

## **APPENDIX 3.**

### **Sustainable Procurement Scrutiny Investigation - the main findings of the Scrutiny Investigation and the main relevant findings of Gwynedd Council's Procurement Arrangements and Processes Review.**

It was found that the main messages from the interviews with the five officers by the scrutiny investigation group were very similar to the messages stemming from the Council's procurement arrangements and processes review.

It was found that a greater number of Council senior officers had attended training sessions between 2005 and 2011, including Heads of Department, Managers and Field Leaders and Core Staff.

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Social Services Department	
Scrutiny Investigation	The Council's Procurement Arrangements and Processes Review
<p>The individual was unaware of the Sustainable Procurement Policy and Guidance, the Checklist or the Corporate Procurement Unit.</p> <p>The number of officers from the Social Services Department who have received procurement training: 14</p>	<p>The Department was aware that some of the North Wales frameworks had used social clauses in their contracts.</p> <p>The Department was unaware of the policy.</p> <p>The Department needed more information and support on the way forward. Asked whether there was training available.</p>

Highways and Municipal Department	
Scrutiny Investigation	The Council's Procurement Arrangements and Processes Review
<p>The latest policy is used to prepare a tender.</p> <p>Had attended a 'Purchasing and Contracts' course in 2010.</p> <p>Had examined the Sustainable Procurement Policy and had obtained much information from the OJEU website which was fairly easy to access.</p> <p>He reported that he used the guidelines and went through the hoops to safeguard himself.</p> <p>He did not know about the Checklist.</p> <p>Sometimes, a year or two will pass without him preparing a tender.</p> <p>The work had been sent to external consultants because of its complexity and the expertise required.</p> <p>The number of officers from the Highways and Municipal Department who have received procurement training: 7</p>	<p>There was evidence that the sustainable procurement tool had been used whenever possible.</p> <p>The Department felt that the type of contract they had made it difficult to include sustainability factors.</p> <p>The Department reported that the rules did not allow them to consider social clauses – did not allow requests for local slate.</p> <p>The Department was concerned that local companies did not have such policies (sustainability) in place and consequently opportunities were missed. Furthermore, the Department did not think that there was sufficient turnover in the Council's contracts to expect local companies to have accreditations in place.</p> <p>The Department saw the rules restrictive and consequently wished to increase their understanding so they could be more flexible.</p>

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Regulatory Department	
Scrutiny Investigation	The Council's Procurement Arrangements and Processes Review
No officers from the Regulatory Department were interviewed.	<p>The Unit was aware of the policies and used them occasionally.</p> <p>Need guidance to prioritise different elements of the policy.</p> <p>Everyone accepted in principle – but it was not realistic.</p> <p>The Unit felt that they needed more training.</p> <p>They had identified the policy but found it difficult to put it in place.</p> <p>The Unit was questioning the true value of using it. Was it a tick box exercise?</p>

Provider and Leisure Department	
Scrutiny Investigation	The Council's Procurement Arrangements and Processes Review
No officers from the Provider and Leisure Department were interviewed.	<p>The Leisure Centres were unaware of the sustainable procurement policy.</p> <p>It was believed that the industry standards encouraged the use of sustainable goods. The Council's swimming pools had changed from using chlorine to acid which was better for the environment and was cheaper to purchase.</p> <p>There were also similar schemes for heating. Change from electricity to gas, however an increase in gas charges meant that the original savings had diminished.</p>

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Gwynedd Consultancy	
Scrutiny Investigation	The Council's Procurement Arrangements and Processes Review
<p>Two officers from Gwynedd Consultancy were interviewed.</p> <p>Lack of awareness of the Sustainable Procurement Policy and the Sustainable Procurement Checklist.</p> <p>Working according to experience and old habits.</p> <p>Tenders prepared often.</p> <p>A team of officers in Gwynedd Consultancy prepares tenders for all other Council Departments and earn payments for the work.</p> <p>The number of Gwynedd Consultancy officers who have received procurement training: 11</p>	<p>The Department have had experience of the procurement tool and the procurement check list.</p> <p>The opinion was that the tool had questioned the need for procurement.</p> <p>It was felt that the Department had been procuring with social benefits in the past and that 'social benefits' was a new form of branding. This was achieved by means of the key performance indicators – how many local people were being employed? How many were Welsh speakers?</p> <p>The guidance provided by Value Wales had been poor and confusing.</p> <p>They believed that the new arrangements made procurement of plans more open to challenge. Consequently, and to control the risk, the Department had decided in the future that the 'benefits' must be part of the contract and will not be scored as part of the contract. Evaluating the 'benefits' would also be difficult (as part of the criteria). The Department would not be comfortable in awarding a contract on the basis of these 'benefits'.</p> <p>Discussing the term 'Whole life costing' – how is this defined? How is it expected for the Council to measure this? An example: constructing a road of better quality which lasts 20 years against a poor road which needs to be repaired every 5 years.</p> <p>It was believed that the Department's procurement skills had developed from tendering experience over the years.</p>

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	<p>Procurement was not a field / part of anyone's particular function. As part of their job, everyone was required to undertake procurement / commissioning to complete the BEng qualification or similar. Officers attended PASS events, meetings of Construction Excellence etc so that they were aware of developments in the procurement field. The greatest understanding was by the Manager of the Unit, the Business Unit Manager and Assistant Costs Consultant.</p> <p>The Unit Manager noted that the internal procurement course was not sufficiently detailed especially in the type of work the Department was involved with.</p>
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Customer Care (Information Technology) Department	
Scrutiny Investigation	The Council's Procurement Arrangements and Processes Review
<p>No officers from the Customer Care (Information Technology) Department were interviewed.</p>	<p>The Department has not considered the policy.</p> <p>They are aware of an example where social benefits are possible.</p> <p>The Department considers local companies as providers whenever possible.</p> <p>Some officers in the Department received training three years ago. The Unit is more aware of procurement but do not consider themselves to be experts.</p> <p>There are no arrangements in place for training or to develop the skills of those who order / tender at the moment.</p> <p>The Unit wants more assistance with procurement work and they are of the opinion that it would be better if the work was undertaken for them.</p>

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	The Unit thinks that there is a lack of legal assistance and the Unit feels that other councils receive better procurement assistance.
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NWTRA	
Scrutiny Investigation	The Council's Procurement Arrangements and Processes Review
No officers from NWTRA were interviewed.	<p>It was agreed that the Department made use of social benefits in some of its contracts. For example, NWTRA has utilised social benefits in its contractors' framework.</p> <p>NWTRA has identified the legal context of procurement and makes use of resources within Councils for procurement (Gwynedd mainly). The Department was unaware of any member of staff who had qualified in the field of procurement within the Department.</p>

Training Unit, Human Resources Department	
Scrutiny Investigation	The Council's Procurement Arrangements and Processes Review
No officers from the Training Unit, Human Resources Department were interviewed.	<p>The Unit was aware of the policy and referred to it but not in great depth. The field does not allow them to be of great influence.</p> <p>E-learning would replace elements of face-to-face learning.</p> <p>The need for bilingual courses assists the Unit to ensure in the main that they have local providers.</p> <p>The Unit is at the forefront of many of the Services because of its contribution in procurement courses. This contribution assists with the understanding of procurement.</p>

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Property Unit	
Scrutiny Investigation	The Council's Procurement Arrangements and Processes Review
<p>No officers from the Property Unit were interviewed.</p>	<p>Four officers from the Unit were seen.</p> <p>Not much response in this respect from the Unit.</p> <p>One officer was aware of the policy. Also, this was as a result of the nature of his field in environmental improvement etc.</p> <p>Another officer had worked with the Procurement Unit on this aspect of the maintenance framework and had completed a sustainable procurement tool and had agreed on the content of social benefits subject to price / duration of the specific work.</p> <p>One officer had attended a basic procurement course but this was aimed at staff with no level of understanding of procurement and, therefore, it was not useful for him.</p> <p>The Unit was aware of the Council's regulations and thresholds.</p>

Economy and Community Department	
Scrutiny Investigation	The Council's Procurement Arrangements and Processes Review
<p>One officer from the Economy and Community Department was interviewed.</p> <p>The officer complies with the Sustainable Procurement Guidance and Policy and completes the check list.</p> <p>The officer makes the most of the</p>	

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<p>Corporate Procurement Unit.</p> <p>The number of officers of the Economy and Community Department who have received procurement training: 9</p>	
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