

## **RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL**

### **CABINET**

**19<sup>th</sup> JULY, 2016**

### **SCUTINY RECOMMENDATIONS**

#### **REPORT OF THE SECRETARY TO THE CABINET IN DISCUSSIONS WITH THE RELEVANT PORTFOLIO HOLDERS - COUNCILLORS A CRIMMINGS & M NORRIS.**

**AUTHOR(s): Mrs E Wilkins, Cabinet Business Officer**

#### **1. PURPOSE OF THE REPORT**

- 1.1 The purpose of the report is to provide Members with the findings and recommendations of the Council's two Scrutiny Working Groups that conducted scrutiny reviews in respect of issues in relation to 'Participation Rates in Recycling' and 'Number of Bids & Tenders submitted by Local Businesses for Council Contracts'

#### **2. RECOMMENDATIONS**

It is recommended that Members:

- 2.1 Note the work of the scrutiny Committees, as outlined in Appendix 1 and 2 of this report.
- 2.2 Agree in principle to each of the recommendations contained within section 4.3 of this report, subject to further consideration by the Cabinet Portfolio holders for this area, following which a detailed response is provided to the relevant Scrutiny Committees.

#### **3 REASONS FOR RECOMMENDATIONS**

- 3.1 The need for Cabinet Members to consider the work of the Scrutiny Committees, looking at issues in relation to 'Participation Rates in Recycling' and 'Bids & Tenders for Local Businesses'.

#### **4. BACKGROUND**

- 4.1 During the 2015/16 Municipal Year, the Public Service Delivery, Communities & Prosperity Scrutiny Committee undertook two whole committee review's. One was in relation to the 'Participation Rates in Recycling' within Rhondda Cynon Taf and the other in respect of the 'Number of Bids & Tenders submitted by Local Businesses for Council Contracts' following referral of the item by the Finance & Performance Scrutiny Committee
- 4.2 At its meeting on the 4<sup>th</sup> July, 2016, Members of the Committee considered the final report's of both reviews and endorsed the findings and recommendations, with the request that both be passed to the Executive for consideration. Both reports are attached as Appendix 1 and 2 to this report.
- 4.3 In total there were 3 recommendations coming forward from both reviews which are outlined below:-

##### **a. PARTICIPATION RATES IN RECYCLING ACROSS RCT.**

1. That all Elected Members of the Council undertake training on the recycling targets, contamination and the recycling collection system so that they can fully understand the service
2. That the project to increase and maintain a high level of participation in both dry and food recycling is rolled out to other areas across Rhondda Cynon Taf to support the Council meet its legislative targets.

##### **b. NUMBER OF LOCAL BUSINESSES SUBMITTING BIDS / TENDERS FOR COUNCIL CONTRACTS.**

1. The reporting timescale for this Key Performance Indicator (LPRO107 % of bids/tenders submitted by local businesses) is revised to an annual reporting frequency (rather than quarterly) which will reflect a more meaningful end of year aggregation.

#### **5 EQUALITY AND DIVERSITY IMPLICATIONS**

- 5.1 An Equality Impact Assessment is not needed because the contents of the report are for information purposes only and further analysis of each of the proposals will be needed if the recommendations are to be taken forward.

## **6 CONSULTATION**

- 6.1 As outlined within Appendix 1 & 2 of this report, consultation was conducted through the reviews carried out by the Public Service Delivery, Communities & Prosperity Scrutiny Committee.

## **7 FINANCIAL IMPLICATION(S)**

- 7.1 The recommendations proposed by Scrutiny look to strengthen current systems and frameworks in place and should not have any significant financial implications, if taken forward.

## **8 LEGAL IMPLICATIONS OR LEGISLATION CONSIDERED**

- 8.1 As outlined within Appendix 1&2 of this report, each of the Scrutiny Working Groups considered the relevant legislation within their reviews.

## **9 LINKS TO THE COUNCILS CORPORATE PLAN / OTHER CORPORATE PRIORITIES/ SIP.**

- 9.1 The Scrutiny reports and recommendations link to the Councils Corporate priorities and the Single Integrated Plan in respect of
- Keeping RCT Clean and Green – increasing recycling and sending less waste to landfill.
  - Economy and People – Building a strong economy and promoting independence and positive lives for everyone within the County Borough. The recommendation in respect of Bids & tenders also supports the objectives of the Well Being Future Generations (Wales) Act 2015.

## **10 CONCLUSION**

- 10.1 In total the scrutiny working groups identified 3 recommendations for consideration, which they believe will further strengthen the Council's position in both areas and would be for the benefit of residents and businesses within Rhondda Cynon Taf.

**Other Information:-**

***Relevant Scrutiny Committee***

Public Service Delivery, Communities & Prosperity Scrutiny Committee

***Contact Officer***

J L Nicholls – Senior Democratic Services Officer – 01443 424098

**LOCAL GOVERNMENT ACT 1972**

**AS AMENDED BY**

**THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985**

**RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL**

**CABINET**

**19<sup>th</sup> JULY, 2016**

**REPORT OF THE SECRETARY TO THE CABINET IN DISCUSSIONS WITH  
THE RELEVANT PORTFOLIO HOLDERS - COUNCILLORS A CRIMMINGS  
& M NORRIS.**

Item: **SCUTINY RECOMMENDATIONS**

**Background Papers**

Public Service Delivery, Communities & Prosperity Scrutiny Committee – 4<sup>th</sup>  
July, 2016.

Officer to contact:

J L Nicholls – Senior Democratic Services Officer – 01443 424098

# **APPENDIX 1**

**RHONDDA CYNON TAF COUNTY BOROUGH  
COUNCIL**

**REPORT OF THE  
PUBLIC SERVICE DELIVERY, COMMUNITIES &  
PROSPERITY SCRUTINY COMMITTEE**

**COMMITTEE'S REVIEW OF THE PARTICIPATION RATES  
IN RECYCLING ACROSS RCT**

# **1. TERMS OF REFERENCE AND METHODOLOGY**

## **1.1 Background**

In 2014/15 Rhondda-Cynon-Taf failed to meet its target around waste recycling by achieving only 53.82% of its waste being recycled ; therefore improvements were needed to support the Council's priority of 'Keeping Rhondda Cynon Taf Clean and Green' and also avoid financial penalties from the Welsh Government. Although the amount of waste the local authority has recycled in 2015 has made Rhondda Cynon Taf the fastest improving Council in Wales and it now sits within the top 5 for Wales, reaching the national target for 2015/2016 which is 58% still remains a risk to the Council.

Members of the Public Service Delivery, Communities and Prosperity Scrutiny Committee expressed concern at the risk posed to the Council and therefore at its meeting on the 14<sup>th</sup> September 2015 the Scrutiny Committee resolved to consider participation rates in recycling across the County Borough as part of their work programme and subsequently deliver a project aimed at increasing recycling in a targeted area. This information was based on previous targeted campaigns which have encouraged residents to waste less and recycle more with very positive results.

The Public Service Delivery, Communities and Prosperity Scrutiny Committee agreed the following terms of reference which would encompass the aims and scope of the work.

## **1.2 Terms of Reference**

*'To identify a number of the lowest participation rates (the baseline) agree a programme of work to support improvement and report back to the Scrutiny Committee'*

### **Aim:**

- **Contribute to improving the municipal recycling rate within a targeted area of Rhondda Cynon Taf (and assess whether the improvement has been maintained in 3 months);**
- **As a result of the targeted work, make a positive contribution to improving the overall municipal recycling rate within Rhondda Cynon Taf to at least meet the 2015/16 target set by Welsh Government; and**
- **Make recommendations to help further improve the municipal recycling rate within Rhondda Cynon Taf.**

### **Scope:-**

- Identify an area of low participation for the Recycling Participation Campaign
- Engage with residents to understand why they do / do not recycle
- Identify barriers and good practice to help improve current participation, raise awareness of recycling and encourage action
- Receive training on Contamination
- Collect data to measure overall change in participation as well as in specific areas such as dry recycling participation and food waste participation
- From the information gathered, formulate recommendations for improvement to the service to better achieve the Council's aim



### **1.3 Methodology**

The review was a whole committee review, involving all members of the Public Service Delivery, Communities & Prosperity Scrutiny Committee. The Committee received a number of reports and presentations from the Director, Highways & Streetcare Services outlining the Council's recycling journey from one of the worst performing Local Authorities in Wales to one of the most improved.

Members of the Committee commenced its review in July 2015 with an overview of recycling in RCT. This was followed by a number of reports and discussions between Officers and Members of the Scrutiny Committee outlining how the participation work, which had been identified as the most effective way of improving recycling rates, could be carried out in conjunction with the participation teams.

Committee commenced the awareness campaign at the end of November 2015 following the Contamination training which they undertook at the beginning of the month in preparation for the project.

In March 2016 Committee received an update report from the Director of Highways & Streetcare Services which highlighted the results of the campaign.

## **2. Recycling in RCT**

**2.1** Since narrowly missing the recycling target for dry and green waste which stands at 53.82% of our waste recycled, it placed the Local Authority performance below the 2013/14 Wales average of 54.33%. However, the Public Service Delivery, Communities and Prosperity Scrutiny Committee learnt that the Council has been proactive in addressing the issue of improved recycling within the County Borough and a number of initiatives have been undertaken to help improve the municipal recycling rate.

**2.2** Throughout 2015/16 there have been signs of improvement in light of several campaigns to encourage residents to waste less and recycle any unavoidable food waste. The targeting and awareness raising such as targeting areas and door knocking has proven to have positive results. Other initiatives to raise awareness include the 'Green Glyncoch' initiative which commenced in 2009 with the aim of turning Glyncoch into a 'Zero Waste Area', where at least 95% of residents recycle their dry recyclables and food waste and the local environment is respected by the local residents. Another recent campaign has been the 'Too Many Black Bags, Recycle or Face a Fine' campaign. From autumn 2014 residents were asked to reduce the number of black bags they put out for collection. As a result of this campaign the residents of Rhondda Cynon Taf have reduced their black bags for collection by 30%. The scheme has since been rolled out across the County Borough.

**2.3** A number of marketing campaigns have also been undertaken and adverts on buses, billboards in the cinema and on the radio as well as regular updates on the Council website and press releases. All 495 of the Council vehicles carry advertising materials which represents an affordable way of publicising the initiatives. In order to increase the amount of waste being recycled in RCT, the Council has also committed to developing two waste treatment plants in conjunction with Merthyr Tydfil Council.

**2.4** Committee learned that one of the most important ways of improving the recycling figure is through education which can be delivered through the purpose built education centre in Bryn Pica which includes a landfill safari and to date has been

visited by 104 out of the 110 schools within the County Borough. In April 2016 a number of educational visits were undertaken by the Recycling Teams to Comprehensive Schools within the Local Authority to further promote recycling within RCT.

- 2.5** In order to increase the amount of waste being recycled two new Community Recycling Centres have been opened in Llantrisant and in Treherbert, the former being an innovative modular split level design supplied by Modulo Beton. It is the first and only one of its kind in the UK placing RCT at the forefront of the recycling industry. Both centres will contribute to improvements within RCT's recycling targets. It is anticipated that the performance results of both Recycling Centres will be reported to Scrutiny which will include feedback from local residents and which will also gauge their effectiveness in the campaign to deliver improved targets of recycling.
- 2.6** Whilst it is evident that a number of campaigns and initiatives have been delivered which have had an impact upon the recycling rates in RCT the Public Service Delivery, Communities and Prosperity Scrutiny Committee acknowledged that more needed to be done. By way of a number of reports delivered to the committee it became clear that one of the most effective ways to increase the Council's recycling rates for food waste and dry recycle is through a targeted approach. With this in mind Committee determined that future legislative targets will be difficult to achieve without a continued awareness campaign. It was felt that, although challenging, the targets could be met if all residents play their part and so Committee agreed to accompany the participation teams on the ground in their awareness campaign to understand what the teams encounter and how labour intensive the campaigns can be.

### **3. Contamination Training**

- 3.1** Prior to the door knocking exercise Members initially undertook a training session on the targets, contamination and about the collection system within RCT in order to gain an understanding of the service. Members of the Public Service Delivery, Communities and Prosperity Scrutiny Committee together with the Cabinet Member for Environment, Culture and Leisure were invited to attend a session in respect of Contamination Training which was held at Ty Glantaf, Treforest Industrial Estate on the 23<sup>rd</sup> November 2015. The training had been previously provided to all refuse/recycling and cleansing staff.
- 3.2** The training was delivered by Mr James Kay, South Wales Regional Waste Coordinator, and Members of the Committee were asked to consider the following key points as well as undertaking a practical test
- Why are we here?
  - What is contamination? A practical test
  - Service changes within the Local Authority
  - Community Recycling Centres
  - Waste and recycling management
    - UK and European level
    - Wales

- Rhondda Cynon Taf County Borough Council and kerbside dry recycling

➤ DVD of a modern Materials Recovery Facility (MRF)

**3.3** Members found the training to be a valuable source of information in terms of understanding that contamination in recycling is an increasing problem for the local authority as recycling that is contaminated cannot be recycled and will be sent to a landfill. It is considered that in Rhondda Cynon Taf 20% of all household recycling is contaminated due to residents failing to recycle properly. This means that the waste will have to be thrown into the black bags and taken to landfill. It was recognised by Members of the Committee that in order to improve the Council's recycling figures contamination needs to be addressed and measures have been put in place to address these concerns for example the Local Authority now tackles the issue of contamination with stickers on the contaminated bags alerting residents to the fact they need to be re sorted according to the recycling guidelines.

#### **4. Recycling Awareness Campaign**

**4.1** In conjunction with the Director of Highways and Streetcare members of the Public Service Delivery, Communities and Prosperity Scrutiny Committee identified a target area in which to carry out its participation work. There were a number of low participating areas to choose from within Rhondda, Cynon and Taff. Cilfynydd had previously been identified as an area of low participation and had been the focus of a previous participation exercise which had taken place from 26<sup>th</sup> May 2014 to 20<sup>th</sup> June 2014. The results of the data analysis demonstrated that the targeted campaign had an immediate effect in the area as shown by the key results below:-

- Dry recycling participation increased from 48.4% in week 1 to 80.3% in week 4
- 87.5% of residents recycled at least once in the 4 week period
- Food Waste participation increased from 17.6% in week 1 to 46.1% in week 4
- 49.1% of residents participated in the food waste recycling scheme in the 4 week period

**4.2** Based on this earlier work Committee determined that revisiting a particular area would help maintain or even surpass the previous positive recycling rates and produce sustainable outcomes. Therefore it was identified that Cilfynydd would be the most appropriate area for the trial.

**4.3** The targeted campaign was undertaken the week commencing 30<sup>th</sup> November 2015 for a period of 4 weeks but prior to this a letter drop was carried out to advise residents that the Awareness teams would be working in the area over the coming weeks. This was followed by intensive door knocking by both Awareness Teams and members of the Public Service Delivery, Communities and Prosperity Scrutiny Committee.

**4.4** After the third week the teams were provided with a list of properties where there had been no sign of recycling and therefore more door-knocking with those residents was undertaken. At any point local residents can contact the Awareness Teams directly if they require recycling bags, food waste bins or any information in connection with the Council's recycling schemes.

**4.5** At the same time as the recycling awareness campaign in Cilfynydd there were a number of awareness events and recycling road shows held at key locations throughout the County Borough with the intention of further promoting the Council's

recycling schemes. This was done by visiting a number of supermarkets, schools and town centres with the Council's recycling trailer to speak to residents about their recycling habits and encourage them to do more.

**4.6** Members of the Public Service, Communities and Prosperity Scrutiny Committee found that on the whole the participation and door knocking phase had been a positive exercise and they had encountered many residents who were prepared to engage in discussions relating to recycling. They found that most people are aware that they should be participating in the Council's recycling scheme and therefore it was easier to influence those already engaged in the initiative as to what else they can recycle with the existing Council initiatives. Crucially, they also found that they could persuade those that do some recycling to do more. Members noted the influence they had on residents through the direct contact and engagement.

**4.7** The following comments are from Members who reported their feedback at the Public Service Delivery, Communities and Prosperity Scrutiny Committee on the 15<sup>th</sup> December 2015 as follows:-

*"A good opportunity to engage with members of the public"*

*"Encouraging that on the whole the teams received a positive response and were able to respond to many requests for new equipment"*

*"It may have been useful if (the teams) could have left calling cards for those residents who were unavailable on the initial visit"*

*"It would be interesting to meet with those residents who are not engaged with the Council's recycling initiatives"*

## **5. Key Findings & Headline Results from the Door-Knocking Exercise**

**5.1** On the 15<sup>th</sup> March 2016 Committee met to analyse the data which demonstrates that there is an overall rise in participation following the door knocking exercise in both food waste and dry recycling.

- Dry recycling participation increased from 60.6% in week 1 to 69.0% in week 4
- 83.7% of residents recycled at least once in the 4 week period
- Food Waste participation increased from 33.2% in week 1 to 37.0% in week 4
- 51.6% of residents participated in the food waste recycling scheme in the 4 week period

### Food Waste

Week 1	33.2%
Week 2	34.9%
Week 3	36.1%
Week 4	37.0%
<b>Wk 1 – Wk 4</b>	<b>51.6%</b>

### Dry Recycling

Week 1	60.6%
Week 2	61.6%
Week 3	63.6%
Week 4	69.0%
<b>Wk 1 – Wk 4</b>	<b>83.7%</b>

- 5.2** It was evident from this particular awareness campaign that residents within Cilfynydd responded well to the door knocking exercise and the direct impact can be evidenced by the improved results as early as week 2 in both food waste and dry recycling. The results demonstrate that the engagement of the campaign teams and, on this occasion, Elected Members with local residents does work particularly with the majority of residents who already do some recycling as they can be encouraged to do more.

## **6. Conclusions & Recommendations**

- 6.1** The Public Service Delivery acknowledged that there have been dramatic improvements over the last few years in the recycling rates across the County Borough however they also acknowledged the real need for continued support from all residents in order to meet the challenging future legislative targets.
- 6.2** Having participated in the awareness campaign, members of the Public Service Delivery, Communities and Prosperity Scrutiny Committee felt that, although this method of engagement with the public can be resource intensive, the real risk that the Council will not achieve its target and incur a fine is ever present. Members of the Public Service Delivery, Communities and Prosperity Scrutiny Committee acknowledged the immediate effects of the campaign on increased levels of recycling by local residents which can be achieved through this method.

- 6.3** Members considered that the targeted campaign could be particularly effective for those residents who do some recycling but could be persuaded to do more resulting in a significant overall impact on the municipal recycling rates should this exercise be carried out over a longer period and rolled out across the County Borough.
- 6.4** With this in mind Committee has identified the following two recommendations. The first which they feel will improve the awareness of all Elected Members of the Council in issues such as recycling targets, contamination and about the collection system within RCT so they can showcase what is working well and set a good example. The second to ensure the awareness campaigns are rolled out across the County Borough in an effort to improve participation rates in recycling, avoid any financial penalties from Welsh Government whilst maintaining a high level of service.

**Recommendations:-**

1. That all Elected Members of the Council undertake training on the recycling targets, contamination and the recycling collection system so that they can fully understand the service
2. That the project to increase and maintain a high level of participation in both dry and food recycling is rolled out to other areas across Rhondda Cynon Taf to support the Council meet its legislative targets.

# **APPENDIX 2**

**RHONDDA CYNON TAF COUNTY BOROUGH  
COUNCIL**

**REPORT OF THE  
PUBLIC SERVICE DELIVERY, COMMUNITIES &  
PROSPERITY SCRUTINY COMMITTEE**

**COMMITTEE'S SHORT REVIEW OF THE  
NUMBER OF LOCAL BUSINESSES  
SUBMITTING BIDS/TENDERS FOR COUNCIL  
CONTRACTS**



STRONG HERITAGE | STRONG FUTURE  
**RHONDDA CYNON TAF**  
TREFTADAETH GADARN | DYFODOL SICR



# **1. TERMS OF REFERENCE AND METHODOLOGY**

## **Background**

- 1.1 At its meeting on the 7<sup>th</sup> October 2015 the Finance & Performance Scrutiny Committee resolved to refer the following Key Performance Indicator (KPI) exception, not picked up by work programmes to the Public Service Delivery, Communities and Prosperity Scrutiny Committee for review in more detail:- *'The no. of local business submitting bid / tenders for Council contracts'*. In response to the referral the Public Service Delivery, Communities and Prosperity Scrutiny Committee received a detailed report setting out the reasons behind the Council's underperforming Quarter 1 and 2 figures (Financial Year 2015/2016 55% and 71.43% respectively) in respect of the number of bids and tenders submitted for Council contracts by local businesses which had fallen below target (75%) and the mechanisms in place to support local businesses. However, at that stage committee felt they wanted to explore their lines of enquiry in more detail and expressed concern at the underperforming Performance Indicator.

At its meeting held on the 15<sup>th</sup> December 2015 members of the Public Service Delivery, Communities & Prosperity Scrutiny Committee resolved to undertake a short review into the number of local businesses submitting bids and tenders for Council contracts. The short review would be conducted over a period of one or two meetings with a briefer scope than a review with the aim of developing evidence based recommendations.

## **Scope**

- 1.2 The Scope and Methodology for this short review was agreed as follows:
- To understand the reasons behind the Council's Quarter 1 and 2 performance in respect of the number of bids and tenders submitted for Council contracts by local businesses (Target 75% - Quarter 1 Performance 55%/Quarter 2 Performance 59.26%)
  - To review the Council's current procurement procedures and contract specifications and assess their adequacy in enabling local businesses to bid for Council contracts
  - To review the current provision of support for local businesses in RCT and identify any gaps in provision
  - To understand the potential barriers to accessing support
  - To identify areas of best practice
  - Assess how successful local businesses are in being awarded contracts let by the Council (or as sub contractors)

## **Methodology**

- 1.3 The short review was a whole committee review, involving all members of the Public Service Delivery, Communities and Delivery Scrutiny Committee. The review commenced in December 2015 following receipt of the first report

presented by the Head of operational Procurement. The work continued for a subsequent two meetings and Committee completed its work in March 2016. Primarily Committee received evidence from the Council's Head of Operational Procurement and the Service Manager E-Procurement. In addition to reports presented by the Council's Procurement Service, Committee also listened to the perceptions of the business community within RCT and the view of Business Wales in respect of how successful local businesses are in being awarded contracts let by the Council.

- 1.4 On the 14<sup>th</sup> March 2016 representatives from two local businesses namely Days Rental and PB Services and a representative from Business Wales attended Committee to share their experiences of the Council's procurement processes and more importantly tell Committee whether they felt enough support was being provided to local businesses.

Committee is very grateful to the local business representatives and to Business Wales for taking the time to attend Committee and share their views and opinions with us.

(For the purposes of this report 'local' businesses means suppliers registered in the South East Wales region – postcodes CF, SA and NP)

## **2. CORPORATE PROCUREMENT UNIT (CPU)**

- 2.1 Rhondda Cynon Taf spends more than £235m per annum on supplies, services and works with over 8,000 suppliers to deliver the best possible services for the benefit of the community. The Corporate Procurement Unit plays a key role in the Council's Procurement Strategy 2013-2016 and Policy and also contributes to the achievement of the wider Council objectives. Ultimately it is the CPU's responsibility to manage the Council's procurement activities.
- 2.2 Procurement in RCT plays an important role in supporting the objectives of the Well Being Future Generations (Wales) Act 2015 and the Wales Procurement Policy Statement (WPPS). As well as complying with European and National Legislation, the Council has its own set of Contract Procedure Rules. These provide a framework which regulates the Council's procurement of goods, works and services. In advance of sourcing external suppliers the CPU will look to existing framework agreements or contracts but if the need cannot be met this way then a Request for Quotation (RFQ) or Tender process is carried out depending on the value of the contract.
- 2.3 The community benefit clauses within Council contracts are contractual clauses which can be used to build a range of economic, social or environmental conditions into the delivery of public contracts. In RCT it seeks to allow the Council to contribute to the achievement of outcomes which benefit the wider community by bringing about employment opportunities for its residents.

## **Enabling & Encouraging Local Businesses**

- 2.4** Committee was informed that RCT has a number of mechanisms in place to encourage local suppliers to bid for Council contracts. There are two systems which the Council encourages local businesses to sign up to, both of which publish contract opportunities:-
- Sell2Wales is the National Procurement website for Wales which advertises contract opportunities widely
  - eTender Wales is the Council's e-tendering portal. Contract opportunities are advertised to registered suppliers and contractors.
- 2.5** Recently RCT, in collaboration with Cardiff, Caerphilly and Torfaen Councils has published a 'Selling to Rhondda Cynon Taf County Borough Council' guide which is available via the Council website. It advises potential suppliers and contractors how the Council buys goods and services and provides them with a step by step account of how they are notified of tender opportunities, how suitable and qualified suppliers are selected, the process of submitting a quotation or tender response and finally awarding the contract. The guide has been well received and also signposts local businesses to a number of other relevant contacts and organisations.
- 2.6** The guide is widely publicised throughout the various supplier events which are held throughout the year to help local businesses expand or secure new contracts. The RCT 'Meet the Buyer' event brings together key businesses, public sector buying organisations and industry experts to offer a unique networking opportunity. At this year's event, the eighth annual event held in Llantrisant Leisure Centre, there were 216 attendees from 162 different organisations. The event is also attended by the Cabinet Member for Procurement.
- 2.7** In addition to the Meet the Buyer event there are a number of other supplier development events and activities which the Corporate Procurement Unit team attend and undertake to help support and enable local businesses to access and bid for Council contracts:-
- The CPU facilitates 'Supplier Development Events' which provide information, advice and guidance to suppliers (who are invited by open invitation via on Sell2Wales, RCT website and Business Club website) on how to access contract opportunities,
  - The CPU facilitates 'How to Tender Workshops' specifically to provide guidance to suppliers on how to submit bids and tenders for Council contracts
  - The CPU works with key partners such as Business Wales to facilitate the various supplier engagement events
  - The CPU holds training events on how to submit electronic tenders via the Council's Management System
- 2.8** Having received information outlining the role of the CPU and the level of support it provides for local suppliers, Members of the Public Service Delivery, Communities & Prosperity Scrutiny Committee were keen to balance this view

by receiving the views of services users themselves. Members wanted to hear from local business groups and industry experts to enable them to properly assess the current provision of support the Council provides to its local businesses.

### **Views of the Local Business Community**

**2.9** On the 14<sup>th</sup> March 2016 Committee welcomed representatives from PB Services and Days Rental together with a representative from Business Wales. Committee heard evidence in respect of the level of support that local businesses receive from the CPU with particular regard to guidance provided to them when bidding for Council contracts. Business Wales, a service run by Welsh Government which provides businesses of all sizes with information, advice and support acknowledged that the Council operates a very transparent process for local suppliers who are bidding to secure business with the authority. All acknowledged that fostering strong local supplier network events such as 'Meet the Buyer' events are key to a vibrant local economy and beneficial to local suppliers.

**2.10** The two business representatives confirmed that the tendering processes within RCT are clear, user friendly and respond to the specific needs of the local suppliers; in the case of Days Rental comprehensible vehicle specifications are always provided. The business representatives confirmed that RCT compares favourably with other Local Authorities in that it provides a high standard of support for local businesses to help maximise their opportunities when bidding for work. In conclusion both representatives concurred that nothing more could be done to improve on the high standard of service already provided by the Council and the CPU.

### **Participation**

**2.11** Whilst undertaking the review Committee was keen to understand why there can be a lack of participation by some local suppliers in respect of some contract opportunities. For that reason a full breakdown of contract opportunities during Quarter 1 & 2 of the Financial Year 2015/16 was provided.

<b>Contract Title</b>	<b>No. of Suppliers submitting Tender</b>	<b>No. of Local Companies submitting Tender</b>
Tender for the Purchase of a Multi-Terrain Tracked Machine	1	0
Pontypridd Gyrotory	2	2
Young Carers	4	4
Older People Floating Support	2	2
Porth and Tonypandy Comprehensive Project Manager	5	2
Multidisciplinary Design and Associated Services for Tonyrefail Comprehensive School	2	0
Treorchy Secondary School Construction Consultancy	3	1
Y Pant construction build	3	0
Porth Station Park and Ride re-development	5	3
Upper Boat Metro and Maintenance Works	5	2
Rhiwsaeson Bridge strengthening	6	5

Catering Rights at Lido Pontypridd Cafe, Ynysyngharad War Memorial Park, Pontypridd	6	6
Bacterial Testing of Swimming Pool, Hydro Pool and Jacuzzi Water and Covers	5	1
Supply, Fit and Maintain Fitness Equipment within Hawthorn Leisure Centre	2	0
The Provision of Maintenance of Traffic Control and Associated Equipment	2	1
Hire and Delivery of 14 No Wheelchair Accessible 16 Seat Coach Built Vehicles	2	0
Hire and Delivery of 7 No Compact Sweepers	1	0
Provision of Flying Start Child Care Phase 3	4	4
Central South Consortium MIS	5	4
Royal Oak Bridge strengthening	6	5
Occupational Health and Associated Services	4	4
Provision of Multi Disciplinary Property Consultant for Taff Vale Development	2	2
The Supply and Delivery of 2 No32 Tonne Hook Loaders	4	0
	<b>TOTAL</b>	<b>81</b>
		<b>48</b>
	<b>% bids / tenders submitted by local businesses</b>	<b>59.26%</b>

**2.12** The data explains that a range of different contracts were advertised during this period, 23 in total with 81 suppliers submitting tenders in total of which 48 were local suppliers. Of the 19 contracts awarded during this period 11 local based suppliers were awarded contracts.

**2.13** As with most tenders, they are advertised via the Sell2Wales website and via the Council's own tendering system (Tender Wales) which is used to advertise all Council opportunities. Tender opportunities are also sent at an 'open' level to all suppliers, in all areas, who match the criteria against which they register on the system (according to their area of work).

**2.14** Committee learnt that there are no specific reasons for the lack of participation by local suppliers for certain contracts. It was recognised that there are a number of external factors which can influence whether or not a local supplier bids to secure business with the Local Authority which are beyond the control of the CPU such as:-

- The nature of the contract – the contract requirement may not fit with the local supplier's own business
- Capacity – the supplier may not have the resources to meet the contract specification or they may have the perception that they are too small to bid for a Council tender
- Capability – the local supplier may not have the capability to deliver the contract
- Choice – ultimately it is the supplier's decision whether or not to submit a bid

**2.15** Committee acknowledged the mechanisms in place to manage supplier engagement and the positive work undertaken by the CPU to encourage and

suitably prepare local businesses to submit bids for Council tenders. Whilst considering the data Committee also recognised that the procedure is fair and transparent to all 'non local' firms who have equal opportunity in the process.

### **3. PERFORMANCE TRENDS**

**3.1** The Key Performance Indicator LPR0107 (% bids/tenders submitted by local businesses) was introduced in the financial year 2013/14 to capture the Unit's performance in providing support to enable local businesses bid for Council contracts. Committee was advised that it has been historically difficult to set a target for this Key Performance Indicator due to the number of variances from one reporting period to another. These variances are due to a number of reasons such as the nature of contract opportunities advertised from one reporting period to another compared with the capacity and capability of those businesses bidding for Council contracts.

**3.2** In order to demonstrate the fluctuation in the quarterly reporting periods and the end of year cumulative reporting since the Key Performance Indicator has been introduced committee considered the following data:-

- Financial Year 2013-14 – Variations in performance between quarterly reporting periods ranged from 64% to 87%  
End of year cumulative reporting resulted in the achievement of 81.25%
- Financial Year 2014-15 – Variations in performance between quarterly reporting periods ranged from 58.11% to 88.98%  
End of year cumulative reporting resulted in the achievement of 74.45%  
(End of year target set at 70%, performance exceeded the annual target set)
- Financial Year 2015-16 – Variations in performance between quarterly reporting periods ranged between 55% and 89.06%  
End of year cumulative reporting resulted in the achievement of 76.42%  
(End of year target set at 75.00%, performance exceeded the annual target set)

The performance trends clearly show a fluctuation between quarterly reporting periods resulting in a positive end of year cumulative result which has on two occasions exceeded the annual target set. Committee felt that the current reporting timescales undertaken on a quarterly basis was not providing an accurate overall picture of how this particular PI was performing. Members of the Committee considered that revising the reporting mechanisms would address the fluctuation in reporting periods and produce a definitive end of year cumulative report.

### **4. CONCLUSION & RECOMMENDATION**

**4.1** Members of the Public Service Delivery, Communities and Prosperity Scrutiny Committee acknowledged the concern of the Finance & Performance Scrutiny Committee following review of this KPI and its decision to subsequently refer the

matter to the Public Service Delivery, Communities & Prosperity Scrutiny Committee.

- 4.2** Following their review of the current provision of support for local businesses in RCT including the opportunity to engage with the local business community and Business Wales, committee felt satisfied that sufficient information, guidance and signposting is available to the local business community to enable them to tender for Council contracts should they wish to do so. They felt that the CPU is making every effort to create a vibrant local economy by establishing opportunities for local businesses via the community benefit clause and through the numerous supplier development events. Throughout the review committee were assured that 'non local 'firms also have equal opportunity in a fair and transparent process when bidding to secure business with the authority.
- 4.3** Whilst Committee was satisfied that all efforts have been made in respect of engaging with local businesses, they acknowledged that there are a number of influencing factors that could continue to adversely affect the performance of this key performance indicator, beyond the control of the CPU. It agreed that there was a need to alter the reporting timescale from a quarterly to an annual frequency which would better capture the Key Performance Indicator and produce a more meaningful end of year result.

For that reason Committee identified the following recommendation for the Executive to consider and where necessary implement.

***“The reporting timescale for this Key Performance Indicator (LPRO107 % of bids/tenders submitted by local businesses) is revised to an annual reporting frequency (rather than quarterly) which will reflect a more meaningful end of year aggregation”***