



AUDIT COMMITTEE

Date Written	18 th April 2019
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Exempt/Non Exempt	Non Exempt
Committee Date	29 th April 2019

To: Chair, Ladies and Gentlemen

Public Procurement in Wales – MTCBC Procurement Strategy

1.0 SUMMARY OF THE REPORT

- 1.1 In October 2017 the Wales Audit Office published a report titled 'Public Procurement in Wales'. The report was prepared due to the changing landscape of Procurement in Wales and changes in procurement legislation.
- 1.2 Recommendation R3 indicated that some public bodies' procurement strategies were out of date and that a review of strategies were required to ensure that they reflect wider policy and legislative changes and support continuous improvement.
- 1.3 The Procurement Strategy for Merthyr Tydfil County Borough Council was valid and live at the time of sampling and is due to be updated this financial year as a matter of course.

2.0 RECOMMENDATIONS that

- 2.1 Audit committee note the report.

3.0 INTRODUCTION AND BACKGROUND

- 3.1 Each year public bodies spend a significant amount of money buying in goods, services and works, this process is known as procurement.
- 3.2 Ineffective procurement arrangements present risks for the delivery of public services. If goods and/or services are not available when required this could lead to a delay in service delivery and similarly if those goods and/or services are not providing value for money, public funds could be wasted as opposed to being better spent on the delivery of public services.
- 3.3 The report published by the Wales Audit Office also included particular attention to the National Procurement Service (NPS) following concerns raised by many public bodies. A separate report was published on the NPS.
- 3.4 The report identified that procurement strategies are of various qualities and some sampled were out of date, however the strategy in place for Merthyr is valid through 2019.
- 3.5 The report also highlighted the take up of e-procurement tools and inconsistencies in those implementations and applications of which Merthyr Tydfil has fully integrated the e-procurement tools i.e. Sell2Wales, eTenderWales, Atamis (Spend Analysis), Portfolio Manager (D&B credit checks) and the e-procurement marketplace.

4.0 PROCUREMENT STRATEGY PROGRESS

- 4.1 Whilst the Procurement Strategy for Merthyr Tydfil was in place for 2016-2019, recommendations in the report stated that strategies would need updating to reflect legislation that drives procurement. The main omission from the existing procurement strategy is the Wellbeing of Future Generations Act 2015.
- 4.2 A revised procurement strategy is currently in draft form, having made significant progress in linking procurement with the Wellbeing Act. It is this Act which is the key driver to modern procurement as we seek to reduce waste, improve sustainability and create local wealth through use of our local supply chains.
- 4.3 The Strategy will be taken initially through Procurement Board before being presented back to CMT and ultimately Council for approval in July 2019.

5.0 FINANCIAL IMPLICATION(S)

- 5.1 There are no financial implications associated with the report

ELLIS COOPER
DEPUTY CHIEF EXECUTIVE

ANDREW BARRY
CABINET MEMBER FOR GOVERNANCE
AND CORPORATE SERVICES

BACKGROUND PAPERS		
Title of Document(s)	Document(s) Date	Document Location
Does the report contain any issue that may impact the Council's Constitution?		NO