

Mr Tom Jackson
Clerk of Public Accounts Committee
National Assembly for Wales
Cardiff Bay
Cardiff

11th June 2013

Dear Tom

Re: The Procurement and Management of Consultancy Services, Committee Meeting 30 April 2013

Further to your letter of 31st May 2013, Jon House has asked me to provide the further information as requested.

North Wales Procurement Partnership

The North Wales Procurement Partnership initially put in place a Regional Property Consultancy Framework Agreement in August 2009, which covered mainly professional services involving design of property schemes. This particular framework agreement is currently being renewed with 3 Lots and a new framework award is expected around August 2013:

- **Lot 1 - North Wales**
- **Lot 2 – Mid Wales**
- **Lot 3 – South (East) Wales**

The North Wales Procurement Partnership (NWPP) formally came to an end on 1st June 2013, with staff being distributed to individual North Wales councils. The above Framework will be managed going forward by Gwynedd Council.

The North Wales Procurement Partnership during its lifecycle from 2008 until 2013 achieved the following cumulative savings - £2.4m (cashable savings) and £1.2m (cost avoidance savings), across a range of different category areas. This was against a cumulative cost of £1.5m for the operation of the NWPP between 2008 & 2013.

There are no current figures available regarding the savings having been obtained from the original Regional Property Consultancy Framework Agreement.

Good Practice in Consultancy and Procurement in South Wales

I have attached a Cardiff Council Case Study of the Cardiff Academy. It provides a brief overview of why the Academy was set up and benefits it has delivered to date.

The other good practice example to cite, and one that the Committee may already be familiar with is the Welsh Government's technical services consultancy framework which is available for use by the Welsh Public sector. This framework covers a range of construction related specialist consultancy services such as project management, planning, surveying, architecture, engineering, and Construction Design and Management as well as multi disciplinary lots to support major projects. The contract is now in its final year of operation and has delivered the following benefits:-

- Of the 90 suppliers across all lots some 70 had a significant Welsh footprint.
- The majority of suppliers have a local presence thereby reducing the travel and subsistence costs for commissions.

- A number of the suppliers are Welsh SMEs including a groundbreaking consortia of Welsh Micro businesses who have reported some significant contract wins.
- Lower rates than Government Procurement Service agreements.

The framework is predominately used by the Welsh Government but is also used by a number of local authorities including RCT, Powys and Cardiff. It has also been used across other sectors as well.

As set out above, Gwynedd Council is now leading the development of a Framework to replace the North Wales Procurement Partnership's Regional Property Consultancy Framework Agreement. In West Wales, Carmarthenshire Council are nearing the completion of their own West Wales collaborative framework for similar services. These national and regional frameworks should help ensure that the Welsh public sector achieves value for money should they need to secure these types of consultancy services. The Frameworks should also provide opportunities for Welsh based organisations to tender for work.

Once fully operational the National Procurement Service will be in a position to identify, develop, deliver and manage a wide range of frameworks for the Welsh public sector to ensure that value for money procurement is consistently delivered across Wales.

If you would like any further information, please do not hesitate to contact me.

Yours sincerely

Mr Steve Robinson
Operational Manager, Commissioning & Procurement
Cardiff Council

cc

Jon House – Chief Executive, Cardiff Council

Arwel Staples – Strategic Procurement Manager, Denbighshire County Council

Good Practice Example - The Cardiff Academy

Cardiff Council launched the Cardiff Academy in 2011 to bring together all generic Learning & Development activity across the Council into a single and integrated framework. The Cardiff Academy delivers policy and skill related training as well as courses leading to nationally recognised qualifications. It also develops leadership skills across the Council and takes the lead in the development of business skills. This approach provides the platform through which the Council builds capability and capacity for new ways of working managing and nurturing its talent

Situation before the Cardiff Academy

Before the creation of the Cardiff Academy training budgets were devolved to service areas, reporting showed that learning and development activity, training courses, seminars and post entry training were in most cases unplanned and carried out on an 'ad hoc' basis, 'just in time' or nice to have. There was limited visibility of the L&D spend to enable the Council to assess the value of the investment, the activities, Return on Investment (ROI), or evaluate the relevance of the activity against organisation direction, priorities or objectives.

The estimated Learning & Development spend for 2009/2010 was £2.5m. It should be noted that training procured directly by service areas and funded through other operational budgets are not always captured on reporting systems, consequently the actual training expenditure for the entire Council may be significantly higher than £2.5m. This £2.5m equated to approximately 2252 training places at £1110 per place and represents 19% of the workforce. The national median for staff development spend then stood at £220 per employee.

Benefits of the Academy Approach

The Cardiff Academy provides many benefits and opportunities for the reinforcement of 'One Council' and is helping break down barriers, providing all staff access to Learning & Development opportunities. Other benefits include:

- Higher levels of performance, providing greater value for money and higher standards of service delivery
- The ability to raise awareness and understanding of service improvement across the Council.
- Demonstrate a clear progression route for staff development, encouraging staff to improve their skills and performance
- Provide a transparent record on spend, enabling a more accurate analysis on ROI
- Clear evidence of staff development and capacity improvement
- Integration of generic development – Leadership, Management and Business skills for all levels
- Provide a systematic, planned route for development spend in line with the priorities and objectives

- Provide value for money in the procurement and delivery of development interventions
- Provide an opportunity to for stakeholders – Trade Unions, Service Area representatives and external partners to have input into the Council's development priorities.
- A focused approach on organisation direction and staff capability and capacity
- A fair and equitable means of accessing learning opportunities for all staff.

Cardiff Academy Programmes

The launch of the academy framework consolidated existing learning & development provision and the procurement of interventions. This has enabled higher volumes of the workforce to access development opportunities, both generic and professional, that are relevant to the needs and priorities of the Council.

The annual budget of the Cardiff Academy is £350,000 and provides a range of training and coaching courses. Two of the key training programmes are:

- The *Service Improvement Programme* has been developed to enable staff to understand service improvement and to provide them with the skills to drive continuous improvement, thereby reducing the requirement to employ consultants to deliver change. Around 280 staff receive this training annually with more than 200 of these obtaining qualifications at Foundation, Practitioner and Expert levels. Building service improvement capability across the Council.
- The *Cardiff Leadership Programme* was designed to meet the specific needs of the Council. It enables 42 staff per annum to acquire a CMI Level 5 Management & Leadership Qualification, there by supporting the development of future leaders within the Council.

In its first year the Cardiff Council Academy framework provided development opportunities to 17% of staff evidencing the maximisation of Learning & Development spend and providing visibility and accessibility to development opportunities for all staff.

The Future

There is potential for this model to be replicated across Wales. This would enable the Welsh public sector to evidence that they are improving the capability and skills of their workforces whilst delivering savings both in the reduced costs of providing the training but also in reducing the requirement to employ consultants to help deliver change.

June 2013