**[](http://www.south-wales.police.uk)[](http://www.gwent.police.uk)[](http://www.dyfed-powys.police.uk)**

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| Southern Wales Forces Procurement Collaboration  Joint Commercial and Procurement Services |
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| Annual Report |
| 2022 | 2023  EXECUTIVE SUMMARY  In 2022/23 the three Southern Wales forces spent £104 million on goods, services and works, of which 78% was spent collaboratively.  Procurement related cost savings were delivered across Dyfed-Powys, Gwent and South Wales Police, totalling £7,529,880, of which £6,998,886 are cashable savings. On a national basis, the 43 police forces surpassed the Home Office £24 million cashable savings target, with xx million savings delivered.  £530,994 of notional savings were recorded by South Wales and Gwent including £96,175 by the Ordering Teams. Notional savings compare the winning bid in a tender process with the average of bids received, thus demonstrating the value for money achieved through a procurement process and as a result of our practice to demonstrate value for money for purchases exceeding £500.  Savings are reported to the Home Office monthly but responsibility for the management of collating this data transferred to Bluelight Commercial in 2021.    Progress Against the Priorities for 2022/23  The priorities for the year 2022-23 outlined in the previous report were:   * to continue to progress the work of the Joint Commercial Services and Procurement unit. * to deliver the Southern Wales forces collaborative procurement strategy 2020-2025 and * to deliver the following five objectives:  1. *To build on the work commenced in 2021-22 to upskill client leads and contract owners in contract management and to ensure that the managers of the top 20 critical contracts have this core competency.*   The Forces have taken advantage of the range of commercial training offered by Bluelight Commercial at no cost to the Forces. In particular, the Fundamentals of Contract Management training course has received positive feedback and has assisted Joint Commercial and Procurement Services (JCPS) in upskilling client leads and contract owners to deliver better value from our contracts.  At the end of March 2023, 66 officers and staff across South Wales and Gwent forces had completed or booked onto the Fundamentals of Contract Management training. 9 staff members have completed the Advanced Contract Management training.  JCPS will continue to promote the training and identify contract owners who would benefit from the learning. We expect the number of officers completing this training to increase during 2023 to further develop this core competency in both Forces.  The challenge is that officers frequently move roles which can mean a change in the owner of critical contracts, but we will continue to identify and encourage officers in these roles to develop their commercial skills.   1. *To continue the work to tackle modern slavery in our supply chains, led by the Chief Financial Officer who is the appointed Ethical Champion for each force. To publish a refreshed Modern Slavery Statement for each Force, underpinned by a local Action Plan for each of the four strands identified. Delivery of the actions agreed is to be monitored at regular Task and Finish Groups including ongoing discussions with Police Digital Service and the Met Police to make best use of the procurement resource nationally.*   Both Gwent and South Wales forces have continued to advance this work to fulfil the actions agreed and recorded on the local action plan for this year. A refreshed Modern Slavery Statement for 2022-2023 with an accompanying local action plan, has been published by three of the four Welsh forces. Dyfed-Powys are working towards publishing a Statement.    Fully investigating supply chains is a complex task but as of February 2023, supplier assessment questionnaires have been issued to 79 suppliers identified as higher risk due to their industry type, nature of the workforce such as a reliance on a low-skilled or a low-paid workforce, seasonal workers, dangerous work, manufacturing location, the presence of complex or tiered supply chains or the level of our expenditure. An assessment rating has been provided to 63 suppliers. This is a baseline to measure progress by the supplier in tacking modern slavery, monitored through contract management activity.  An action plan agreed by Gwent and South Wales Police, includes a target to assess the top 100 suppliers across the two forces by 2025 and we are on track to achieve this.  We can demonstrate positive examples of our suppliers who are reflecting our modern slavery within their organisations and have embraced social value, such as our contractors for Cleaning Services.  We have identified high risk subcontractors, and in certain cases, we have ensured our tier one supplier flows down the ethical supply chain assessment to the subcontractor. This should provide the necessary assurance that fair work practices are in place in at all tiers of the supply chain. Examples are within the waste industry and hospitality industry.  To tackle evidence of modern slavery, forces have worked to ensure that our staff, particularly PCSOs and staff in our Public Service Centre/Force Control Room are fully aware of what to look out for and what to do when concerns are reported.  A Task and Finish Ethical Supply Chains group met regularly throughout the year in both Forces, chaired by the Chief Financial Officer, with actions completed or progressed for each of the four strands, Ethical Procurement, Employment, Environment and Enforcement.  In March 2023, a post implementation review was undertaken by the SWP Ethical Supply Chains group with the strand leads. It was agreed that the actions for each strand are now embedded as business as usual. There were a small number of actions to be closed off and the Chief Financial Officer would write to the relevant individuals. Progress will continue to be reported to the Finance Joint Assurance Group on a regular basis.  The Gwent Ethical Supply Chains group continues to meet on a quarterly basis.  Bluelight Commercial (BLC) are in discussion with JCPS to consider how to roll out our approach to other forces. The Welsh forces are amongst forces leading the way in this area. BLC have agreed to support the work, initially by investigating the national Fleet and ICT suppliers. This is an encouraging step following a request to BLC by the Welsh forces for support to make best use of resources nationally. We await a timeline for the work with the vehicle and ICT suppliers.  South Wales Police's application to accredit the Force as a Living Wage Foundation employer was approved in March 2022.  Bluelight Commercial are working with the Welsh forces to roll out the modern slavery work across other forces and at the same time, expanding this to include other areas. The Netpositive Tool is being developed to include a small number of questions to establish a supplier’s position and progress in relation to Ethical Business Practice, Modern Slavery, Equality, Diversity and Inclusion, Climate Emergency and Social Contribution. This will replace the modern slavery assessment questionnaire and recognises that there are a range of challenging considerations for our supply chains.   1. *As an extension of the work on ethical supply chains, the Welsh forces will support the All Wales Sustainability Strategy and work with clients to deliver social value through relevant procurements. Using key priorities based on policing themes, we will specify, evaluate and monitor social value in our procurements, in order seek to change behaviours and work to protect the environment, workers’ rights and mental and physical wellbeing.*   In 2022, the Welsh forces approved an All Wales Sustainability Strategy which includes the delivery of social value through relevant contracts.  Social value recognises the additional social, economic and environmental benefits to local communities, and we can consider how wellbeing may be improved through the goods, works and services we procure. Examples of tangible benefits range from an increase in the number of apprenticeships, a reduction of CO2 footprint to softer benefits such as reducing the risk of modern slavery in the supply chain.  To support the delivery of social value through procurement, Bluelight Commercial (BLC) developed a Social Value Application and Measurement Toolkit. South Wales and Gwent Joint Commercial and Procurement Services (JCPS) worked with BLC in advance of this to understand how the toolkit would include policing themes in line with our police and crime plans. Both JCPS and Dyfed-Powys volunteered to trial the social value tool in our tenders. This was good preparation to commence the inclusion of social value as a scored evaluation criteria in relevant and appropriate tenders in 2022. Currently, this is only mandated for central government, but the Welsh forces recognise their responsibility and the opportunity to deliver benefits through social value.  An All Wales workshop was held for the four forces in April 2022 to allow force leads to identify the economic, environmental and social priorities we will ask our supply chains to support the forces in delivering over the following 12-18 months. Our work to tackle modern slavery in the supply chain is one element of this work. Whilst the consideration of social value is not new, the emphasis on this has increased significantly and the challenge is for client leads to understand the relevance to reduce demand on the police and other public services.  The outputs of the Social Value Workshop have been communicated to representatives of the Welsh forces who attended or were invited to the workshop. The activity to date should allow each Force to establish a baseline with suppliers through contract management activity and to record social value delivered as a result through our contracts.  Procurement specialists have received training in implementing social value in procurement, but the challenge is to raise awareness more broadly so that officers and staff involved in drafting specifications to procure goods and services, will consider what additional social value elements could be delivered through the contract, in advance of any tender process.  We have started to score social value in our tenders, where proportionate and relevant, but it is too early to report the benefits which we will monitor through our contract management activity.  The Greener Gwent group are progressing a range of sustainability initiatives including those that need the support of our supply chains. The ACO-Resources for Gwent confirmed that the Force Ethical Supply Group will focus on the Real Living Wage issue in relation to its suppliers and report to the OPCC in their annual report. The Blue Dot Board will provide a similar focus on decarbonisation and sustainability activities within South Wales Police. A Positive Procurement Tracker for both South Wales and Gwent will map the progress of procurement related actions to contribute to the All Wales Sustainability strategy.  We have begun to map the scope 3 emissions in our supply chains in line with the Welsh Government reporting approach using spend- based proxies. However, current approaches to supply chain reporting are limited in accuracy and need to improve. Th current method is reported to be +/- 25% inaccurate as increased spend means increased emissions but could be the complete opposite. For example, recycled paper would reduce emissions but likely to be a higher price. Categorising some of the police service goods and service spend is subjective and without detailed guidance will contribute to the inaccuracy. We have shared the workings for South Wales and Gwent so there should be a consistency in categorisation for the southern Wales forces.  Collaboration between forces and suppliers is required to help improve accuracy and reduce emissions. In the future, we will consider better ways to collect data to calculate a carbon footprint associated with the delivery of goods and services. Many suppliers collect contract level emissions data and if we can collate this data, it should contribute to the work to report our carbon footprint more accurately.   1. *To take full advantage of the collaborative contracts and opportunities led by Bluelight Commercial, providing input at the pre-procure phase to ensure the needs of the Welsh forces are represented. We will continue to maximise the level of collaborative spend where this delivers best value commercially and regarding sustainable solutions.*   The Welsh forces have continued to actively engage with Bluelight Commercial (BLC) BLC are supporting commercial services in the areas of ICT, Forensics, Fleet, Aviation, Estates and Energy, Occupational Health, Pensions, Uniform and Equipment and Learning and Development. More detail is provided in the main report.  In addition, BLC provide advice and guidance on revenue generation, social value, market intelligence, training courses and updates on the Procurement Reform Bill impact and implementation.  The Welsh forces are involved in working groups to shape future procurements linked to Learning and Development such as PEQF (Police Education Qualifications Framework), Occupational Health, Selected Medical Practitioner and Fleet Services. BLC have set up working groups to explore horseboxes, telematics, tyres, end of life vehicle disposal, fuel cards, custody healthcare, SARC and victim services.  BLC have provided advice in difficult markets such as Insurance to identify risk management and mitigations which have impacted motor insurance premiums. Market reports to monitor to highlight supply chains impacts resulting from the war in Ukraine and the pandemic have been a useful resource to Forces. BLC offer advice and training to individual forces on the energy market due to the current challenges.    BLC continue to offer a range of training courses via their Learning Management System including Contract Management training, Evaluation Analysis, Writing Effective Specifications, Financial Awareness and an overview of the Procurement Regulations. The training is offered at no cost to local forces, and we have encouraged officers and staff across the forces to attend relevant training.  We have worked with BLC as described in this report, to expand our modern slavery work nationally and to seek their support in investigating our supply chains. At the end of 2022, BLC agreed to work with the Fleet and ICT suppliers on behalf of the Welsh and English forces.  BLC has produced a practical Social Value toolkit to assist the forces in implementing social value through our procurements. The Welsh forces worked with BLC and volunteered to trial the toolkit as early adopters. BLC presented at the All Wales Social Value workshop in April 2022 to upskill officers and staff about the benefits social value can bring to our communities and in delivering our sustainability goals.  Uniform delivery has suffered delays due to localised covid lockdowns and tensions between China and Taiwan have impacted the delivery and production of uniform across several areas. BLC have communicated with forces to make them aware of deals agreed, problems resolved, continuing issues and are tendering frameworks for the supply of items such as utility vests and body armour, headwear and wicking shirts. BLC will tender for a replacement to the National Uniform Managed Service which is expected to deliver improvements and meet the needs of more forces.  The Contingent Labour framework let by BLC is delivering savings as well as wider social value benefits. Gwent and Dyfed Powys have onboarded the framework with Adecco.   1. Information chart*To continue to contribute to value for money savings through effective specifications and procurement exercises, demand management, collaboration and consolidation.*   The cashable savings target for the 43 forces for 2022-23 was £24m. By November 2022, savings reported showed forces to be above the estimated target for this period.  The table below shows the procurement related savings reported by the Southern Wales forces for the period April 2022 - March 2023. More detail is provided in the main body of the report.   |  |  |  |  |  | | --- | --- | --- | --- | --- | | Procurement Savings 2022/23 | South Wales | Gwent | Dyfed-Powys | Total | | Cashable | £5,812,934 | £1,185,952 | Awaiting data | £6,998,886.00 | | Notional | £455,024 | £75,970 |  | £530,994.00 | | Total | £6,267,958 | £1,261,922 | 0 | £7,529,880.00 |   Contract Management  Logo  As a result of the establishment of two Contract Management Officer posts JCPS demonstrated a range of significant benefits achieved in 2021-22. The unit has built on this progress and this year, South Wales Police and Gwent Police Joint Procurement services received a national award nomination and were finalists at the [Go Awards Wales](https://gbr01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwales.goawards.co.uk%2F&data=05%7C01%7Csian.freeman%40south-wales.police.uk%7C4680cf9f229a4b53f9df08daac683b67%7C270c2f4dfd0c4f0892a9e5bdd8a87e09%7C0%7C0%7C638011860926922376%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C3000%7C%7C%7C&sdata=VIgEE2%2B8C7Id9KGVFbUQodNx%2Bk3Dxu9tKGDLsgLLuNI%3D&reserved=0) in the category, Delivering Better Contract Management.  This recognised our achievement to realise a wide range of tangible benefits including cashable savings. The highlights of our contract management activity this year are detailed in section 3.5 of the report.  Priorities for the year ahead  The priorities for the year 2023/24 will be to further progress the work of the Joint Commercial Services and Procurement unit, to deliver the Southern Wales forces collaborative procurement strategy 2020-2025 and to deliver the following objectives.   1. To deliver the procurement value for money savings targets through the commercial lifecycle activity. The targets set by the Chief Financial Officers are £400K for South Wales and £300K for Gwent. 2. To embed the procurement work to tackle modern slavery in our supply chains as business as usual. To review and publish a refreshed Modern Slavery Statement in 2023, underpinned by a local action plan. To continue to work with Bluelight Commercial to develop tools for use by the 43 forces with our supply base. The aim of the tool is to establish a baseline position for ethical business practice, modern slavery, climate emergency, social contribution and equality, diversity and inclusion. The work across Wales is a joint approach and progress will be reported at an All Wales strategic level. 3. To review the procurement strategy for the largest spend areas to provide assurance that the forces are realising best value through our routes to market or in-house provision. 4. To demonstrate that the contract management officer posts are self-financing because of the savings the unit is realising through their work, with a view to making a case for additional contract management resource. The New Procurement Bill expected to be implemented in Spring 2024 will introduce contract management reporting requirements for higher value contracts. 5. New Procurement Bill   The The Procurement Bill will reform the UK’s public procurement regulations and introduce a new regime based on value for money, transparency, competition and objective criteria in decision making. It will improve opportunities in public procurement for small businesses and strengthen the approach to exclude suppliers where there is clear evidence of their involvement in Modern Slavery practices. Increased transparency throughout the commercial lifecycle will ensure the spending of taxpayers’ money can be properly scrutinised. A new aspect of the regime is that the Bill sets out steps that must be taken to manage a contract.  The Procurement Bill is going through Parliament and whilst it is taking longer than expected, implementation is expected in Spring 2024.  One of the challenges for this year will be to understand the Procurement Bill and the most significant changes to public sector procurement for a generation. Organisations will be given six months to prepare before go-live. The Cabinet Office is preparing a learning and development programme to support the implementation by procurement professionals. Communities of practice are planned to build confidence across the profession and to nurture cultural change. Two staff within each force will be trained as super users to champion the programme and become key problem solvers. Knowledge drops, tailored to different audiences, will provide a high-level overview of the changes.    CONTENTS  1.0 Purpose and Recommendation  2.0 Introduction and Background  3.0 Issues for Consideration  3.1 Progress Against the Priorities for 2022/23  3.2 Procurement Related Cost Savings   * 1. 2022-2023 Procurement Expenditure Summary   2. Collaborative Procurement Progress and Key procurements   3. Contract Management   4. Procurement Skills Training   5. Gwent No PO, No Pay policy and credit card improvements   4.0 Collaboration  4.1 Joint Commercial and Procurement Services  4.2 Welsh Government Commercial Delivery and Collaboration  5.0 Priorities for the Year Ahead  Personnel Considerations  Legal Considerations  Equalities & Human Rights Considerations  Risk And Audit  Public Interest  Lead Chief Officer  Chief Officer Approval  Appendix A Spend Analysis  Appendix B Welsh Government Commercial Delivery Heatmap  1.0 PURPOSE AND RECOMMENDATION  The purpose of this report is to provide information on the activity and progress of Procurement and Commercial Services across the Southern Wales forces during the period 1st April 2022 to 31st March 2023. In particular, the report provides information on the South Wales and Gwent Joint Commercial and Procurement Services (JCPS) unit for monitoring and reporting purposes.  There are no recommendations requiring a decision.  2.0 INTRODUCTION & BACKGROUND  The southern Wales forces have continued to progress collaboration in procurement and collaborative procurement is now a business-as-usual consideration for the purchase of our goods and services. We are making best use of our resources through the joint unit and more widely where JCPS or Dyfed-Powys are procuring on behalf of the three southern Wales forces or more widely. Additional benefits are realised through sharing best practice and continuous improvement as well as by working with Bluelight Commercial on matters such as the development of training and the response to supporting goods and services during the pandemic, the EU Exit supply shortages and the Ukraine and Russia crisis. The Welsh forces are leading the way on tackling modern slavery in supply chains and in considering social value benefits through our procurements.  The 2021/2022 report identified 5 priorities for this year and progress against each of these is expounded in section 3.1 of this report.  In 2022/23 the three southern Wales forces spent £104m on goods, services and works of which 78% was spent collaboratively. Gwent and South Wales spent £32.15 million and £71.81 million respectively. Dyfed Powys’s collaborative spend figure was xxx  A more detailed analysis of the year’s expenditure is shown in Appendix A. The top 20 suppliers account for 60% of the goods and services spend.  3.0 ISSUES FOR CONSIDERATION  The priorities for the year 2022/23 outlined in the previous report were:   * to continue to progress the work of the Joint Commercial Services and Procurement unit. * to deliver the Southern Wales forces collaborative procurement strategy 2020-2025 and * to deliver the following five objectives:   3.1 Progress Against the Priorities for 2022/23  The priorities for the year 2022-23 outlined in the previous report were:   * to continue to progress the work of the Joint Commercial Services and Procurement unit. * to deliver the Southern Wales forces collaborative procurement strategy 2020-2025 and * to deliver the following five objectives:  1. To build on the work commenced in 2021-22 to upskill client leads and contract owners in contract management and to ensure that the managers of the top 20 critical contracts have this core competency.   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BLC have agreed to support the work, initially by investigating the national Fleet and ICT suppliers. This is an encouraging step following a request to BLC by the Welsh forces for support to make best use of resources nationally. We await a timeline for the work with the vehicle and ICT suppliers.  South Wales Police's application to accredit the Force as a Living Wage Foundation employer was approved in March 2022.  Bluelight Commercial are working with the Welsh forces to roll out the modern slavery work across other forces and at the same time, expanding this to include other areas. The Netpositive Tool is being developed to include a small number of questions to establish a supplier’s position and progress in relation to Ethical Business Practice, Modern Slavery, Equality, Diversity and Inclusion, Climate Emergency and Social Contribution. 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BLC will tender for a replacement to the National Uniform Managed Service which is expected to deliver improvements and meet the needs of more forces.  The Contingent Labour framework let by BLC is delivering savings as well as wider social value benefits. Gwent and Dyfed Powys have onboarded the framework with Adecco.   1. To continue to contribute to value for money savings through effective specifications and procurement exercises, demand management, collaboration and consolidation. Information chartThe cashable savings target for the 43 forces was set at £24m. By November 2022, savings reported showed forces to be above the estimated target for this period.   In 2022/23 many savings were in the form of cost avoidance due to the market pressures and economy conditions, as a result of supply shortages due to the pandemic and the Ukraine & Russia conflict.  3.2 Procurement Related Cost Savings  Procurement Savings reported by the Southern Wales Forces - April 2022 - March 2023   |  |  |  |  |  | | --- | --- | --- | --- | --- | | Procurement Savings 2022/23 | South Wales | Gwent | Dyfed-Powys | Total | | Cashable | £5,812,934 | £1,185,952 | Awaiting data | £6,998,886.00 | | Notional | £455,024 | £75,970 |  | £530,994.00 | | Total | £6,267,958 | £1,261,922 | 0 | £7,529,880.00 |     The savings include cashable and notional savings reported. A notional saving compares the winning bid in a tender process with the average of bids received, thus demonstrating the value for money achieved through a procurement process.  The savings achieved are a result of new tenders, contract negotiations, scope reduction, demand management, benchmarking and rebates. Savings are reported to Bluelight Commercial.  Savings highlights for Gwent Police totalled £1,262,922 and include £85,776 negotiated saving from the original quotation under the MINT framework for body worn video, £70,000 under the Sepura radio buyback scheme, plus £22,879 for the sale of old phones via a mini competition. £30,767 cost avoidance saving was achieved by offering a contract extension to reduce an inflationary increase, £36,209 rebate was achieved against spend already committed under the agency staff contract and a further £851,686 was saved under the PEQF contract relating to total students in this period. This reflects the highest number of students to date under the current contract as the contract is in its final year and we will be retendered in Spring 2023.  In addition to the saving negotiated for Gwent, a sizeable saving of £166,242 was negotiated for SWP’s body worn video. The largest savings for SWP were under the PEQF contract and totalled a further £5,381,511. As a result of the NPCC and Derbyshire force’s negotiation of a discount on behalf of regional teams, we realised cashable savings of £66,334 across a range of software including 3G Forensic Software, mobile investigator software, Teragence, and Wi-Fi jamming equipment. By recycling obsolete devices under the JCPS framework, SWP received £72,825. An open tender for Web2 Print software delivered £30,025 saving against the budget.  Good contract management has delivered credits for services for examples where delivery did not reflect the contract or a reduction in scope was agreed. We were able to facilitate open discussions to negotiate a reduction in several inflationary increase requests.   * Dyfed-Powys recorded xx cashable savings.   The Welsh Procurement Card rebate for 2022/23 brought income back to the forces under the Welsh Government public sector arrangement where all organisations benefit regardless of their size.   |  |  | | --- | --- | | South Wales | £ 22,156 | | Gwent | £ 2,957 | | Dyfed-Powys | £ xx | | Total | £ 25,113 |   3.3 2022-2023 Procurement Expenditure Summary  Information chart  The contracts awarded during 2022/23 were for a wide range of goods, services and work. Some areas are new and particularly challenging where the contract is on behalf of several public sector partners, or where the purchase is complex and technical. Examples include the purchase of software for the Control Rooms and the Women’s’ Services contract.  The number of procurement projects in the Pre-Contract or Procure phase of the commercial lifecycle means that the strategic procurement staff are managing multiple procurements at any one time, in addition to the essential work to support contracts in the contract management stage of the phase of the lifecycle.  Information chart  The table below shows that 156 contracts, 80 extensions to contracts and 34 formal quotation exercises were awarded by JCPS for South Wales and Gwent forces between April 2022 and March 2023. Of these 71 contracts were Single Tender approvals.  Of the £104 million spent by South Wales and Gwent on goods, services and works, 78% via JCPS was collaborative, a level which has received praise from HMIC.  The dashboard in Appendix A provides further detail on the expenditure and cost savings delivered for the year by Force.  There have been real pressures in many markets this year as a result of factors such as the Ukraine and Russia conflict and inflation, resulting in the cost of living crisis. Buying energy collaboratively meant that whilst prices increased significantly, the forces benefitted from buying forward. This provided some certainty but for the next year, forces are committed to potentially higher prices than forecast market price. The JCPS forces’ energy spend increased by £1.2 million in 2022/23. Fuel expenditure increased by £468,861 or 7.9% and there was a small increase in cleaning costs but it is possible that the retender in 2023 will mitigate the increase.  3.4 Collaborative Procurement Progress and Key procurements  Of the 156 contracts awarded by JCPS this year, these are some of the collaborative highlights:  Access Control  We awarded a tender for a new Access Control system for SWP and Gwent to upgrade the current infrastructure and provide a four-year maintenance agreement. By specifying an open system, we have future proofed the system and will not be locked into using a single supplier for maintenance and upgrades in the future. Prior to contract signature, a proof of concept was completed to ensure the system worked as required. The contract ensures any existing usable hardware will be re-used rather than replacing all with new.  Joint Control Room System  The contract for the provision of a new command and control system was awarded to Saab and will replace several current systems.  A two-year implementation phase has commenced with the system to go live in South Wales in March 2025 with Gwent Police to follow soon after. Savings were realised as a result of this complex collaborative procurement. We are working with the project team to establish the exact timing the savings will be made to report these accurately.  Body Worn Video  A mini competition was carried out under an EMSCU framework for Body Worn Video. A contract was awarded for SWP and Gwent to Reveal Media Limited with a combined value of £2.98 million. £252,000 savings were delivered through a post-tender negotiation.  Maintenance of Automated Facial Recognition  A VEAT (Voluntary Ex-Ante Transparency) notice was published to award a new contract to the previous supplier for the maintenance of the current live and retrospective AFR system for 3 years. Both SWP and Gwent hold perpetual licenses with the supplier and as part of the agreement, SWP provide first line support to Gwent as they access the retrospective AFR through the SWP solution.  Policing Education Qualifications Framework  Planning for the re-procurement of the All Wales PEQF programme commenced in 2022. Gwent and South Wales have formed a joint lot, with separate lots for Dyfed-Powys and North Wales Police. Tenders have been returned and an award decision is expected in June 2023, with the first cohorts under this contract commencing from January 2024.  Forensic Medical Services for Custody and Sexual Assault Referral Services (SARC)  Work is well underway to tender a service for the three southern Wales forces. The contract will include separate lots for SWP Custody, Gwent Custody, Dyfed-Powys Custody and a joint lot for SARC FME Services for the three forces. The tender has been in the development stages during 2022/23 and the tender is anticipated to be published in June 2023 for a duration of 3 years with 2 possible annual extensions.  Disposal of Devices that contain data  Our collaborative framework, let for use by all forces across the country to destroy or wipe devices in return for income, delivered £22,879 for the sale of Gwent devices and £72,825 for the sale of SWP devices.  Travel and Accommodation System  A mini competition exercise under the CCS framework was undertaken for the three southern Wales forces, to award a new contract for Travel and Accommodation. Dyfed Powys were originally included but finally did not need to utilise the framework. The new framework provides preferential rates, the removal of a small booking fee and access to access to Government rates.  Patient Management System  A collaborative tender was carried out for a new Patient Management System to replace the existing aging system within Gwent and the paper-based systems in South Wales and Dyfed Powys.  An in-depth specification was produced, a full open tender process followed with a joint contract being awarded to Civica.  The saving for SWP, against original budget, was in the region of £15,000. The Health Units are expecting efficiency savings to result from implementation, increasing automated processes and reducing time spent emailing and chasing patients.  Occupational Health  There has been a delay in the award of the National Procurement Service framework for the provision of occupational health and associated services. This will provide for the Force Medical Advisor service and will include occupational health auxiliaries and technicians. When the award is finalised in Spring 2023, this will allow in a mini competition to be run under the collaborative framework for the Forces. Difficulties in the market for the supply of doctor prevail for a range of medical services.  3D Laser Scanning Equipment for Forensic Collision Investigations for SWP/Gwent/DPP  A collaborative tender was awarded under an open tender process for 3D Laser scanning equipment. Contracts were awarded for SWP, Gwent and Dyfed-Powys to Leica Geosystems Limited  Police Vehicle Accident Repair Services  Tender preparations have commenced for a replacement contract for police vehicle accident repairs for SWP, Gwent and Bridgend County Borough Council. A tender will be let under the open process with an anticipated commencement date of December 2023  Covert Vehicle Fit-Outs  Work has commenced with colleagues in Fleet and the Region to finalise an updated and accurate specification, with a tender process expected in early 2023.  On site Café  Procurement for this for service at Bridgend, Unit 2 and Swansea is a nil value contract for the Force but required a tender due to the benefit to the winning providers. The procurement came at a challenging time, post-covid and a change of working patterns with an increase in working from home making footfall predications difficult, and the incumbent withdrawing service.  The lotting strategy was designed to encourage bids from SMEs and Lot 1 of the contract was awarded to a Welsh SME, CleverChefs and Lot 2 to a social enterprise, Port Talbot and Afan Women’s’ Aid. However, the Lot 2 supplier chose to withdraw at the start of 2023 as they determined that the business was not viable.  Employee Benefits  In order to support the wellbeing of the workforce, JCPS has managed a package of contract awards and extensions, including a managed service for products such as the Diolch Card; Childcare Vouchers; Financial Management (Wage Stream);Cycle to Work Scheme and a Vehicle Leasing Scheme. These were let under an ESPO framework.  Temporary Labour Services.  Bluelight Commercial led on a tender for Temporary Labour Services and a single supplier framework was awarded to Adecco. Gwent Police have transferred all temporary staff from their previous provider to Adecco, realising significant savings. The contract will allow a one stop shop for temporary posts within specialist and administrative areas. SWP has a lower demand due to their in-house staff bank, but HR are considering whether to move to this arrangement for additional requirements.  Confidential Reporting Line  Following an open tender, a contact was awarded to Safecall for Gwent Police. The contract allows confidential reporting internally and externally and as a new development, the service is available in Welsh to further develop Gwent’s compliance with the Welsh Language Act.  Victims Needs Assessment  An open tender was let on behalf of the Commissioners of Dyfed Powys, Gwent and SWP. The contract will survey and develop an understanding of victims’ needs within the force areas and allow the Commissioners to prioritise spend and commission services to meet the needs identified going forwards. The contract was award to Supporting Justice CIC who are a Community Interest Company. Cashable savings of between £3275 and £4375 were achieved for each force.  Independent Domestic Violence Advisors (IDVA)  JCPS let a collaborative contract on behalf of Newport Council, Torfaen Council, Monmouth Council, Caerphilly Council for Independent Domestic Violence Advisors. Despite this being an open tender, no bids were received due to the TUPE liabilities for existing IDVAs. There may be retender during FY2023/24.  Capital Projects  The Category 2 team have continued to support both forces with several capital projects. These include Abergavenny Police Station, Gwent Fleet Workshops  Gwent Operational Policing Facility, the Tri Force Firearms Range (three forces) and the Cardiff Temple of Peace refurbishment.    Work has been undertaken to establish routes to market for Construction and Project Services to support the forces’ long term estates strategy as well as working on the services associated with new builds, catering, vending machines, gym equipment, road signage and AV Support.  Safer Streets 5  Following another significant value Home Office grant, JCPS worked on a mix of open tenders,  requests for quote, direct awards and single tender requests to support the delivery of the Safer Streets project and to ensure value for money is achieved. Lessons learnt from previous Safer Streets work were applied.  Cleaning Services  An open Find a Tender Service process was let for SWP with a significantly more open specification, using the national specification standards to allow best value to be delivered by bidders. This is the first time we have adopted this approach and positive results are anticipated. The contract is due for award May 2023 and the approach could be adopted for the Gwent retender due in 2023.  Women’s Services  Preparations for a collaborative contract for the Police and Crime Commissioners for Gwent and South Wales Police, HMPPS and the Welsh Government are underway. This ambition is to bring together 4 services (Women’s Pathfinder, 18-25 Early Intervention, CRS (Commissioned Rehabilitation Services) and Family Ties to support the Wales Women’s Justice Blueprint. The project has been very challenging to procure on behalf of other parties and lessons can be learned for the future. The contract is due to be awarded in Summer 2023  Dyfed-Powys Procurement Highlights   * 1. **Contract Management**   In 2021-22, the first year following the establishment of two Contract Management Officer posts, JCPS were able to demonstrate a range of significant benefits as a result. This included a review of key contracts to resolve outstanding issues, quarterly business reviews to review supplier performance; the introduction of a contract classification tool to determine the appropriate level of resource required; the development of an improved contract manual, contract bulletins for BOB and The Beat; £133,062 contract management cost savings through negotiation, continuous improvement and cost avoidance.  Logo  The unit built on their progress and in 2022-23, South Wales Police and Gwent Police Joint Procurement services received a national award nomination and were finalists at the [Go Awards Wales](https://gbr01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwales.goawards.co.uk%2F&data=05%7C01%7Csian.freeman%40south-wales.police.uk%7C4680cf9f229a4b53f9df08daac683b67%7C270c2f4dfd0c4f0892a9e5bdd8a87e09%7C0%7C0%7C638011860926922376%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C3000%7C%7C%7C&sdata=VIgEE2%2B8C7Id9KGVFbUQodNx%2Bk3Dxu9tKGDLsgLLuNI%3D&reserved=0) in the category, Delivering Better Contract Management.  This recognised our achievement to realise a wide range of tangible benefits including cashable savings, as a result of creating two dedicated contract management posts. Despite our small team, we have delivered a range of benefits that would previously remained on a ‘To Do’ List.  As a result of our success, Bluelight Commercial have asked to work with us to assist them in adopting and rolling out our ethical supply chain work across other police forces in the UK.  Some of the highlights of the contract management activity this year include:   * A review of our top 20 contracts by spend for South Wales and Gwent to identify the commercial risks of inflation clauses such as CPI/RPI and consideration of how to best manage price variation clauses. * £20,366 cost avoidance saving on a temporary labour contract due to incorrect calculations on invoices submitted and a further £36,000 cost avoidance saving related to an historic pay award. * Mobilisation of the new Bluelight Commercial (BLC) Contingent Labour contract with Adecco for Gwent and Dyfed-Powys. A transfer of current temporary staff to the new arrangement realised savings of £15,000. * Cost avoidance of £36,000 through the identification of incorrect invoiced rates by Randstad related to an historic pay award. * Work with SWP Estates and our provider of electrical and mechanical services to drive greater value and minimise waste (time and product). By allowing the supplier a level of autonomy to complete works whilst on site up to a £500 limit, improving communication to avoid works on sites due for decommissioning and considering options for apprentices to complete works, we have reduced our costs and delivered efficiencies. We have renegotiated invoicing (full hour charging reduced to half hour) and reduced the overall rate. * Cost avoidance - our electrical contractor requested a 10% increase based on CPI but we have avoided this cost through negotiation as the pricing is fixed for the contract period. * Development of an interactive Key Performance Indicator toolbox with BLC to support Procurement staff and internal stakeholders. This work is ongoing. * Identification of risks and issues with property storage under the Auctions contract for the three forces and support provided to the client department. A new tender process will provide a replacement contract in 2023. * Big Picture mapping exercise undertaking to ascertain risk/resource required for Gwent, SWP and DPP for both operational and strategic contract management to support the new Forensic Medical Services and SARC contract, to be retendered in 2023. * Site visits to Biffa to establish risks of modern slavery in the supply chain. * Audit of clinical waste streams delivering continuous improvement and savings with the Biffa for both forces. * Patient Management System for the 3 southern Wales forces - advised on the scope of contract and implemented cost avoidance savings. * IT contract management of GRS (Global Rostering System). This has been a real challenge, but we have made some significant improvements to a very poor service and a contract based on the supplier’s terms. Communication has improved, service tickets are dealt with more quickly and the supplier has improved many of their processes. Potential price increases avoided – a developer rate was due to increase by 26% but we negotiated this to the 3% as set in the supplier’s terms. There is still a good way to go with this contract, but the current improvements would not have been delivered without the contract management officer input. * Quarterly Business Reviews scheduled for a new ‘Gold’ contract for Child Advocacy Services. * Regular stakeholder mapping across both forces for communications purposes * Estates – advice and guidance provided on procurement routes and procedures. Further face to face training sessions will take place in May 2023. * Templates and Guidance – we have developed and shared templates and guidance with other departments to support them in delivering contract management locally. * Staff Development – the contract management officers are supporting JCPS staff in their knowledge of contract management documentation and providing guidance on tricky contract management issues within contracts. * Automation – learning on power automate and working with DSD to automate some features in the contract directory.   3.6 Procurement Skills Training  The Procurement Skills e-learning package, developed in conjunction with South Wales Learning Development Services was adapted for Gwent Police and is available to upskill officers and staff who are involved in spending force funds. This year, the package was updated to reflect a small change in thresholds. Officers and staff frequently lack business skills and are not aware of the requirements of procurement in the public sector and of the importance of demonstrating and delivering value for the public purse. We are considering how to include finance and procurement skills training as part of the officer promotion process. Face to face training is delivered on an ad hoc basis to departments. For example, two sessions will take place with SWP Estates in May 2023.  3.7 Gwent No PO, No Pay policy and credit card improvements  The No PO, No Pay policy in Gwent was launched in February 2020 to encourage good practice of raising requisitions prior to agreeing to purchases and to ensure suppliers are paid promptly. This policy was put on hold during the pandemic but went live again in December 2021.  The current compliance level figures below show a small dip in the number of transactions covered by purchase order in 2022/23 but this is due to an increase in the number of suppliers on the exemption list where no purchase order is required.   |  |  | | --- | --- | | Percentage of Transactions Covered by Purchase Order | % | | 2020/21 | 29.67% | | 2021/22 | 53.06% | | 2022/23 | 51.97% |   The percentage by spend shows an improvement. There were no large payments for the Gwent Headquarters construction project, but the figure includes payments for the Abergavenny Station and Fleet workshops.   |  |  | | --- | --- | | Gwent Non-Pay Spend covered by a purchase order | | | 2019/2020 | 42.06% | | 2020/2021 | 60.96%  N.B. This figure is skewed by several large payments relating to Gwent HQ construction project | | 2022 | 62.62% and  58.32% excluding payments for the Gwent HQ construction project | | 2023 | 67.34% |   **Credit Cards**  There has been a significant improvement in the reconciliation of the credit card statements this year, with only a very small number of transactions outstanding at the end of March 2023. Over 90% of transactions were fully coded.   1. COLLABORATION   4.1 Joint Commercial and Procurement Services  Whilst the joint unit is well established within South Wales and Gwent, the resource has been very stretched during this year due to vacancies. Competition in the recruitment market for procurement specialists is intense, and it has proved difficult to attract staff where we cannot offer as high salaries as other sectors. A few staff left the Unit following an approach by recruitment agencies, but this has provided opportunity for internal progression and a focus on growing our own talent which should aid succession planning.  Dyfed Powys continues to lead on Forensic Analytical Services for the WSCC (West and South Coast Consortium) in conjunction with the Central Management Team.  The Forces continue to deliver continuous improvement and we are working to best practice, changes in legislation and sharing lessons learned across the unit. We have continued to develop data analysis of goods and services expenditure and report this in a monthly dashboard to the Chief Financial Officers. See Appendix A.  The Contract Management Officer posts have been integral in the delivery of contract management related savings and have been responsible for the development of a range of tools to aid the unit.  For example, a gold, silver, bronze classification tool ensures our resource is focussed in the areas of highest risk and value. A new Contracts Directory provides a snapshot of all current arrangements.  Contract management tools and templates have been used to assist clients in managing their contracts and ensuring suppliers deliver against their commitments. We have shared the tools and templates with Bluelight Commercial to be used in conjunction with their Fundamentals of Contract Management training offered to forces.  More detail about the benefits is summarised in section 3.5 of this report.  4.2 Welsh Government Commercial Delivery and Collaboration  The Welsh Government Commercial Delivery (WGCD) team (formerly the National Procurement Service) alongside local government is now leading on frameworks previously under the remit of the NPS. The Welsh forces have purchased under frameworks for Multi-Functional Devices, Occupational Health Associated Services, Solicitors Services, Furniture Solutions, Utilities, Stationery, Vehicle Hire. Appendix B shows usage of the Welsh Government frameworks by the police forces in 2022/23.  The forces are committed to collaborating with the Welsh public sector as this brings benefits to the local economy, both to SMEs and larger businesses in Wales. In addition, the arrangements should deliver sustainability solutions and promote optimum long-term outcomes for Wales.  5.0 PRIORITIES FOR THE YEAR AHEAD  The priorities for the year 2023/24 will be to further progress the work of the Joint Commercial Services and Procurement unit, to deliver the Southern Wales forces collaborative procurement strategy 2020-2025 and to deliver the following objectives.   1. To deliver the procurement value for money savings targets through the commercial lifecycle activity. The targets set by the Chief Financial Officers are £400K for South Wales and £300K for Gwent. 2. To embed the procurement work to tackle modern slavery in our supply chains as business as usual. To review and publish a refreshed Modern Slavery Statement in 2023, underpinned by a local action plan. To continue to work with Bluelight Commercial to develop tools for use by the 43 forces with our supply base. The aim of the tool is to establish a baseline position for ethical business practice, modern slavery, climate emergency, social contribution and equality, diversity and inclusion. The work across Wales is a joint approach and progress will be reported at an All Wales strategic level. 3. To review the procurement strategy for the largest spend areas to provide assurance that the forces are realising best value through our routes to market or in-house provision. 4. To demonstrate that the contract management officer posts are self-financing because of the savings the unit is realising through their work, with a view to making a case for additional contract management resource. The New Procurement Bill expected to be implemented in Spring 2024 will introduce contract management reporting requirements for higher value contracts. 5. 5. New Procurement Bill 6. The Procurement Bill will reform the UK’s public procurement regulations and introduce a new regime based on value for money, transparency, competition and objective criteria in decision making. It will improve opportunities in public procurement for small businesses and strengthen the approach to exclude suppliers where there is clear evidence of their involvement in Modern Slavery practices. Increased transparency throughout the commercial lifecycle will ensure the spending of taxpayers’ money can be properly scrutinised. A new aspect of the regime is that the Bill sets out steps that must be taken to manage a contract.   The Procurement Bill is going through Parliament and whilst it is taking longer than expected, implementation is expected in Spring 2024.  One of the challenges for this year will be to understand the Procurement Bill and the most significant changes to public sector procurement for a generation. Organisations will be given six months to prepare before go-live. The Cabinet Office is preparing a learning and development programme to support the implementation by procurement professionals. Communities of practice are planned to build confidence across the profession and to nurture cultural change. Two staff within each force will be trained as super users to champion the programme and become key problem solvers. Knowledge drops, tailored to different audiences, will provide a high-level overview of the changes.   * FINANCIAL CONSIDERATIONS   Procurement related savings are only one measure of the procurement unit but the figures in this report demonstrate the benefit of strategic procurement and the value for money process operated by the forces.  The forces did not receive any legal challenges or associated fines to the tenders awarded thus demonstrating the value of a robust and compliant process.   * PERSONNEL CONSIDERATIONS   There are no personnel considerations in relation to this report.   * LEGAL CONSIDERATIONS   There are no legal considerations in relation to this report.   * EQUALITIES & HUMAN RIGHTS CONSIDERATIONS   This report has been considered against the general duty to promote equality, as stipulated under the Joint Strategic Equality Plan and has been assessed not to discriminate against any particular group.  In preparing this report, consideration has been given to requirements of the Articles contained in the European Convention on Human Rights and the Human Rights Act 1998.   * RISK AND AUDIT   Risks are recorded on local risk registers and escalated as necessary.  TIAA, the current provider of internal audit services to the Welsh forces, carried out internal audits to review various aspects of Procurement during 2022/23. Both the assurance review of the Single Tender Process and the assurance review of Contract Management received Substantial Assurance.   * PUBLIC INTEREST   In producing this report, has consideration been given to ‘public confidence’? Yes  Are the contents of this report, observations, and appendices necessary and suitable for the public domain?  *The report is suitable for the public domain except for Appendix A and Section 3.2 and 3.4 which provide details of savings achieved. These sections should be redacted*.  Media, Stakeholder and Community Impacts: no impacts   * LEAD CHIEF OFFICER   Umar Hussain, Nigel Stephens and Edwin Harries, Chief Financial Officers for the Southern Wales forces   * CHIEF OFFICER APPROVAL   + I confirm this report has been discussed and approved at a formal Chief Officers’ meeting.   + I confirm this report is suitable for the public domain / is not suitable for the public domain for the reasons stated. (delete as appropriate)   Signature: (Insert CO electronic signature) Date:  APPENDIX A - SPEND ANALYSIS  Information chart  Information chart  Information chart  Information chart  Top 20 Suppliers by Spend  South Wales and Gwent  Information chart  Dyfed Powys |
|  |

Appendix B Welsh Government Commercial Delivery Heatmap

Table

Description automatically generated

1. PUBLIC INTEREST
   1. In producing this report, has consideration been given to ‘public confidence’? Yes
   2. Are the contents of this report, observations and appendices necessary and suitable for the public domain? Yes
   3. If you consider this report to be exempt from the public domain, please state the reasons: N/A
   4. Media, Stakeholder and Community Impacts:
2. LEAD CHIEF OFFICER
   1. ACOR Nigel Stephens
   2. I confirm this report has been discussed and approved at a formal Chief Officers’ meeting.
   3. I confirm this report is suitable for the public domain for the reasons stated in 1.3.

Signature:  Date: 24.05.2023