



COMISIYNYDD
HEDDLU A THROSEDD
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POLICE AND CRIME
COMMISSIONER



South Wales
Police and Crime Commissioner
Comisiynydd yr Heddlu a Throseddu
De Cymru



Southern Wales Police Forces Collaborative Commercial and Procurement Strategy

2020-2025

Version Control

Version	Date	Author	Comment
V1.0	14/9/2020	Siân Freeman	Draft submitted to Umar Hussain for review
V1.1	29/9/2020	Siân Freeman	Expanded Executive Summary
V1.2	15/10/2020	Siân Freeman	Appendix C Procurement Pipeline to be added – referenced but pipeline to follow
V1.3	2/11/2020	Siân Freeman	Pipeline added to Appendix C

Table of Contents

1. Executive Summary

Success of the three Force Procurement Collaboration to date

Looking Forward 2020-2025

2. Introduction

3. Collaborative Procurement Vision

4. Governance and Procurement Context

5. Strategic Objectives

6. How We Will Achieve Our Objectives

7. How We Will Measure and Monitor Performance

Key Enablers

8. Culture

Appendix A Joint Commercial and Procurement Services Structure

Appendix B Responsible Procurement Policy

What is Ethical Procurement

Welsh Policy Drivers

Policing Policy Drivers

Key Priorities and Delivery

Applying Ethical Purchasing Principles

Governance and Monitoring

Appendix C Procurement Pipeline

1. Executive Summary

This Commercial and Procurement Strategy 2020-2025 supersedes the Procurement Strategy to 2020 for the three police forces of South Wales, Gwent and Dyfed-Powys.

The three forces have been collaborating in procurement for over a decade and building on the work to date, a new Gwent and South Wales Commercial and Procurement Services unit was established on 1st June 2020. Dyfed-Powys will retain their involvement from a strategic perspective and will continue to lead on some key collaborative procurements on behalf of the three forces. The new unit has adopted a hybrid approach to realise the many benefits of a best practice category management approach but maintaining informal category specialisms but retain flexibility within a relatively small team. This strategy will take the Commercial function forward, delivering results that improve efficiency, contractor performance and procurement related savings.

Success of the three Force Procurement Collaboration to date

- 71.4% of the £104.5 million spent by the three forces on goods, works and services in 2019/20 was spent collaboratively. This demonstrates the effectiveness of the unit and is a noteworthy increase from the 68% collaborative figure for the previous year as well as an increase of 19% compared with the 2010/11 figure when the collaboration first commenced.
- The unit has initiated new areas of collaboration each year
- The three forces have together delivered over £11 million of procurement related savings during the last five years and significant savings will be reported during 2020/21 as a result of the procurement of Police Education Qualification Framework and several other key agreements.

3 Force Procurement Savings 2015-2020				
FY2015/16	Dyfed-Powys	Gwent	South Wales	Total
Cashable	£168,847	£468,973	£1,159,544	£1,628,517
Non - Cashable	£17,507	£23,221	£655,867	£696,595
Total	£186,354	£492,194	£1,815,421	£2,493,969
FY2016/17	Dyfed-Powys	Gwent	South Wales	Total
Cashable	£392,266	£600,558	£790,394	£1,783,218
Non - Cashable	£146,003	-	£31,464	£177,467
Total	£538,269	£600,588	£821,860	£1,960,717
Total Saving	£538,269	£600,588	£821,860	£1,960,717
FY2017/18	Dyfed-Powys	Gwent	South Wales	Total
Total	£388,399	£496,525	£1,634,292	£2,519,216
FY2018/19	Dyfed-Powys	Gwent	South Wales	Total
Cashable	£961,610	£540,299	£551,247	£2,053,156
Non - Cashable			£532,635	£532,635
Total Saving	£961,610	£540,299	£1,083,882	£2,585,791

FY2019/20	Dyfed-Powys	Gwent	South Wales	Total
Cashable	£332,558	£167,865	£760,699	£1,261,122
Non - Cashable		£13,720	£212,058	£225,778
Total Saving	£332,558	£181,585	£972,757.00	£1,486,900
Total 2015-2020	£2,407,190	£2,311,191	£6,328,212	£11,046,593

- The forces have actively collaborated with other police forces. Represented by the Strategic Lead, the forces have engaged with National Procurement Service activities in Wales, the National Police Procurement Executive working group, and have been involved in the work to establish Bluelight Commercial which went live on 1st June 2020.
- We have supported the principles of the Welsh Procurement Policy and engaged with the Collaborative Law Enforcement Procurement (CLEP) Project resulting in the delivery of a range of savings and standardised goods and services.
- We have embraced digital procurement - all tenders are published and submitted electronically, and opportunities advertised via online portals to reduce bureaucracy, increase transparency and enable SMEs and local companies to do business with the forces.
- Key processes are aligned - the development of standardised procurement documents, processes, terms and best practice have increased efficiency, improved the experience for suppliers and ensured our compliance with regular changes in the procurement regulations.
- The forces operate a common ERP system which has facilitated the sharing of working processes and best practice across South Wales and Gwent. The introduction of a value for money form ensures the forces can demonstrate VfM for purchases with a value above £500, in line with the Transparency Agenda.
- Whilst North Wales principally collaborates with forces in the North West region, we have successfully collaborated on major tenders on an All Wales basis, such as Police Officer Apprenticeships and Police Officer Pension Services.
- Joint working such as preparation for EU Exit, response to the crisis in the Forensics Services market, Modern Slavery and Ethical Supply Chains, planning for the ESN Programme
- Increased focus on Procurement Awareness and Contract Management Training

Our vision for Commercial and Procurement Services is,

[To deliver excellent value for money and provide a flexible procurement function to meet the current and future needs of the Forces.](#)

This strategy includes a Responsible Procurement Policy which is shown at **Appendix B**. We will consider social value at the point when we review our services and consider how they are to be delivered in conjunction with stakeholders and bidding organisations. Where appropriate, these issues will be taken into consideration when we are inviting tenders.

Procurement has supported steps taken to 'green' our estate and implement initiatives to protect the environment. Gwent Police have established a Greener Gwent group. Where appropriate, contracts such as construction agreements, include provisions for sustainable procurement.

- Forces have signed up to the Waste to Wealth Commitment to build on existing initiatives and map resource use and reduce avoidable waste, for example in our catering service and in the design of buildings, working with the suppliers to achieve greater resource productivity and circularity. Dyfed -Powys are discussing with custody suppliers in relation to reducing or eliminating single use plastics, in response to a Welsh Government consultation on single use plastics. If progressed, this initiative could be considered within other contracts and by BlueLight Commercial.
- Buildings have been upcycled to make sites fit for purpose rather than demolishing buildings e.g. Y Bont, South Wales's canteen and wellbeing area was created with its environmental impact in mind. This building now has an energy A rating and represents a best case like for like new for old comparison of a reduction in Carbon emissions of 500%.
- The design of new and refurbishment of existing Headquarters buildings at South Wales and Gwent sites have the environmental impact at the heart of the design process, incorporating sustainable urban drainage systems, a 50% reduction of carbon footprint compared with buildings of a similar size and nature, power is only used where it is needed and wellbeing spaces are incorporated for staff and visitors.
- Equipment has been re-used and recycled across the forces; Staff have been offered the opportunity to purchase furniture that could not be recycled or used; old monitors sold to staff for home use; re-use of racking, boilers, hydro boils, air extraction, racking, air con systems etc. to reduce capital investment costs.
- Electrical vehicles are in each force's purchase plans. BlueLight Commercial have begun work with stakeholders to develop a 10 year future category strategy for Fleet, that includes a focus on sustainability including electric and hydrogen vehicles and the appropriate infrastructure and routes to achieve this.

Looking Forward 2020-2025

It is anticipated that a more developed collaborative model across South Wales and Gwent will deliver further benefits of closer collaboration and further alignment of procurement.

The Key Enablers are:

People – continuing to invest in our staff to ensure the team has the right mix of commercial capability, skills and knowledge

Culture - developing a culture that is engaging early, forward looking and business aligned

Collaboration – our default position and actively engaging with the national police procurement agenda via BlueLight Commercial and the Police ICT Company and the public sector in Wales

Technology – continue to invest in digital procurement to simplify our core processes

Information – providing accurate, timely spend data to inform procurement decisions and identify savings and opportunities as well as demonstrating value for money

The areas to be targeted for improvement include:

- i. Reducing the number of contract extensions beyond the expiry date of the contracts and the associated risks of challenge. The backlog is a result of insufficient resource to manage the demand for new procurements and re-let contracts for existing goods and services, although late award is often the result of delays by the client and a side effect of a large number of stakeholders in a collaborative process.
- ii. Better supplier relationship management
- iii. Increase in contract management activity – the focus on this has increased since 2018/19 but further work is required.
- iv. Reducing duplication of contracts across the forces, especially for lower value expenditure thus making better use of procurement resources
- v. Increasing savings through procurement
- vi. Further alignment of working practices
- vii. Alignment of the Ordering process across Gwent and South Wales

Effective control of the spend and supply chain is of strategic importance to the performance of the force, the safety of its officers and reputation of the forces through the goods and services required to keep our communities safe, equip and care for our officers and staff, support victims and provide excellent services.

Commercial capability includes a range of skills, notably procurement, finance and legal. For this reason, we will work closely with colleagues, ensuring best practice is applied. In addition, Procurement has developed an e-learning package, in conjunction with Learning and Development Services. This concise package will upskill officers and staff in commercial skills as a consequence of their completion of business skills audits within the annual performance review process.

The Joint Commercial and Procurement Services will create a small increase in resource, but the new approach will stretch our existing resource as we will continue to grow our own talent through experience and skills training within the strategic procurement team.

Performance will be measured and monitored against a collaborative expenditure target, by savings reported locally and to the Home Office, engagement with Bluelight Commercial and the National Procurement service, through analysis of spend data and benchmarking, the level of training and development, compliance with policies and procedures and customer feedback.

A Procurement Pipeline is included at **Appendix C** showing the collaborative workplan, although this does not include new procurements which will inevitably arise, or local procurements managed by Dyfed-Powys Police.

Change is considered a constant and continuous improvement is embedded within the procurement function as well as within each of the forces. The drive to regularly apply lessons learned and make improvements to processes based on experience and changes to legislation will remain.

Siân Freeman

Head of Commercial Services

2. Introduction

Procurement does not merely relate to “buying” but covers the whole process from initial identification of a need for goods or service, through selecting a supplier, receiving the goods or service, managing a contract, achieving the benefits expected and finally disposing of an asset or ending of a contract, as shown in the diagram below.



Value for money and effective delivery of procurement potential across the forces will only be achieved through the active participation of all those who control budgets and authorise expenditure as well as those with the appropriate technical expertise.

The police forces of Dyfed-Powys, Gwent and South Wales currently spend approximately **£105 million per annum** on a diverse range of goods, services and works, amounting to approximately 20% of the overall budget.

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The first three force strategy for southern Wales was approved by Chief Officers in 2015 and refreshed in 2019. This document supersedes that strategy and is adopted to build on the joint working and progress to date.

The purpose of this collaborative strategy is to set a clear framework for all procurement activity across the three forces. Whilst the three forces are working together under a Strategic Lead, Gwent and South Wales formed a new two force Joint Commercial and Procurement Services unit on 1st June 2020. Dyfed Powys retains involvement from a strategic perspective and will continue to manage a number of key collaborative procurements. The organisation structure diagram is shown at **Appendix A**.

Approval was secured as part of the business case for the new joint unit for a small number of additional posts, including two new contract management officers who will focus on a small number of high value, high risk contracts to develop supplier relationships and drive best value. The new unit will increase collaboration especially in lower value areas and it is hoped that more common specifications will result from joint working.

A collaborative approach is the default position when considering a new requirement or re-letting a contract. New areas of collaboration have commenced year on year, but we will drive better collaboration in existing areas in addition to continue to work together in new areas.

A key factor in delivering value for money from procurement, is to undertake evaluations using whole life costs and benefits which includes:

- the initial concept and definition of business needs,
- option appraisal,
- management of contracts, through to the end of the useful life of an asset or end of a services contract in the most effective manner.

Best practice on sustainable procurement ensures that benefits are generated not only to the organisation, but also to society and the economy, whilst minimising damage to the environment.

There are several important reasons why the forces must ensure effective procurement processes are undertaken:

- The forces deliver a wide range of services that have a fundamental impact on the lives of communities.
- We must be certain that we are buying goods and services that enhance, not detract from, that quality of life.
- We must be sure who we are trading with and be convinced that by trading with that company any risks to itself and its communities are reduced.
- The forces have a particular obligation to ensure that all procurement processes are open, transparent and give equal treatment to everyone.

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- There is a duty to promote free and fair competition in the market.
- The forces are spending public money and have a legal and moral responsibility to taxpayers to ensure that it is spent as responsibly as possible.

This strategy provides a context for how goods and services will be procured and clearly communicates the vision for collaborative procurement to all key stakeholders, ensuring progress is transparent and measurable.

3. Collaborative Procurement Vision

Our vision for Commercial and Procurement Services is,
[To deliver excellent value for money and provide a flexible procurement function to meet the current and future needs of the Forces.](#)

Delivering value for money in our expenditure is important to demonstrate our responsibility in the management of taxpayers' money and our commitment to transparency and proportionality. We recognise that procurement and supply chain management can contribute much more in terms of improved levels of services, innovation, flexibility and sustainability.

The team are working with the business to deliver significant commercial benefits by:

- Deployment of a hybrid category management approach to retain flexibility but better understand market opportunities and changing business needs.
- Achieving and sustaining savings through the procurement life cycle.
- Letting longer-term efficient and effective contract solutions that minimise the costs over the life of a contract.

The strategy links the objectives of the forces with commercial goals, recognising the responsibilities Commercial and Procurement have in collaborating with internal and external partners and working in a fair and transparent manner. This is a fundamental key to achieving the drive for obtaining best value for both the organisation and the supply chain and supports the Police and Crime Commissioners and Chief Constables in their overall approach to the delivery of operational policing. Objectives within the Police and Crime Plans include making the best possible use of resources and developing a value for money strategy to meet the financial challenges.

In order to improve procurement and commercial competency across the forces, Procurement has developed an e-learning package in Procurement Skills, in conjunction with South Wales Police Learning and Development Services. The concise eLearning package is a basic introduction to buying

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goods and services within the public sector and the importance of delivering value for money. It addresses commonly asked questions and checks knowledge via a scenario. Face to face training sessions will be available for officers and staff who need to build on this learning and acquire a more advanced level of procurement knowledge and skills.

4. Governance and Procurement Context

The Forces' procurement principles are underpinned by values of equal treatment, non-discrimination, mutual recognition, proportionality and transparency. The EU Public Sector Procurement Directive 2014 was transposed into UK Law by the Public Contract Regulations 2015.

The Forces have robust internal governance through force Contract Standing Orders, the Procurement Contract Regulations and best commercial practice to ensure the principles of transparency, competition and value for money are embedded in all procurement activities.

The Wales Procurement Policy is a set of 10 principles by which the Welsh Government expects public sector procurement to be delivered in Wales. The forces are supportive of the Policy Statement and have adopted its principles.

Strategic direction will be provided to the Joint Commercial and Procurement Services (JCPS) unit by the JCPS Board. The Board will be comprised of representatives of each of the two legal entities. The Board will be chaired by the Chief Finance Officer (CC) for South Wales and will agree and monitor delivery of the annual local delivery plan, ensuring value for money, and monitoring performance through agreed key performance indicators and performance objectives for the JCPS. The Board will meet to coincide with the timing of the Finance Joint Assurance Group which is attended by the Chief Finance Officers for the 4 Welsh forces. This will ensure Dyfed-Powys input into the strategic direction and agreed objectives for Procurement.

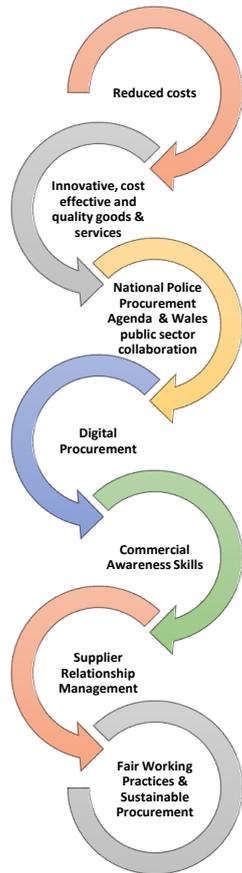
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5. Strategic Objectives



Our Strategic Objectives are to:

- Support policing through reducing cost. We will deliver savings year on year to support investment in frontline activities.
- Procure and support the delivery of innovative, cost effective and quality goods and services to meet the policing priorities through a strategic approach

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- Collaborate and actively engage with the national procurement agenda for policing as well as with the public sector in Wales to facilitate collaborative procurement.
- Continue to develop eProcurement and digital technology in procurement.
- Strengthen procurement leadership through further development of commercial awareness skills and sharing of best practice.
- Continue to develop strong working relationships with key stakeholders and to develop supplier relationship management, delivering effective contract management performance and enforcement.
- Support the implementation of fair working practices and ensure that all employees work in a safe environment
- Consider how services commissioned and goods procured might improve the economic, social and environmental well-being of the local area, encouraging local employment opportunities

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6. How We Will Achieve Our Objectives

Key Enablers

People

We will: Continue to invest in our People to ensure that the Procurement Unit has the right mix of skills, knowledge and expertise

Ensure officers and staff across the Forces have the procurement skills and knowledge to work effectively

Technology

We will: Embrace and invest in digital procurement to underpin and simplify our core processes for staff and suppliers

Culture

We will: Develop a culture that is forward looking, engaging early and business aligned. We will challenge specifications, drive competition and ensure we are seen as an enabler not a barrier.

Collaboration

is our default position and we will actively engage with the national police procurement agenda and the public sector in Wales

Process

We will: Simply and standardise our core processes and ensure our controls ensure compliance.

Information

We will: Provide accurate, timely spend data to inform procurement decisions, identify savings opportunities and demonstrate value for money. In addition, publish spend information on the Commissioner's website

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- The strategic procurement teams will manage, monitor and approve all procurement activity with the expertise and drive to deliver procurement efficiencies. The new two force unit will bring efficiencies and improvements by working as a single unit.
- The Joint Commercial and Procurement Services unit will develop two broad category portfolios, each under a Procurement Manager with responsibility for goods and services categories.
- Review all existing contracts with a planned programme of work with key timescales.
- Explore further collaborative opportunities with other forces, National Procurement Service (NPS), Crown Commercial Service and other public sector bodies in order to generate additional savings and ensure efficient use of resources
- Support the Welsh Government approach to progress the development of a [new procurement landscape in Wales](#). This encompasses:
 - A transition to a revised NPS pipeline
 - An emphasis on digital technology
 - Capability and capacity and sharing best practice
 - Approach to leaving the EU
- We will consider convergence in technology and a collapsing of systems on an All Wales forces approach, as agreed by the Welsh forces' Chief Officer Group. We will enable wider collaboration across the Wales forces where a joint approach is agreed. We will engage closely with the work of the Police ICT Company.
- Work closely with Bluelight Commercial (BLC) which aims to provide a sustainable, value for money offering, breaking down the silo working amongst police forces and encouraging commercial collaboration with other blue light services. The Head of Commercial Services will be the link between the forces and BLC.
- BLC will provide a single voice from policing to the supplier market, develop and share greater market knowledge to increase our ability to influence negotiations and drive down prices.
- BLC will aid benchmarking, build commercial toolkits, provide strategic supplier management and provide best practice support and guidance on Social Value.

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- Whilst BLC strategies are yet to be established for the national pillars (groups of categories), it is anticipated that they will deliver standardisation of specifications, aggregation of requirements and contract management to embed a value for money culture
- We will seek to improve procurement and commercial competency across the forces. As described earlier in the Introduction, we have developed a Procurement Skills E-learning package for officers and staff to provide a basic introduction to buying goods and services within the public sector and the importance of delivering value for money. This is currently available within South Wales, but we will share this with Gwent and Dyfed-Powys forces. Face to face training sessions will be available for more senior officers and staff who need to build on the practitioner level skills and acquire a more advanced knowledge of procurement.
- We will consider social value at the point when we review our services and consider how they are to be delivered in conjunction with stakeholders and bidding organisations. Where appropriate, these issues will be taken into consideration when we are inviting tenders. Our Responsible Procurement (Ethical Employment) Policy is shown at **Appendix B**.
- We expect our suppliers to provide high quality goods, services and works to the Forces and demonstrate an ability to embrace sustainability, social value, equality and diversity throughout the workforce and supply chain.
- We minimise the administrative burden and cost to suppliers through digital procurement and processes such as etender software for the publication and submission of tenders, online portals such as sell2wales and Contracts Finder to advertise opportunities and electronic receipt of invoices, thus reducing bureaucracy and increasing transparency.
- Under the Elected Local Policing Bodies (Specified Information) Order 2011, the Police and Crime Commissioner is required to publish details of all expenditure over £500 for themselves and the Chief Constable. This information is produced monthly and available on the website of the Police and Crime Commissioner. Details of contracts awarded by all forces is available via the national police procurement database, Bluelight, www.blpd.gov.uk to encourage small and medium enterprises to bid for contractual opportunities.

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7. How We Will Measure and Monitor Performance

- We will monitor performance against the target of 66% for collaborative procurement arrangements as a percentage of spend on goods, services and works.
- Efficiency and Cost Savings - we will continue to work to deliver the cashable and non-cashable savings targets set within each force. The measurement of notional savings will demonstrate the benefits of competition in the market. The initiatives outlined in this strategy such as effective procurement processes, collaboration, e-procurement and early engagement with stakeholders will contribute to both efficiency and cost savings.
- Savings figures as reported to the Home Office on a quarterly basis.
- We will engage with Bluelight Commercial to increase overall commercial capability within policing, maximising benefits to the front-line and ensuring that issues of duplication across procurement departments are addressed. The new entity will provide a single voice from policing to the supplier market. We will measure our response to Bluelight initiatives.
- Make use of and support collaborative sourcing, including National Procurement Service opportunities where it represents value to the Forces.
- Analysis of comprehensive and accurate expenditure information in order to facilitate speedy and objective decisions on future procurement. This may include benchmarking, monitoring expenditure as an indicator of effective demand management and monitoring the number and value of single tender approvals.
- Training and Information - We will ensure procurement staff develop their knowledge and skills through continuous professional development and keep abreast of developments in procurement best practice
- Compliance with relevant policies and procedures and robust risk management with particular regard to all statutory requirements.
- Customer feedback on completion of any large/complex procurement processes will form an integral part of our monitoring and improvement processes.
- Regular review of local risk registers and management of risks

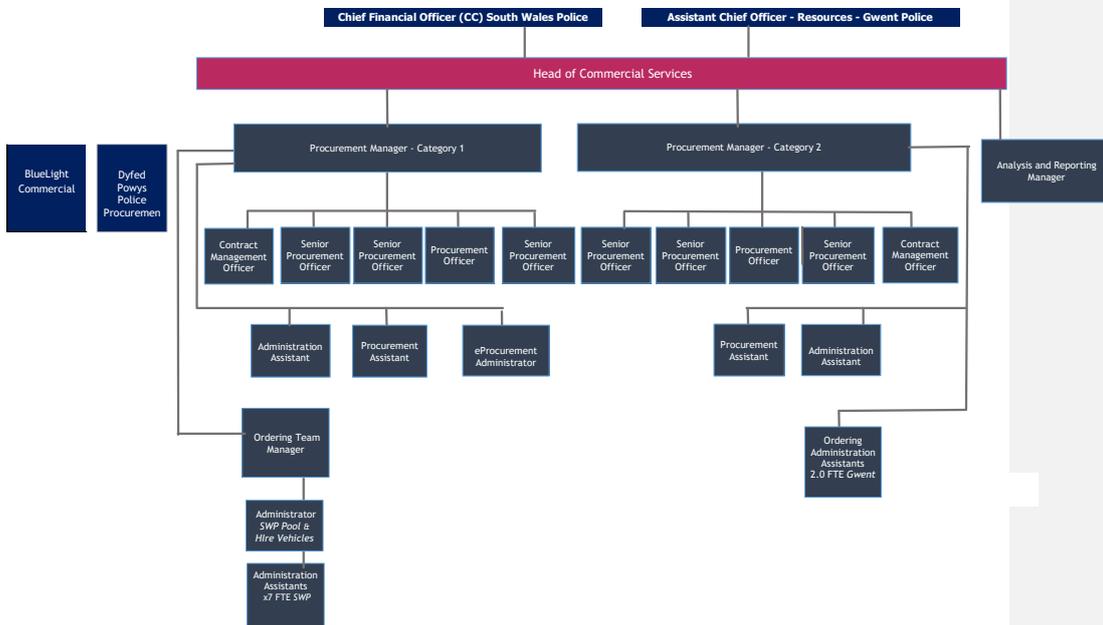
8. Culture

To demonstrate the successful delivery of the strategy, the collaborative procurement unit will be able to demonstrate a culture that is:

- **Forward looking** – JPCS will continue to be a proactive, forward looking function; it will embrace procurement initiatives and engage in activities that will enable best value procurement for the forces
- **Engaging Early** – JPCS will continue to engage with service deliverers and stake holders across the forces in order to ensure professional procurement advice is provided involvement at the earliest opportunity
- **Business Aligned** – JPCS will support the objectives set out in the Commissioners' Police and Crime Plans to ensure activity is aligned with business objectives including spending wisely. JPCS will develop partnerships with other organisations in order to exploit the potential for best value procurement.
- **Challenging specifications** – JPCS will persist in challenging user specifications to ensure that force needs are met but requirements are not over specified and allow innovation by bidders where appropriate.
- **Driving competition and best value** – JPCS will seek to derive the maximum benefit from competitive process.
- **Sourcing through collaboration and frameworks** - JPCS will make use of frameworks where they deliver good value; we will seek to further increase the level of collaborative spend; through engagement via collaborative sourcing, resources will be able to focus on more complex, police specific procurements
- **Seen as an enabler and not a barrier** – work to provide excellent customer service and further demonstrate the value proficient procurement can add.
- **Contributing to Demand Management** wherever possible by challenging demand prior to ordering; providing information on contracts and sources for goods and services to assist clients.

Joint Commercial and Procurement Services Structure

Appendix A



Responsible Procurement Policy

Appendix B

What is Ethical Procurement?

Ethical procurement, often referred to as Socially Responsible Procurement refers to procurement processes which:

- Comply with relevant laws and standards relating to ethical purchasing and employment conditions
- Respect fundamental international standards against criminal conduct such as bribery, corruption and fraud and human rights abuses, e.g. forced and child labour, and the need to respond to such matters where they are identified
- Result in progressive improvements in the lives of people who contribute to supply chains and are impacted by supply chain decisions.

Ethics are moral principles or values that guide procurement officers in aspects of purchasing. Ethical behaviour encompasses the concepts of honesty, integrity, probity, diligence, fairness, trust and respect. Ethical behaviour includes avoiding conflicts of interest, and not making improper use of an individual's position.

Ethical Purchasing Principles include openness and transparency, fairness, ensuring opportunities for business are accessible to all, including small and medium enterprises (SMEs).

Ethical behaviour supports openness and accountability in procurement with the result that suppliers have confidence in participating in the marketplace. Ethical behaviour can reduce the cost of managing risks and has been developed to enhance trust in the public sector.

The Welsh Police Forces through their delivery of services to the community can have a significant impact on the environment and will engage in development that meets the needs of the present without compromising the ability of future generations to meet their own needs.

Procurement plays a key role in influencing the delivery of any organisation's contribution to sustainable development. Procurement will utilise its position in the organisational supply chain to influence the definition of needs, acquisition, service delivery and product utilisation and disposal to ensure that environmental and sustainable factors are embraced within the framework of value for money in the public sector.

Welsh Policy Drivers

The **Wales Procurement Policy** establishes a number of key principles by which the Welsh Government expects public procurement to be delivered in Wales. The forces are supportive of the Policy Statement and have adopted its principles. A number of these principles directly support the Wellbeing of Future Generations Act, namely:

- **Economic, Social and Environmental Impact** - value for money should be considered as 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.
- **Community Benefits** – delivery of social, economic and environmental benefit through effective application of Community Benefits policy must be an integral consideration in procurement.
- **Open, accessible competition** – public bodies should adopt risk based, proportionate approaches to procurement to ensure that contract opportunities are open to all and smaller, local suppliers are not precluded from winning contracts individually, as consortia, or through roles within the supply chain.
- **Simplified Standard Processes** – procurement processes should be open and transparent and based on standard approaches and use of common systems that appropriately minimise complexity, cost, timescales and requirements for suppliers.
- **Collaboration** – areas of common expenditure should be addressed collectively using standardised approaches and specifications managed by the National Procurement Service to reduce duplication, to get the best response from the market, to embed the principles of this Policy Statement for the benefit of Wales; and to share resources and expertise.

The Wellbeing of Future Generation (Wales) Act 2015 came into force in April 2016 and focuses on improving the social, economic, environmental and cultural well-being of Wales. The aim is to create a Wales that we all want to live in, now and in the future. The Act recognises the important role procurement can play in how a public body allocates resources under the Act.

Whilst Policing in Wales is currently non-devolved, the forces are supportive of the principles of the Act and can evidence a range of initiatives that have delivered the improvements outlined in the Act.

For example, Telematics software has enabled the forces to reduce the number of vehicles required through better information and the roll out of high-quality devices and laptops to officers and staff as part of an Agile and Digital Project has transformed the way the forces work. The devices have allowed officers to increase the time they spend outside police stations, bringing improved access to information, a better experience for victims, digitalised processes, smarter working, reduced travel, flexibility for staff and a wide range of wellbeing benefits.

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This Collaborative Commercial and Procurement Strategy applies the following principles:

- i. Social, Economic and Environmental Impact
- ii. Community Benefits, open and accessible competition
- iii. Simplified standard processes across the public sector
- iv. Policy Development and Implementation

Opening Doors: The Charter for SME Friendly Procurement

The Charter, produced by Value Wales, is part of a programme of actions to deliver a consistent approach to procurement across the public sector in Wales whilst at the same time addressing the issues of particular concern to SMEs. The forces are committed to actively encourage their main suppliers to provide opportunities for SMEs to deliver elements of appropriate contracts. They are committed to encourage suppliers to embrace a sustainable development ethos within their organisations. Initiatives include publishing opportunities for business via the Sell2Wales website, continuously modernising our technology, encouraging suppliers and contractors to submit consortia or collaborative bids for work tendered, holding 'Meet the Buyer' events, use of Lotting Strategies and applying the SQuID approach developed by Welsh Government.

Welsh Government Ethical Employment in Supply Chains Code of Practice

The Welsh Government launched the Ethical Employment in Supply Chains Code of Practice in 2017 <https://gov.wales/ethical-employment-supply-chains-code-practice-guidance-and-training> under which 5 toolkits provide guidance and advice as to compliance. The Code aims to support the development of more ethical supply chains delivering contracts for the Welsh Public sector.

Section 54 of the Modern Slavery Act 2015 sets out requirements for transparency in supply chains. It stipulates that commercial organisations with a turnover above a certain threshold (currently £36million) are required to produce an annual statement setting out the steps they take to prevent slavery within their own organisations and within their supply chains.

The code encompasses the following employment issues: -

- Modern slavery and human rights abuses;
- Blacklisting;
- False self-employment;
- Unfair use of umbrella schemes and zero hours contracts;
- Paying the living wage.

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[Cyflogaeth foesebol mewn cadwyni cyflenwi: cod ymarfer, arweiniad a hyfforddiant | LLYW.CYMRU](#)

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All organisations are encouraged to sign up to the Code and businesses in public sector supply chains are expected to adopt it. The Code aims to ensure that workers in public sector supply chains are employed ethically and in compliance with both the letter and spirit of UK, EU and international laws. In signing up to the Code, organisations agree to comply with 12 commitments.

The 12 commitments in summary are to:

1. Produce a written policy on ethical employment within the organisation and its supply chains. Communicate the policy and appoint an Anti-Slavery and Ethical Employment Champion.
2. Produce a written policy on whistleblowing.
3. Ensure those involved in buying/procurement receive training on modern slavery and unethical employment practices.
4. Ensure that employment practices are considered as part of the procurement process.
5. Ensure that the way in which we work with suppliers does not contribute to the use of illegal or unethical employment practices.
6. Expect our suppliers to sign up to the Code.
7. Assess expenditure to identify and address issues of modern slavery, human rights abuses and unethical employment practice.
8. Ensure that false self-employment is not undertaken, and that umbrella schemes and zero hours contracts are not used unfairly.
9. Ensure that workers are free to join a trade union or collective agreement and raise concerns without risk of discrimination.
10. Consider paying all staff the living wage as a minimum and encourage suppliers to do the same.
11. Produce an annual written statement outlining the steps taken and plans for future action to ensure that modern slavery and human trafficking do not take place in the organisation or its supply chains.
12. For public sector organisations to whom the Code of Practice on Workforce Matters (2014) applies (does not specify police but includes fire and rescue authorities), ensure all those working on an outsourced contract are treated fairly.

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In accordance with the Modern Slavery Act 2015, the Police and Crime Commissioners in Wales are committed to ensuring that there is no modern slavery or human trafficking in our supply chains or in any part of our business. The Police and Crime Commissioners for the four police forces in Wales have signed up to the Welsh Government Ethical Employment in Supply Chains Code of Practice and each Commissioner and Chief Constable has published a Modern Slavery Statement on their website which includes a live Action Plan.

- Commercial and Procurement Services encourages suppliers to sign up to the Ethical Employment in Supply Chains Code of Practice, including consideration of paying the living wage.
- Tender evaluation questions relating to ethical supply chains are included where appropriate.
- We have developed a Supplier Assessment Questionnaire to allow us to better understand our higher risk supply chains and to share the tool with forces nationally
- Each force has appointed an Anti-Slavery and Ethical Employment Champion at Chief Officer level to lead on the implementation of an agreed Action Plan.
- E-learning will be promoted to staff involved in procuring goods or services.

Policing Policy Drivers

Policing Vision 2025

The Policing Vision 2025 sets out a plan for policing over the next ten years. It will shape decisions around transformation and how we use our resources by informing strategies and underpinning future programs of work in order to help to keep people safe and provide an effective, accessible and value for money service that can be trusted. The Vision encompasses digital policing and joined up business delivery across police forces and their partners. The policy recognises that the Wellbeing of Future Generations (Wales) Act will oblige Welsh police forces to contribute to the wellbeing of communities and individuals through collaboration with partner agencies.

Bluelight Commercial is aligned with the Policing Vision 2025 document and will play a part in ensuring that taxpayers' money has the maximum impact in helping to prevent and investigate crime. It will help to ensure waste and inefficiency becomes a thing of the past in commercial arrangements and assist policing achieve the best combination of cost, quality and sustainability to meet operational requirements. For example, the national Fleet strategy will include a focus on sustainability including electric and hydrogen vehicles, appropriate infrastructure requirements and routes to achieve this.

The Southern Wales Police Forces Collaborative Commercial and Procurement Strategy, 2020-2025 sets an increased focus on maximising social and environmental wellbeing through its procurement activity. To this end the forces are committed to the delivery of sustainable

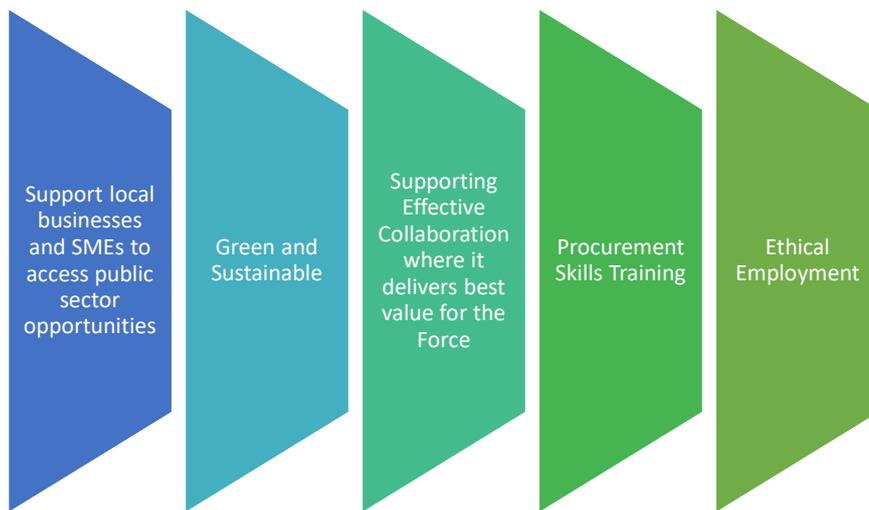
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procurement measures including employment and apprenticeship opportunities and the promotion of fair working practices, including payment of the Living Wage

Key Priorities and Delivery

The following priorities support the aims of this policy and ensure a joined up consistent approach to the delivery of Responsible Procurement. The priorities are supported at the most senior level and represent key values and beliefs of the forces



Support local businesses and SMEs to access public sector opportunities

We will:

- Encourage suppliers to register on Sell2 Wales to provide tender opportunity alerts
- Increase the use of pre-market engagement with suppliers prior to tendering
- Adopt a consistent approach across the southern Wales forces to make doing business with the forces simpler
- Simplify our tender documents and processes
- Consider regional lots where appropriate, to ensure SMEs have fair and equal access to procurement opportunities
- Provide detailed feedback to allow SMEs improve
- Use PINs where appropriate to aid forward planning
- Promote environmental awareness in our specifications

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- Pay invoices within 30 days, more quickly where purchases are in place and match invoices
- Use construction frameworks such as SCAPE to ensure a high percentage of local businesses are employed by the main contractor
- Consider using Reserved contracts (regulation 77) to aid third sector organisations
- Under Regulation 40 (1), conduct pre-market engagement and supplier events with a view to preparing the procurement and informing providers of our requirements

To build on the current initiatives, we will:

- Encourage our main suppliers to provide more opportunities for SMEs to deliver elements of appropriate contracts.
- Encourage the use of local suppliers for one-off goods and services purchases below £10,000, where this demonstrates value for money. This could be promoted within the command units/local policing units across the forces and within departments with larger budgets.
- Encourage suppliers to buy locally. Where appropriate, we could specify a requirement for key contractors to advertise supply chain opportunities through Sell2Wales and to hold Meet the Buyer Events
- Encourage suppliers to make a local impact by supporting initiatives to improve local facilities and by encouraging them to operate paid staff volunteering schemes to support local community groups and initiatives
- Use incentivisation techniques to encourage improvements and reward performance, e.g. through contract extensions or longer-term contracts.
- Source internationally traded commodities from producers and manufacturers that adhere to fair trade practices to generate social benefits for disadvantaged communities.

Supporting Effective Collaboration where it delivers best value for the Force

We will:

- Collaborate on all Wales opportunities, with lots where appropriate, to make contracts more attractive and reduce resource required to prepare tenders
- Make use of and support collaborative sourcing including national police collaborative initiatives such as, but not limited to, those managed by Bluelight Commercial. Work with the public sector in Wales through the National Procurement Service and make use of Crown Commercial Service frameworks where they represent value to the force.
- Evaluate total life cost when considering value for money, including disposal

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Procurement Skills Training

- We have hosted Contract Management workshops for those with responsibility for contracts, to provide the skills and knowledge to deliver better value from contracts and intend to host further workshops. We aim to hold further workshops in the future.
- Strategic Procurement staff will complete an annual refresh of the CIPS Ethical Procurement training and Ethics Test
- We have developed Procurement Skills e-learning as subject matter expert material to deliver business management competency training to officers and staff.
- We will run refresher training for Strategic Procurement staff to expand scope of incorporating specific social benefits into procurement projects where appropriate.

Ethical Employment

We will:

- Implement and embed the Welsh Government Ethical Supply Chains Code of Practice to tackle modern slavery, human rights abuses, blacklisting, false self-employment, unfair use of umbrella schemes and zero hours contracts.
- Refresh our Modern Slavery Statement on an annual basis which includes continuous improvement towards ethical procurement.
- Expand our supply chain mapping to continually identify risks within the supply chain, create additional value, identify inefficiencies and bring traceability to reduce organisational risk. This work can be co-ordinated nationally in order to share the workload.
- Build a Fair Work Practices question into relevant tender documents to seek evidence of fair working practices within our suppliers.
- Ask our suppliers to view a short [video](#) introducing the Ethical Supply Chain Code of Practice and encourage more organisations to sign up to the Code. We will focus on suppliers in higher risk supply chains.
- Conduct risk assessments with more of our suppliers to assess the extent to which ethical employment standards abuses do/could occur within our supply chains.
- Develop internal communications to encourage officers and staff to manage demand, buy locally on a personal and professional basis and to consider ethical purchasing factors.

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Welsh language version

[Cod ymarfer: Cyflogaeth foesebol mewn cadwyni cyflenwi - YouTube](#)

Green and Sustainable

We will:

- Manage our demand to eliminate unnecessary waste by adopting the 'reduce, re-use, recycle philosophy and encouraging 'Buy less, Swap, Borrow, Thrift, Re-Use, Make and only Buy what you need.'

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- Specify clear environmental standards and practices to suppliers.
- Use output specifications to allow bidders to innovate to produce products/services that offer more for less
- Progress a range of initiatives relating to **People, Property, Transport and Technology** which have already radically changed the way we work, manage both our assets and our estate. The initiatives will deliver tangible social, economic and environmental benefits such as the Agile and Digital project which has enabled the Forces to further reduce the size of their estate and deliver a range of efficiencies and environmental benefits.
- Work with Bluelight Commercial to further develop national green energy strategies.

Applying Ethical Purchasing Principles

It is important to identify and evaluate vulnerability and risk in our supply chains to be able to prioritise our actions to improve social and environmental impacts. We will look for known supply chain vulnerabilities. These can be broken down on a geographical, sector, commodity, product or services basis. For example, there are known vulnerabilities to forced labour where migrant workers are used.

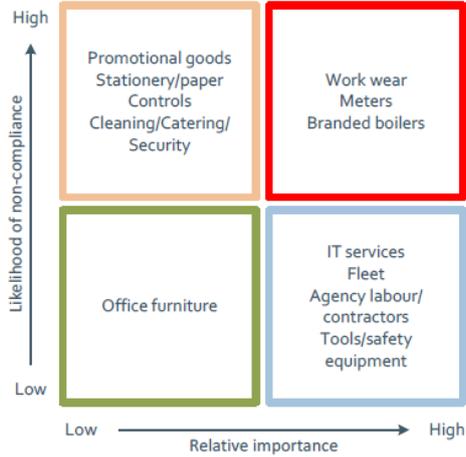
Assessing risk against importance to the organisation

We will assess purchases made against the following to establish which to prioritise:

- Level of spend versus level of business critical or operational risk (Kraljic matrix)
- Level of 'sustainability risk' or likelihood of non-compliance with the force's ethical or sustainability objectives
- Likelihood of non-compliance with international or national law, including vulnerability of supply chain to serious issues like fraud, bribery, corruption and forced labour.

Traditional Kraljic (spend versus operational risk) matrix assessments fail to highlight areas of ethical purchasing risk and may suggest inappropriate 'win/lose' procurement relationships. Some purchases made using this relationship style result in worker exploitation or harmful environmental impacts, particularly if sourcing from countries where the enforcement of laws is weak. Some of these purchases or categories when assessed on an 'ethical purchasing risk versus importance to organisation' matrix may fall into the high sustainability risk (see diagram below).

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Governance & Monitoring

The Joint Commercial and Procurement Services Board will oversee the delivery of the Responsible Procurement Policy. The Chief Finance Officer for South Wales Police who chairs the Ethical Champion group chairs the Board. It includes Chief Finance Officers from the Welsh forces with other key stakeholders invited to attend as required. The Board meets on a bi-annually. The Head of Commercial Services will provide updates on progress and performance to the Board.

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Procurement Pipeline and Responsible Procurement Priorities

Appendix C

- **2020/21** - Refresh Modern Slavery Statements and agree new Ethical Procurement activities for Force Action Plans
- **2020/21** – Work with Bluelight Commercial and Welsh Government to agree Sustainability priorities
- Procurement Pipeline for *known* demand:

Pipeline redacted

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