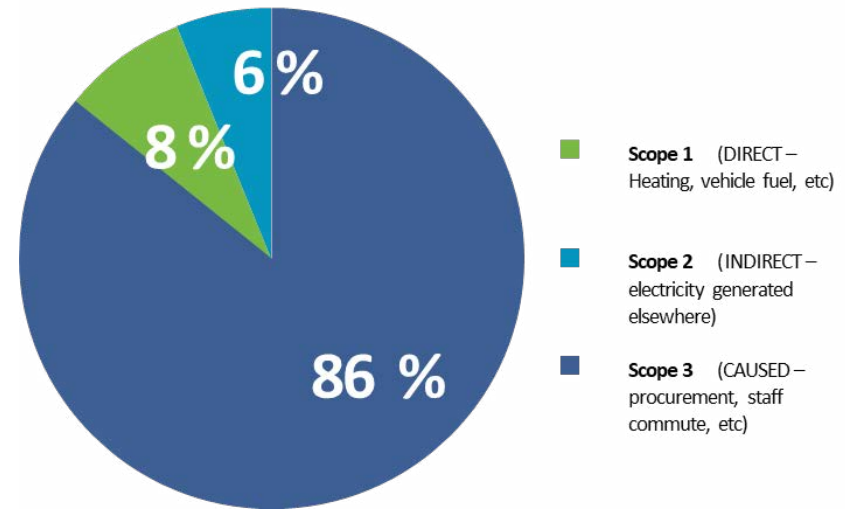
Through its One Planet Cardiff Strategy the Council has committed to be Carbon Neutral by 2030. Using the Welsh Government’s Carbon Reporting Framework more than 80% of our carbon footprint comes from the indirect emissions arising from the supplies, services and works the Council buys to support the delivery of Council services.

While procurement has a role in supporting the reduction of elements of Scope 1 and 2 emissions, over which the organisation has a level of direct influence (for example, emissions arising from their own estate / internal operations - employee commuting / business travel) this Strategy focuses on the purchased goods, services and works element of Scope 3 emissions.

Therefore, any reduction in our carbon footprint will need to be delivered through Directorates rethinking and challenging what they buy and how it is delivered.

The particular challenge presented by Scope 3 emissions is that while they arise from the organisations demand for goods, services or works they occur in supply chain activities that the Council does not directly own or control. However, our contractual relationships present opportunities to drive emissions reduction through our procurement processes (procurement strategies – how we approach the market; how we specify requirements; evaluate tenders and set KPIs) and ensure the anticipated outcomes are delivered through our contract management relationships by working with our supply chain partners and going further by incentivising innovation / continuous improvement over the period of the contract.

184,904 (tonnes CO2 Scope 1,2 and 3)



One Planet Cardiff Strategy – in 2019 Cardiff Council declared a Climate Emergency. One Planet Cardiff is the Council’s strategic response to the climate emergency and sets out how Cardiff will become a Carbon Neutral Council and a Carbon Neutral City by 2030. The Strategy recognises that procurement will be a key tool in reducing the Council’s carbon impact as we adopt circular procurement principles.



Key Procurement Objectives

Contributing to the Council's aim to be a Carbon Neutral City by 2030

Aim (where we want to be)

- The Council understands the carbon impact of the supplies, services and works it buys and takes active steps to reduce their carbon footprint.
- The Council identifies and implements opportunities to reduce carbon across the procurement cycle.

We will do this by (how we will get there)

- Understanding the carbon footprint of the Council's purchased goods, services and works to ensure our carbon reduction activity is targeted where it can have the biggest impact.
- Working with our elected members, staff, partners and contractors to ensure that carbon reduction is fully embedded in our decision making processes throughout the procurement cycle and low carbon solutions are implemented where appropriate.
- Collaborating with, and learning from organisations across the public, private and third sector to encourage and accelerate the transition to low carbon solutions.

We will demonstrate delivery by

- Reporting on procurement's contribution to carbon reduction through the Council's One Planet Cardiff governance structures.



A Prosperous Wales



A Resilient Wales



A More Equal Wales



A Globally Responsible Wales



Key Procurement Objectives



A Prosperous Wales



A Resilient Wales



A More Equal Wales



A Globally Responsible Wales



A Wales of Cohesive Communities



Making procurement spend more accessible to local small businesses and third sector

Cardiff Council recognises the economic, social, environmental and cultural value that can be generated by spending money with local businesses, in particular small, micro and individuals and the third sector including voluntary, community and social enterprise (VCSE).

Stronger Fairer Greener has a clear focus on the value of supporting the Foundational Economy and keeping more of our spend local.

The [Welsh Procurement Policy Note \(WPPN\) 07/21](#) highlights and builds on the principles within 'Opening doors: The charter for SME-friendly procurement'. The WPPN sets out what the Welsh Public Sector and SMEs can do ensure that an SME-friendly procurement process is adopted and implemented. The Social Services and Well-Being Act 2014 which has specific focus on the role of Social Value Firms supporting delivery of councils services.

The Council has a Selling to the Council guide which aims to help suppliers to access and bid for contract opportunities for the Council and wider public sector in Wales.

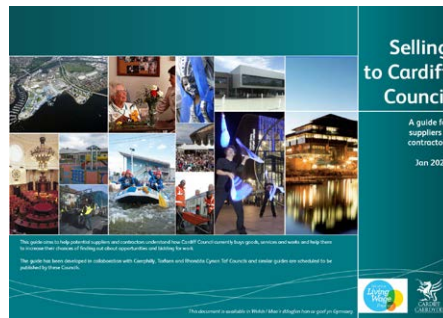
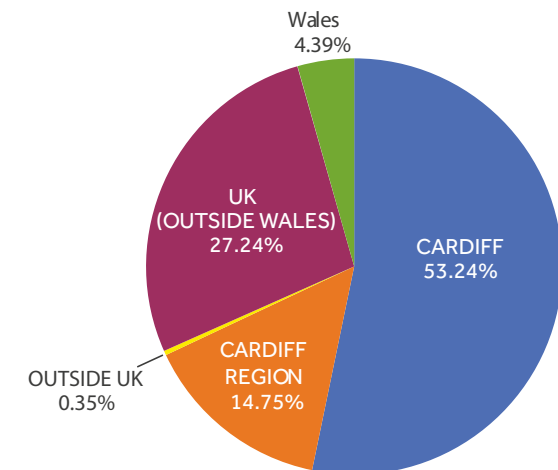
The Council measures 'local' spend for Cardiff, the wider Cardiff City Region and Wales. In addition to measuring spend directly with Welsh based suppliers it also measures the local impact of spend by Tier 1 suppliers (those we directly contract with) with local suppliers and contractors through their supply chain.

For the financial year 2021/22 our Local / Regional Spend was:

- Cardiff 53.24%
- Cardiff Region 14.75%

For the same period our spend with small and medium enterprises (SME) was 54.19% of our total spend.

Local / Regional Spend 2021/22



Key Procurement Objectives



Making procurement spend more accessible to local small businesses and third sector

Aim (where we want to be)

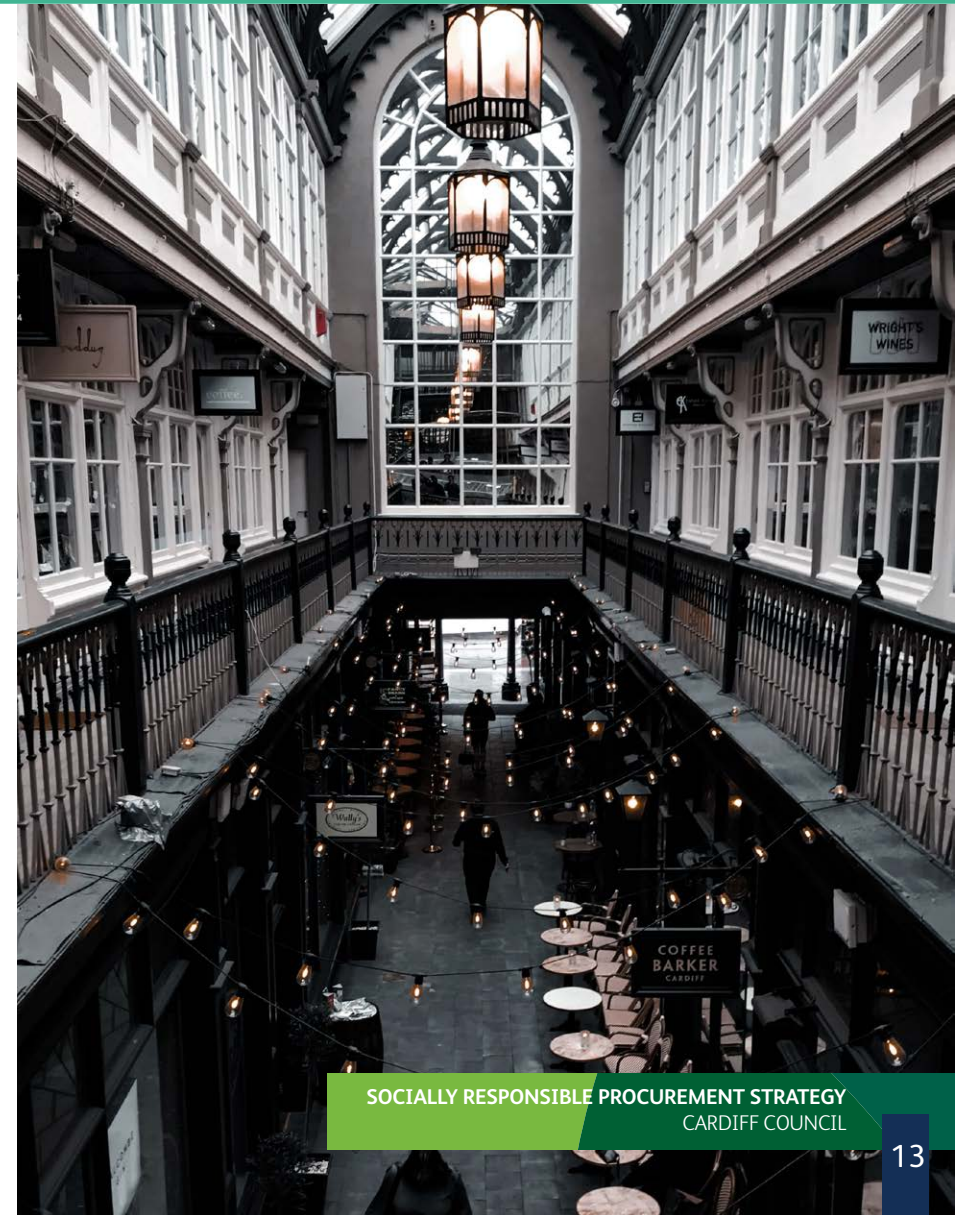
- Small businesses and third sector organisations:
 - have visibility of and access to opportunities to bid for Council contracts.
 - find it easier to bid for opportunities to work with the Council.
 - better understand where opportunities exist to supply through the Council's existing suppliers and contractors.

We will do this by (how we will get there)

- Increasing the availability and visibility of opportunities for small businesses and the third sector to supply the Council.
- Making it easier for small businesses and the third sector to do business with the Council.
- Working with partners to develop the capability and capacity of small businesses and the third sector to secure public sector contracts.

We will demonstrate delivery by

- Increasing the value of spend with local businesses and the third sector.
- Increasing the number of local businesses and third sector organisations bidding and winning Council contracts.



Key Procurement Objectives



A Prosperous Wales



A Resilient Wales



A More Equal Wales



A Globally Responsible Wales

Making Cardiff a

Living Wage

City

CREV GWIR IN THESE STONES
FEL GW YDR HORIZONS
O F WRNAIS AWENSING

Now over 185
accredited employers
employing around

185+
Living Wage
employers

67k people

with **10k** workers receiving
an uplift to the
real Living Wage

www.livingwage.wales

SOCIALLY RESPONSIBLE PROCUREMENT STRATEGY
CARDIFF COUNCIL

Improving Fair Work and Safeguarding practices adopted by suppliers

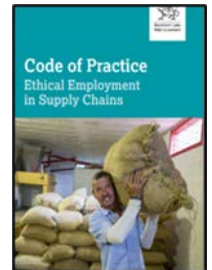
In 2012 Cardiff Council started paying all its staff the real Living Wage, in 2015 the Council became a Living Wage accredited organisation and in 2019 played a key role in Cardiff achieving Living Wage City status. ONS statistics show that in 2017 there were 42,000 (20.7%) jobs in Cardiff paying below the real Living Wage and by 2021 this had reduced to 24,000 (11.6%) of jobs. Cardiff University has estimated that since 2012 an extra £39million has gone into the Cardiff economy as a result of worker pay uplifts to the real Living Wage.

In March 2017 the Council was the first organisation to sign up to the Code of Practice: Ethical Employment in Supply Chains which seeks to tackle modern slavery, human rights abuses, blacklisting, false self-employment, unfair use of umbrella schemes and zero hours contracts.

In 2019 the Council became the first Local Authority in Wales to publish a Modern Slavery Statement and has now provided Modern Slavery training to over 3,800 staff. In 2021 the Council developed a Safeguarding Policy for Contractors that is included in all tenders.

In 2023 the Social Partnership and Public Procurement Bill is expected to become law. The stated purpose of the Bill is to create a framework to enhance the well-being of the people of Wales by improving public services through social partnership working, promoting fair work and socially

responsible public procurement, including through the establishment of a Social Partnership Council. Elements of the Code of Practice: Ethical Employment in Supply Chains are likely to be made mandatory and embedded within statutory guidance.



Fair trade supports farmers and workers in developing countries through better prices, decent working conditions and a fair deal. In March 2004 Cardiff became the world's first Fairtrade Capital City, an award given by the Fairtrade Foundation. The Council has a policy of serving fair trade teas and coffees at meetings and actively supports the promotion of Fairtrade across the city. The Council has representation on Fair Trade Cardiff, a local partnership of organisations and individuals committed to raising awareness of fair trade and increasing the purchases of fair trade products across the city.

Safeguarding vulnerable people is one of the Council's main corporate priorities. The Council's Corporate Safeguarding Policy makes clear that Safeguarding children and adults at risk from harm is everybody's responsibility and a Safeguarding Policy for Contractors was introduced in 2021.



We are a
Fair Trade City

Key Procurement Objectives



A Prosperous Wales



A Resilient Wales



A More Equal Wales



A Globally Responsible Wales

Improving Fair Work and Safeguarding practices adopted by suppliers

Aim (where we want to be)

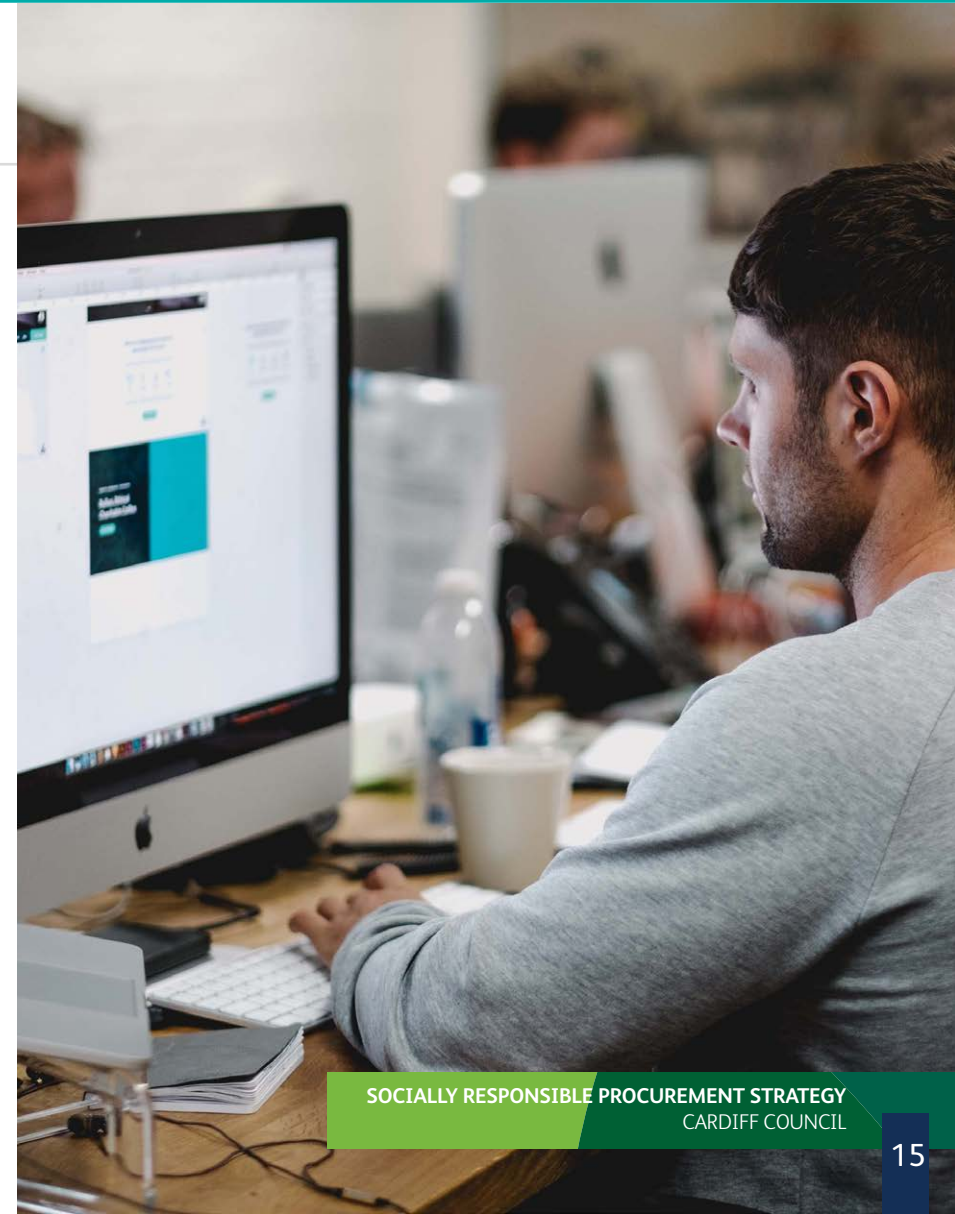
- Procurement is used to influence and increase positive fair work and socially responsible outcomes which benefit the city by addressing poverty and inequality.
- The Council and its suppliers and contractors actively promote equality of opportunity and safeguard and promote the rights of children, young people and vulnerable adults.

We will do this by (how we will get there)

- Ensuring that tenderers and contractors are aware of the Council's commitment to working with organisations that will support the Council to meet its equality, fair work and safeguarding duties.
- Using our tender process and contracts to ensure that our contractors are committed to supporting the Council to deliver its equality, fair work and safeguarding duties.
- Managing Suppliers and Contractors to ensure that they deliver their equality, fair work and safeguarding commitments within their organisation and supply chain.

We will demonstrate delivery by

- Reporting progress against our Living Wage City targets.
- Delivering against the Social Partnership and Public Procurement Act and the principles of the Code of Practice: Ethical Employment in Supply Chains.



Key Procurement Objectives



A Prosperous Wales



A Resilient Wales



A More Equal Wales



A Globally Responsible Wales



A Wales of Cohesive Communities



A Healthier Wales



A Wales of Vibrant Culture & Thriving Welsh

Increasing community benefits and social value delivered by suppliers

Community Benefits and Social Value are commitments made by tenderers to deliver additional economic, social, environmental and cultural value throughout the delivery of Council contracts. The Council has regularly included the Welsh Government Community Benefits requirements into major construction and maintenance contracts over the past 10 years.

However, despite some successes Community Benefits is not embedded across all categories and managing and reporting on delivery has proved to be problematic.

Since 2020 the Council has been piloting use of the Welsh National TOMs (Themes, Outcomes, Measures) Social Value Measurement Framework. Using a combination of quantitative measures and qualitative responses the approach allows Community Benefits

responses from bidders to be evaluated and monitoring and reporting on delivery to be improved.

To support delivery, a Social Value Delivery Group has been established which brings together key teams from across the Council to Inform Priorities and Enable Delivery with a particular focus on supporting the work and priorities of the Council's Into Work Service and Cardiff Commitment programme to create training and employment opportunities and positively impact on the lives of children and young people.

The approach to community benefits in Wales is currently being reviewed by Welsh Government and Cardiff Council is playing an active role to develop a common approach across the Welsh Public Sector.



Community Benefits will typically focus on:

- Training and recruitment of economically inactive people
- Supply chain initiatives and Working with the 3rd Sector
- Educational initiatives
- Community and Cultural initiatives
- Environmental initiatives



Key Procurement Objectives



A Prosperous Wales



A Resilient Wales



A More Equal Wales



A Globally Responsible Wales



A Wales of Cohesive Communities



A Healthier Wales



A Wales of Vibrant Culture & Thriving Welsh

Increasing community benefits and social value delivered by suppliers

Aim (where we want to be)

- Community Benefits and Social Value opportunities are maximised and aligned to support the priorities of the Council and the individuals and communities it serves.
- Community Benefits and Social Value commitments are delivered and the benefit to the individual and / or community is evidenced.

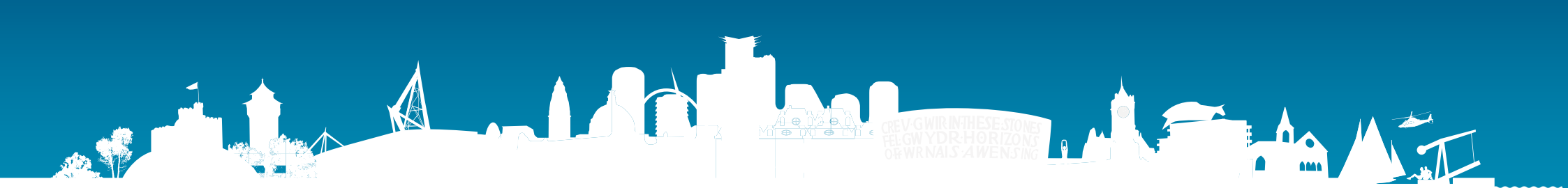
We will do this by (how we will get there)

- Adopting a consistent approach to securing and managing delivery of Community Benefits and Social Value which is understood by the Council and its contractors.
- Co-ordinating the Community Benefits and Social Value approach by working with Council services, our communities, partners and contractors to inform our priorities and facilitate their delivery.
- Reporting on achievements, promoting success and sharing learning.

We will demonstrate delivery by

- Increasing the number of tenders that ask for Community Benefits and Social Value.
- Increasing the volume and value of Community Benefits and Social Value committed to, and delivered, through Council contracts.





Key Procurement Objectives



Securing value for money and managing demand

Every year the Council spends circa £550 million on the acquisition of goods, services and works. The Council is required to demonstrate it is obtaining 'Value for Money' and 'Best Value'.

One way in which the Council is able to demonstrate Value for Money is by awarding contracts through competition. The Council has in place a robust set of Contract Procedure Rules that govern the processes that need to be followed when looking to buy in goods, works and services from external suppliers. Spend under management is in excess of 90% with quarterly reports to Senior Management Team (SMT) on spend outside of contractual arrangements and our internal rules.

We have recently established a Council-wide Contract Forward Plan and Contract Register which provides far greater oversight of our existing contracts and the ability to better plan delivery of contract renewals and new requirements.

Although focus is often on the tender process and securing a

competitive price it is essential that contracts are effectively managed to ensure that requirements and commitments are delivered, and that prices and costs remain aligned to the contractual arrangements.

Where appropriate the Council seeks to collaborate with the wider Public Sector in Wales both in terms of use of and delivery of collaborative contracting arrangements. To that end Cardiff has played a key role in supporting the Welsh Local Government Association (WLGA) National Procurement Network and the development of Collaborative Contract Pipeline and delivering three significant regional frameworks for highways, buildings and consultancy contractors – SEWSCAP, SEWH and SEWTAPS.

This is particularly challenging at the moment as we manage the impact of BREXIT and COVID and other significant events which are impacting on our supply chains now and in the medium-term future. Price and availability issues are likely to be a challenge over the term of this Strategy.

Value for Money is “the optimum combination of whole-of-life costs in terms of not only generating efficiency savings and good quality outcomes for the organisation, but also benefit to society, the economy, and the environment, both now and in the future”



Key Procurement Objectives

Securing value for money and managing demand

Aim (where we want to be)

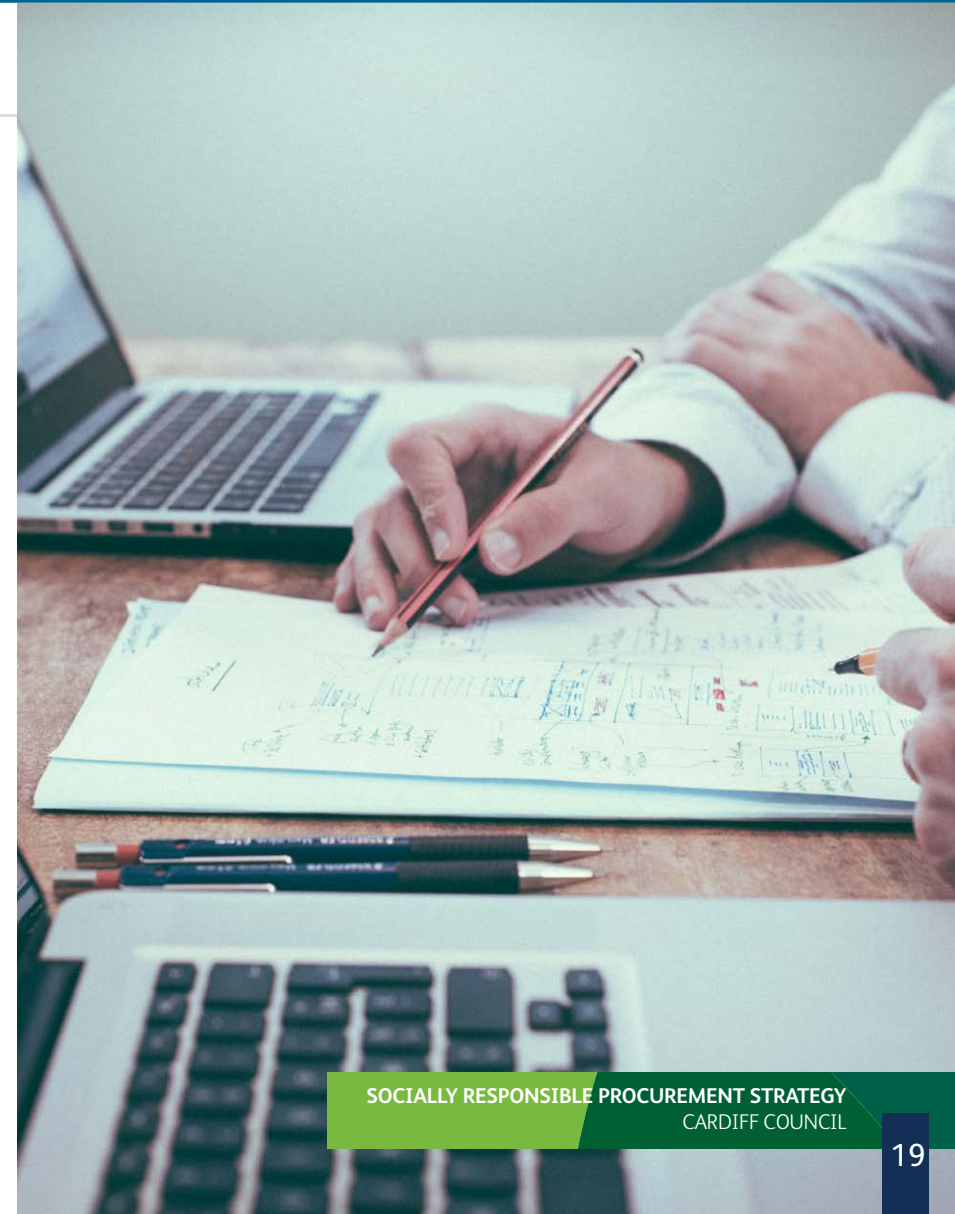
- The Council can clearly demonstrate it is achieving value for money from its third-party spend through all stages of the procurement lifecycle including planning, award and management of contracts.
- The Council routinely evidences that it considers quality and whole life cost in respect of financial and wider environmental, social, economic and cultural considerations, in particular carbon reduction and community benefits.

We will do this by (how we will get there)

- Reviewing and challenging what we spend our money on and identifying opportunities to deliver efficiencies.
- Demonstrating value for money and considering the whole life cost of the decisions we make.
- Managing contract delivery and the impact of price and market pressures.

We will demonstrate delivery by

- Reporting on the % of spend under management.
- Reporting procurement's contribution to savings targets through effective procurement.
- Managing our Contract Forward Plan and publishing it on quarterly basis.



Key Procurement Objectives

Ensuring legal compliance and robust and transparent governance

The way in which the Council undertakes its procurement activity is subject to both UK and Welsh legislation, and the Council's own Constitution which includes our Contract Standing Orders and Procurement Rules.

The UK Public Contracts Regulations 2015 place express legal requirements in terms of how the Council undertakes the award of contracts over defined thresholds. The intent of these Regulations was to create an open, transparent and equitable EU market. Following the UK exit from EU the UK and Welsh Government have been undertaking a review of procurement legislation which is planned to come into force in 2023. Although the exact detail is still being developed it is clear there will be a requirement for greater transparency of procurement activity.

The new procurement legislation will in Wales be further strengthened through the Social Partnership and Public Procurement (Wales) Bill which is also planned to come into force in 2023. Procurement and Legal Services will work closely together to develop any changes to the Council's approach to procurement that may be required to comply with the proposed legislation.

In addition to the legislative requirements procurement activity in the Council is also subject to the Council's Constitution, in particular the Scheme of Delegations and Contract Standing Orders and Procurement Rules.

The Constitution requirements are in place to ensure transparent governance through clearly defined decision-making requirements, accountability to ensure probity and minimise the risk of fraud.

Procurement Oversight and Assurance reports are provided to Senior Management Team on a quarterly basis and training is regularly provided to Directorate staff. Spend Under Management levels are consistently high with non-compliant spend less than 10%.

The Council also has a number of key processes, systems and documentation requirements which are in place to ensure proportionate but adequate controls.





Key Procurement Objectives

Ensuring legal compliance and robust and transparent governance

Aim (where we want to be)

- All procurement staff and Council officers involved in procurement processes have full awareness of the impact of the legislation and the Council's Contract Standing Orders which apply to procurement activity.
- The Council complies with relevant legislation and that the governance and risk management arrangements of the Council are proportionate and followed.

We will do this by (how we will get there)

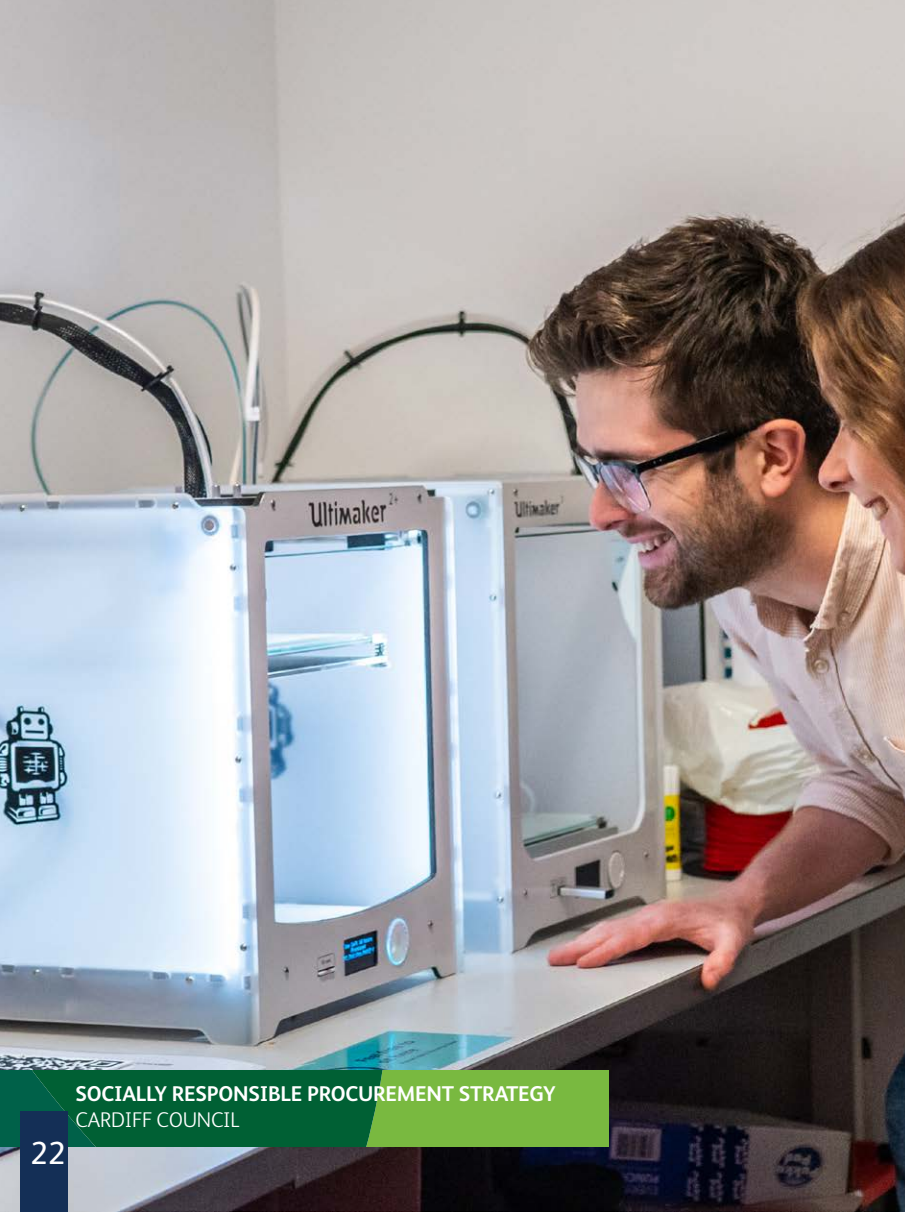
- Regularly reviewing and updating procurement documentation, processes, systems and controls to ensure they reflect legislative changes.
- Providing education and training to Council officers involved in the procurement process.
- Ensuring we have adequate arrangements in place to manage performance and providing oversight and assurance to the Council's leadership team.

We will demonstrate delivery by

- Publishing our annual Procurement Report.



Key Procurement Objectives



Promoting innovative and best practice solutions

The Council recognises that many of the challenges we face will not be addressed by maintaining the status quo and there is a need to challenge ourselves and our markets to deliver new products and ways of working which can help us to:

- Reduce carbon.
- Increase Community Benefits and Social Value delivery.
- Deliver better outcomes.
- Maintain or reduce cost to support the budget position.
- Improve services.

This means we need to plan better, challenge what we have always done, engage markets early, seek good practice from across the public, third and private sector and use the procurement process as means to drive the market to offer solutions which address specific problems, challenges and outcomes.

Although procurement can be viewed by some as stifling innovation, the reality is that there are a number of ways in which the procurement process itself, if correctly followed, can drive improvement by challenging the status quo. Further bidders can be given the scope to submit new innovative ways of working. For these benefits to be achieved however, it requires a change in the prevailing preference to fix solutions based on what has gone before and for better and more timely planning.

The public sector across Wales also recognises it could do more to share good practice and to develop new, innovative solutions. To this end the Welsh Government has agreed funding to establish a Procurement Centre of Excellence.



Key Procurement Objectives

Promoting innovative and best practice solutions

Aim (where we want to be)

- Opportunities are regularly sought for innovative solutions for products, services or works required by the Council and the market is challenged to offer improved solutions.
- The procurement process is used to drive and encourage innovation where it can reduce the cost and / or improve the effectiveness of Council services and deliver wider priorities in particular decarbonisation.

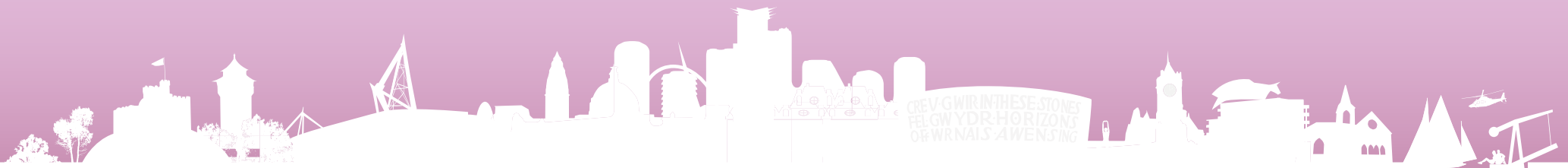
We will do this by (how we will get there)

- Challenging existing procurement arrangements and delivery models and seeking relevant examples of market innovations and best practice.
- Encouraging outcome / problem-based procurement approach to stimulate creative and innovative solutions and engaging early with markets.
- Collaborating with Welsh Government, the Welsh Local Government Association (WLGA), Cardiff Capital Region and other public sector organisations to drive innovation and greater value and share good practice and develop insight.

We will demonstrate delivery by

- Reporting and developing case studies to highlight best practice.





Key Enablers

The Council has identified five key enablers that will be critical to the delivery of this Strategy:



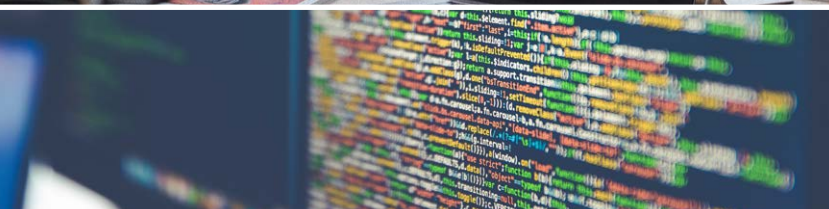
People

- Continue to invest in our staff across the Council, and Councillors, to ensure that those engaged in the procurement process have the right mix of skills, knowledge and expertise to work effectively and independently.
- Continue to support our student placement programme to ensure that we are able to recruit and develop staff to meet our needs.



Process

- Simplify and standardise our core processes and ensure our controls ensure compliance.
- Ensure that standard templates are in place for key procurement and contracting documentation and that these are regularly reviewed.
- Ensure that staff engaged in the procurement process have the required access to training and support.



Technology

- Invest in the use of technology and e-procurement to underpin and simplify our core processes and to digitise data and improve integration across systems.
- Use PowerBI to improve Directorate visibility on their spend and procurement performance.
- Improve our Purchase to Pay (P2P) processes to drive efficiency savings.



Information

- Provide staff with accurate timely spend data to inform procurement decisions and identify savings opportunities.
- Publish a Contract Forward Plan and Contract Register on a quarterly basis to improve visibility and planning.
- Produce an annual procurement report.
- Support Directorates to optimise their spend in the achievement of their strategic objectives.



Culture

- Develop a culture that is innovative and challenges traditional delivery to improve what we do and deliver additional value.
- Ensure that staff understand and appreciate the Procurement rules and policies of the Council.
- Ensure that there is positive engagement with staff across the Council to support and encourage the delivery of innovative solutions within the agreed Council rules and wider legislation.
- Work collaboratively to secure better solutions and share learning.

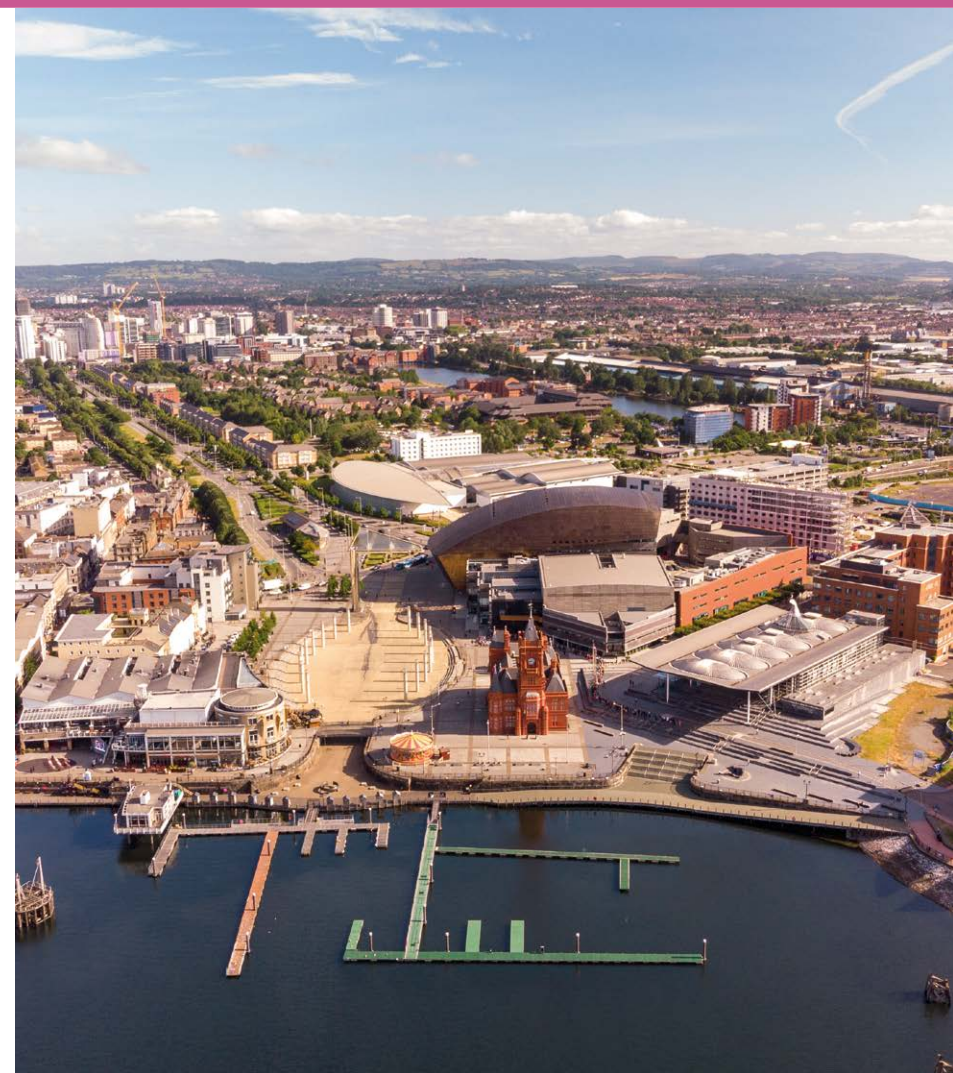
Monitoring, Reviewing and Reporting

A detailed Delivery Plan will set out the actions that the Council will take to deliver this Socially Responsible Procurement Strategy. The Corporate Director Resources and the Cabinet Member for Finance, Performance and Modernisation, who also acts as the Council's Community Benefits and Ethical Employment Champion, will oversee progress and delivery.

This Delivery Plan will be updated on an annual basis and will be used to manage and report on progress.

The Council will publish a Procurement Annual Report at the end of each financial year. The report will include:

- A progress report on the implementation of the Socially Responsible Procurement Strategy Delivery Plan.
- A summary of the contracts awarded above Public Contracts Regulations (PCRs) 2015 Thresholds.
- Details of a review into the extent to which Council contracts contributed to improving well-being in Cardiff.
- A statement of the how the Council intends to further improve the delivery of economic, social, environmental and cultural well-being.
- A summary of the procurement the Council expects to carry out in the next two financial years.





Managing Procurement

The responsibility for managing and co-ordinating procurement activity across the Council sits with the Council's Commissioning and Procurement Service which is part of the Resources Directorate. The Service is responsible for:

- Development and delivery of procurement strategy, policy, governance arrangements and systems.
- Provision of spend analytics and performance oversight and assurance.
- Supporting Directorates in the development of sourcing approach, management of the tender process and award of contracts.

The Council manages the delivery of its procurement activity through a Strategy & Development Team, Sourcing Team and three Category Teams:

- Social - Residential Care for Adults, Domiciliary Care for Adults, Nursing Care for Adults, Residential Care for Children, Supported Living for Adults, Supporting People, Direct Payment, Day Care for Adults.
- Environment - Building Construction Projects, General Building Services, Highways Maintenance and Construction, Waste Management, Mechanical and Electrical Services, Parks and Grounds Maintenance, Facilities Management.
- Corporate - Agency Works, Passenger Transport Services, Professional Services, Fleet Services and Materials, ICT, Catering Services, Utilities and Energy, Consultancy Services, Events, Advertising Print Design and Post.

Responsibility for specifying requirements and contract management sits with the relevant Directorate.

In addition to managing procurement for Cardiff Council the Service is also responsible for:

- Managing the procurement functions for Monmouthshire County Council and Torfaen County Borough Council.
- The delivery of a number of regional collaborative frameworks for South East & Mid Wales such as SEWSCAP (Construction), SEWH (Civil Engineering & Highways) and SEWTAPS (Technical & Professional Services).
- Provision of procurement support for the Cardiff Capital Region Team.





Supplier Support and Further Information

Cardiff Council Procurement web pages www.cardiff.gov.uk/procurement provide a range of information to support organisations looking to work with the Council including:

[Selling to the Council Guide](#) – aims to help potential suppliers and contractors understand how Cardiff Council buys goods, services and works and help them to increase their chances of finding out about opportunities and bidding for work. It provides details of how to register on PROACTIS the Council’s e-procurement system. PROACTIS is where the Council advertises opportunities and receives responses electronically from interested organisations.

The Council’s **[Contract Register](#)** – provides a list of the Council’s current contracts and frameworks and includes details on the successful organisations and contract end dates.

[Contract Forward Plan](#) (available from April 2023) – provides details on the tenders that the Council intends to issue over the next 18 months.

[Modern Slavery Statement](#) sets out the Council’s commitments to ensuring modern slavery and human trafficking have no place in our business and supply chains. The statement forms part of the Council’s over-arching Corporate Safeguarding Policy and sets out what we have achieved to date to tackle modern slavery. It also sets out the commitments we are making to manage and minimise the risk of slavery or trafficking occurring within day-to-day operations. Further information can be found at www.cardiff.gov.uk/modernslavery

[Safeguarding Policy for Contractors](#) - all Contractors providing goods, services or works on behalf of the Council are required to play their role in ensuring the Council meets its safeguarding commitments. Our contractors’ workforce should know what safeguarding is, what abuse/harm looks like, and what to do if they think somebody is being abused or at risk of being abused.

[Real Living Wage](#) - The Council is an accredited Living Wage employer and Cardiff has been recognised as a Living Wage City. We encourage all our contractors to pay the real Living Wage – further information on the real Living Wage and the Council’s Living Wage Accreditation Support scheme for Cardiff based SMEs can be found at www.cardiff.gov.uk/livingwage or visit www.livingwage.wales

[Welsh Language Standards](#) - Organisations providing services for Cardiff Council need to comply with the Welsh language Standards (issued to the Council) in so far as they relate to that particular service/contract. The [Welsh Language Standards Guide \(973kb PDF\)](#) summarises the requirements of the standards and aims to assist organisations to comply with the requirement.

[Whistleblowing Policy](#) - the Council is committed to the highest possible standards of openness, probity and accountability. In line with that commitment we expect workers, and others that we deal with, who have serious concerns about any aspect of the Council’s work to come forward and voice those concerns. Contractors’ staff are covered by the Council’s [Whistleblowing Policy \(347kb PDF\)](#) and should report any concerns about the conduct of Council staff or matters for which the Council is responsible to the Council. All concerns will be fully and fairly investigated on a confidential basis.

[Foundational Economy](#) - The services and products within the foundational economy provide those basic goods and services on which every citizen relies and which keep us safe, sound and civilized. Care and health services, food, housing, energy, construction, tourism and retailers on the high street are all examples of the foundational economy. The industries and firms that are there because people are there. Estimates suggest they account for four in ten jobs and £1 in every three that we spend. In some parts of Wales this basic ‘foundational economy’ is the economy. (Business Wales)

Contacting us

Please contact us if you have any questions about the strategy



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