Community wealth building in Carmarthenshire – advancing progressive procurement

December 2020

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Centre for Local Economic Strategies (CLES)
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Fair	Treating people with fairness and equality
Bold	Devising progressive solutions through pioneering work
Collaborative	Working with others to achieve the best result
Independent	Always acting with integrity
Acting in solidarity	Supporting, nurturing and empowering ourselves and others

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1. Introduction

This report for Carmarthenshire Council marks the beginning of a journey to develop a more inclusive economy through a new approach to economic development - community wealth building. In so doing, Carmarthenshire joins a progressive movement of UK agencies and areas using this approach.

The mobilisation of a community wealth building approach requires political and corporate buy-in and leadership at the highest level, within and across key local institutions. In phase one of this work, we have focused on the development of a framework for progressive procurement in Carmarthenshire, aligned to the Council's economic recovery and reform plans in the context of the COVID-19 pandemic, with actionable recommendations for implementation, supported by practical toolkits and guides, training and implementation support.

A separate report, with a specific focus on food-related procurement, across the County Council, Hywel Dda University Health Board and the University of Wales Trinity Saint David, accompanies and complements this report.

The report is split into the following sections:

- Section one places the report within the local strategic and wider UK contexts and gives an overview of the methodology employed.
- Section two provides a strategic review – with CLES analysing existing strategy at the high level and specifically around procurement.
- Sections three contains the evidence review and analysis that CLES has undertaken.
- Section four presents the findings from CLES' stakeholder engagement during this process – to shape our recommendations
- Section five provides a synthesis of these findings and recommendations relevant to progressive procurement.
- Section six is an Action Plan for how to advance and apply the recommendations.
- This is followed by Appendices, noting documentation reviewed and stakeholders consulted by CLES in the formulation of this report, specific contract opportunities for review and the commissioners' and suppliers' toolkits.

Why this work is important

Economic and community regeneration will be at the core of COVID-19 recovery in Carmarthenshire. It is recognised that the business sector is set to face a challenging and uncertain future and public bodies in Carmarthenshire are keen to do all they can to support the regeneration and growth of their local communities and economy. This will require a shift in focus and approach across a number of areas. The community wealth building model with its focus on enabling wealth to stay within a local community and be recirculated as much as possible will provide a firm foundation for regeneration.

What is an inclusive economy?

An inclusive economy is an economy which is focussed on social goals, social justice, environmental sustainability, and prosperity for all. From an inclusive growth perspective, inclusion is about what happens after the fact of growth. Whilst helpful, this aim is limited (and limiting), given the scale of the social issues and economic challenges facing our society.

An inclusive economy is a deeper concept, considering how social benefits flow from, or feed into, economic activity. An inclusive economy is an economy which is intrinsically married to social goals, social justice, environmental sustainability, and prosperity for all. This is not inclusion after the fact of growth. Instead, an inclusive economy seeks to develop inclusion with or without growth, whilst seeking to address the fundamental social flaws of market liberalism more generally. An inclusive economy is not merely about the poor social effects of economic growth outcomes, it is about addressing the causes of this socially damaging approach to growth. This agenda is aligned to a belief in heterodox economics and new forms of economic democracy and urban development such as new municipalism[1].

What is community wealth building?

As a fundamental driver of an inclusive economy, community wealth building aims to reorganise and control the local economy so that wealth is not extracted but broadly held and generative, with local roots, so that income is recirculated, communities are put first, and people are provided with opportunity, dignity and well-being. Through community wealth building we are seeing a democratic, social, and economic movement, which seeks to provide resilience where there is risk and local economic security where there is precarity.

Community wealth building has a particular focus on the activities of anchor institutions. Anchor institutions are large established organisations, rooted in local communities, which can improve local economic and social wellbeing through their spend, employment practices, and use of land and assets.

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[1] https://cles.org.uk/blog/local-government-the-commons-the-time-has-come/

At the heart of the community wealth building approach are five strategies for harnessing existing resources to enable local economies to grow and develop from within.

1) Progressive procurement of goods and services - progressive procurement is a means through which greater economic, social, and environmental benefits can be achieved for local places and people. CLES have pioneered and been at the forefront of work around progressive procurement in the UK, helping to develop a dense local supply chain of local enterprises, SMEs, employee owned businesses, social enterprises, cooperatives and other forms of community ownership. Increased local spend creates jobs, contributing to a multiplier effect which in turn creates additional jobs via increased demand for local goods and services.

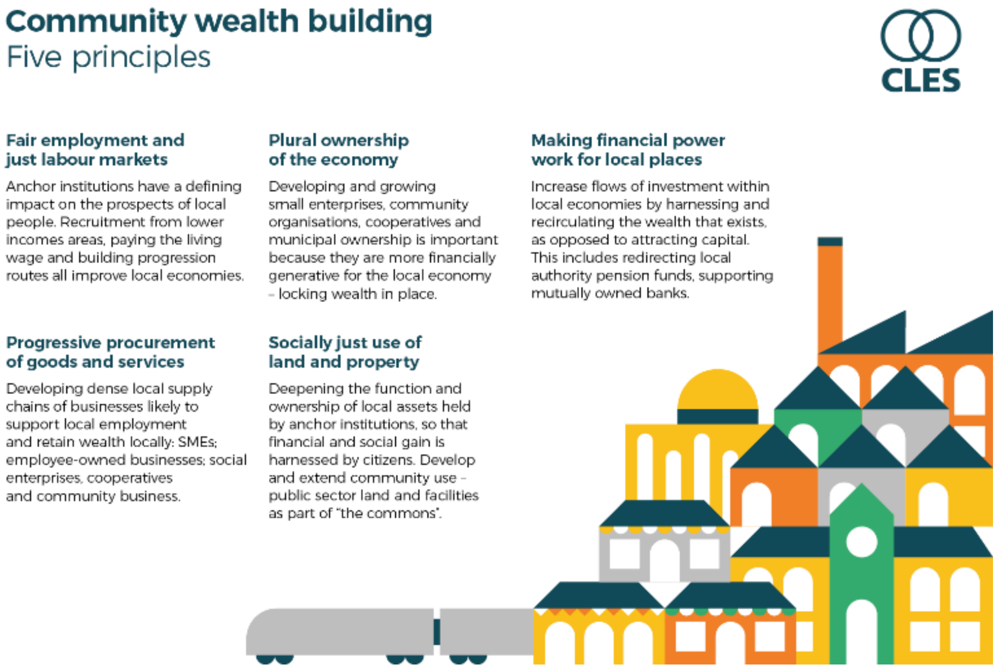
2) Fair employment and just labour markets – often the biggest employers in a place, the approach anchors take to employment can have a defining effect on the employment prospects, incomes of local people and local communities. Commitment by anchors to pay the living wage, have inclusive employment practices, recruit from lower income areas, build progression routes for workers and comprehensive union recognition are some of the examples where actions by anchors can stimulate the local economy and bring social improvements to local communities.

3) Making financial power work for local places- community wealth building seeks to increase flows of investment within local economies by harnessing the wealth that exists locally, rather than by seeking to merely attract national or international capital. For example, local authority pension funds can be encouraged to redirect investment from global markets to local schemes. Mutually owned banks are supported to grow, and regional banks charged with enabling local economic development are established. All of these are ideally placed to channel investment to local communities while still delivering a steady financial return for investors.

4) Socially productive use of land and assets – anchors are often major land, property, and asset holders. These represent an asset base from which local wealth can be accrued. In community wealth building the function and ownership of these assets is deepened to ensure any financial gain from these assets is harnessed by citizens. Furthermore, there is a desire to develop local economic uses, and extend local social/community use of those assets. Indeed, much public sector land and facilities are the commons, and should be used to develop greater citizen ownership of the built, open space and natural environment.

5) Plural ownership of the economy - community wealth building seeks to develop a more diverse blend of ownership models: returning more economic power to local people and institutions. In this, community wealth building asserts that small enterprises, community organisations, cooperatives and forms of municipal ownership are more economically

generative within the local economy, than large companies or public limited companies.



CLES has worked with dozens of local authorities across the UK to develop the community wealth building movement, with each locality taking on a different blend of activities based on the five elements outlined above. 14 million people now live in community wealth building neighbourhoods, which is 21% of the UK's population.

Figure 1: Map of community wealth building localities in the UK

Methodology

The methodology encompassed the following core activities, described in further detail below:

- Strategy review
- Evidence review
- Stakeholder engagement
- Reporting and tools
- Training and implementation support

Strategy review

Overarching strategy

CLES conducted a **document review** of the emerging COVID-19 Economic Impact and Recovery documentation, as discussed at the Council Executive Board on the 29th June 2020. This outlines the current position and the draft economic recovery outline plan for Carmarthenshire.[2] This enabled us to understand how progressive procurement is being pitched and to map this against our own Rescue, Recovery and Reform framework to make connections to where a deep emending of progressive procurement can support recovery and reform when related to the wider pillars of community wealth building. We conducted a strategic policy review

[2] http://democracy.carmarthenshire.gov.wales/documents/s42159/Report.pdf

to explore where we think the existing strategy frame that sits below the overarching recovery plan needs to bend, flex and scale to support an embedding of progressive procurement.

Procurement strategy

CLES investigated the Council's approach to procurement and community benefits (social value) over the past few years, developing an understanding of any strategy that has guided developments, the original and renewed drivers for this work, the team and assets in place to deliver on this strategy and the successes and challenges faced in advancing the agendas locally, considering both the pre and post COVID environment.

This gave us a baseline position from which to build an effective approach to progressive procurement. We draw out examples of particular success (e.g. work with construction sector), pulling out the learning which may be applicable to be built upon going forward. This involved a **document review** with follow up **telephone interviews** with members of the procurement team.

Evidence review

Local economy analysis

Drawing on existing data dashboards produced by the County Council and our own bespoke data sets to understand the impact of COVID-19 on the Carmarthenshire local economy, we mapped the county's business base, reviewing the findings of business surveys (undertaken in April-May 2020) and tracking the impact of easing of social distancing measures on various sectors of the economy over the duration of the commission.

This **market analysis** also explores where the business base/skills base may demonstrate potential for diversification/transferability to new and emerging sectors, particularly the low carbon sectors that will likely drive economic growth in the coming years; developing a deeper understanding of the impact on those sectors which are central to the economic recovery plan for Carmarthenshire, so that progressive procurement can play a key role in supporting the delivery of that wider strategy.

Spend analysis review

Working with the procurement team we developed a detailed understanding of the procurement spend data of the County Council and the supply chain of those suppliers. The toolkits and implementation support will enable the County Council to repeat the analyses we have done on a periodic basis, and conduct its own **LM3 analysis**, via a **survey** of the Carmarthenshire supply base, to determine the extent of supplier re-spend within the local economy.

Gap analysis

We have mapped Carmarthenshire's procurement spend against our market analysis and priority sectors/geographies to develop a better understanding of sector gaps/opportunities for development in terms for local service/product availability. This **gap analysis** has a sectoral and spatial dimension, Carmarthenshire is a very diverse county, with the shape of the business/employment/skills base of urban communities very different from those of market towns and again from more rural, isolated communities.

Stakeholder engagement

Having completed the strategy review and evidence review, we conducted a series of stakeholder engagement exercises to explore the findings of these reviews, test out our thinking and further develop recommendations for action, informing the shape of tools/toolkits and guides that can support these stakeholders move towards implementation.

We conducted online **1-2-1 interviews** with a range of procurement and economic development officers from across the County Council and with elected members.

We conducted 3 **online focus groups** with businesses from across the county, with the council supporting us with the recruitment of business representatives. The sample of businesses invited to these focus groups was informed by our market and gap analysis so that we could engage with specific sectoral issues within the discussion. These engagements focused on developing an understanding of the relationships businesses hold with the Council (and wider public sector anchors) and how they would like to see things develop.

Reporting & tools

As we concluded the stakeholder engagement, we developed this interim report with recommendations for the scope and scale of a series of practical tools and guides. This also sets out the anticipated training and implementation support that may be required moving forwards to support development of new methodology and framework. We will convene a workshop with officers to help shape thinking and inform the development of a series of initial, early stage tools and guides that can support the implementation of progressive procurement in Carmarthenshire.

LM3 supplier survey and data analysis framework

We will produce a guide and provide copies of CLES tools for conducting an LM3 analysis of the supply chain. We will provide high level advice and guidance on how to implement such an approach.

Commissioners Toolkit

Based on our understanding of the local context, the recovery and reform plans of the county and our gap analysis, we will develop a Commissioners Toolkit for the implementation of more progressive procurement policy.

Suppliers Toolkit

Having developed an understanding of the existing and prospective supply chain of the Council (and anchors) we will develop a supplier's toolkit which can support local businesses to engage with the councils emerging procurement policy.

These toolkits will be further refined and developed in future phases of work, but we feel it is important to get changes to practice underway as soon as possible to support the recovery plan of Carmarthenshire.

Training & implementation support

We have allocated time for 2 briefing sessions, potentially to the PSB board and the Council Senior Management/Executive Board to support the process of implementation. We have also allocated time for 2 half day workshop/support sessions to engage with Policy Leads, Category Managers/Commissioners to support the implementation of toolkits.

2. Strategic review

A precursor to making viable recommendations which will build community wealth through progressive procurement in Carmarthenshire is understanding existing practice and strategic priorities.

CLES has undertaken this work at two broad levels – looking at overarching strategic documentation, with a particular focus on responding to the impact of COVID-19, as well as undertaking a deep-dive into policy and practice in the focus area of procurement.

In this section, we present and synthesise our findings from this activity, which involved both desk review analysis of Carmarthenshire Council documentation, followed up where appropriate with telephone interviews.

This work is integral in understanding the baseline starting point for the local authority – and in turn tailoring recommendations that build upon existing good practice and ensure social, environmental, and economic value is maximised from every pound of procurement spend by Carmarthenshire council.

Overarching strategic review

We have reviewed the following:

- Carmarthenshire Wellbeing Plan: the Carmarthenshire we want - 2018 - 2023
- Corporate Strategy 2018 - 2023 Refreshed June 2019
- Moving Forward in Carmarthenshire: the next 5-years
- ANNUAL REPORT 2018/2019
- Moving Rural Carmarthenshire Forward – Sept 2019
- Transformations: Strategic Regeneration Plan for Carmarthenshire – 2015-2030
- Executive Board – 29/06/20 DETAILED REPORT COVID-19 ECONOMIC IMPACT AND RECOVERY Restart, Revive, Renew
- Appendix: An Analysis of the Impact of COVID-19 on Carmarthenshire

Carmarthenshire Wellbeing Plan: the Carmarthenshire we want - 2018 – 2023

It is understood that all Public Service Boards (PSBs) have been asked to review their Wellbeing Plans in the light of Covid-19. The existing Wellbeing Plan provides a basis for deepening collaborative working across local anchors. The 'Prosperous people and Places theme' includes a short-term goal to:

"*... restructure public sector procurement protocols and requirements to support and enhance potential local enterprise".*

".. we will understand the current systems and current and future challenge and opportunities for procurement, then we will remove the barriers to community and individual enterprise and initiative and establish new approaches to work together to provide support to enable enhancement e.g. in renewable energy and promote opportunities for rural enterprise"

Corporate Strategy 2018 - 2023 Refreshed June 2019 / Annual Report 2018 - 2019

Well-being Objective 6. "Live Well - Create more jobs and growth throughout the county" includes a commitment to support local economic growth. Whilst the County Council's Procurement Strategy is clearly aligned to the Corporate Strategy there is, however, no reciprocal reference in the latter to highlight the importance of the procurement function as a powerful strategic lever.

Moving Forward in Carmarthenshire: the next 5-years

The "*Regeneration and Development"* theme includes the commitment to *"Develop a programme to support small business across the County*".

On procurement:
"*Establish feasibility of developing a joint procurement service with Pembrokeshire County Council".*

CLES understand that a shared service approach with Pembrokeshire was piloted between June 2017 and June 2019. The main driver for this project was to develop a joint approach to category management. During this period there were also some shared resources (e.g. Carmarthenshire had access to Pembrokeshire's Community Benefits officer and vice versa for Carmarthenshire's SME supplier engagement resource). These arrangements did not continue beyond the pilot.

During this time there have also been significant changes to the National Procurement Service led activity and realignment with WLGA and the South West Wales region, with local government taking back some frameworks that NPS now no longer coordinate.

Moving Rural Carmarthenshire Forward – Sept 2019

Moving Rural Carmarthenshire Forward contains strong commitments to local procurement, particularly in relation to the foundational economy; and a recognition of the strategic impact that that increasing levels of direct spend locally can have on the strength and resilience of the local economy.

The combined impact of public, private and personal spend is referenced, but the power of anchor procurement to provide stable levels of baseline demand for local businesses operating in the wider commercial economy and for this spend to act as a catalyst to market development in the local, generative business sector, particularly where designed to explicitly counter more extractive business models, could be further explored.

The value of SMEs to the local economy generally, and the rural local economy more specifically, is clearly implicit. Whilst SMEs do tend to recirculate more wealth in a local economy, compared to some larger businesses, there may be merit in more explicitly differentiating the value of generative business forms such as community owned businesses, mutuals and cooperatives; and considering the specific support needs of these businesses.

"*We will also work with key anchor institutions to encourage more local procurement of goods and services so that we can build a robust foundational economy and strengthen the Carmarthenshire pound. We also recognise that we have a diverse agriculture and food production sector that we need to support and grow by looking at ways of clustering businesses with high quality products and develop a Carmarthenshire brand for marketing purposes".*

"The Carmarthenshire Pound: the importance of supporting direct spend in the local economy, be that public, private or personal spend. The impact that even small levels of spending can have on the local economy can be significant and there needs to be a concerted effort to re-visit the way the public sector procures and spends its finances in order to better support investment in local businesses and organisations. This also applies from a personal spend perspective and there needs to be a drive to promote the impact of how keeping spend in the local economy in the short term will have longer term positive consequences in terms of the social and economic resilience of our rural communities".

"The Council is working with other public sector partners through the Carmarthenshire Public Services Board (PSB), to review its current food procurement arrangements with a longer-term view to, where possible, procure more goods produced locally. This is part of a wider programme the PSB is looking to address through further developing opportunities for the sectors providing those basic goods and services we all use every day such care and health services, food, housing, energy, construction, tourism and retailers on the high street – all of which are considered examples of the foundational economy. This will be a key development for the rural economy in particular as we look to bolster and further develop the local industries that we rely on day in day out".

Transformations: Strategic Regeneration Plan for Carmarthenshire – 2015-2030

The Strategic Regeneration Plan sets out ambitious regeneration initiatives for Carmarthenshire in the context of the wider Swansea Bay City Region.

There is clearly significant potential for regeneration spending to support local, generative business and supply chain activities and to embed wider community benefit outcomes.

The degree to which infrastructure investment translates into genuine local economic benefit, as opposed to inflated property values and contracts for large companies which, while they might nudge up GVA, often do very little to develop thriving local economies is a key challenge in this regard.

Community wealth building, at its core is a drive to replace extractive models of wealth ownership – those companies whose business model relies on maximising profits to distant shareholders – with locally productive forms of business. These "generative" businesses are firms in which the wealth created is shared broadly between owners, workers and consumers, ultimately increasing local multipliers as wealth flows through to local people and places

Areas for further exploration include:

- Enforcing strong, stretching social value targets, so infrastructure spending maximises local jobs and contributes to carbon reduction - adopting a community benefits approach where appropriate, with contract clauses linked to Carmarthenshire's wellbeing objectives and goals, using social value measures to capture impact.
- Considering the barriers or hurdles (real or perceived) in engaging the local SME supply chain.
- Consideration of alternative delivery mechanisms to limit wealth extraction, such as municipally led umbrella organisations to provide the scale needed for small generative organisations to compete in public sector and commercial markets.

Executive Board – 29/06/20 DETAILED REPORT COVID-19 ECONOMIC IMPACT AND RECOVERY Restart, Revive, Renew, plus Appendix: An Analysis of the Impact of COVID-19 on Carmarthenshire

Carmarthenshire's Economic Impact and Recovery documentation, considered by the Executive Board, on 29th June 2020 makes clear the strategic importance of the Councils spending power and procurement approaches as part of the recovery and reform programme, to support local businesses and protect local employment. The Council are well positioned to take this agenda forward, given:

- The recognition of the strategic importance of procurement to social, environmental and economic wellbeing; and
- The need to ensure alignment to the council's corporate priorities and wellbeing objectives were already evident in the Council's Procurement Strategy pre-Covid.

"Many businesses feel that there is a role for the Council to take the lead on developing and supporting campaigns which promote a 'buy local' message and encourage the development and protection of local supply chains. This is a key area of consideration for the county and if successful could alleviate some pressures and would serve to promote local, sustainable growth, supporting not only the businesses based in the county but also their employees and their customers".

The report highlights some initial areas where procurement policy and practice could be amended to support further increases in the proportion of goods and service procured from local suppliers:

- Explore if we can increase the value and volume of procurement from locally based SME's, compliantly within the Procurement Regulations.
- Investigate possibility of sub £25k (3 quotes) through an update of our Council's Contract Procedure Rules to stipulate of the 3 quotes sought one should be from a supplier within the County.
- Opportunity to strengthen our Community Benefits approach

Localising spend is one element of a progressive procurement approach, from a community wealth building perspective. Also important is increasing the proportion of spend on suppliers of a more locally generative nature, including cooperatives, mutuals and community businesses. Consideration also needs to be given to the proportion of supplier re-spend in the local economy and how procurement activity can serve to promote denser local supply chains and ecosystems of local businesses.

The market, spend and gap analyses described later in this report will provide intelligence on areas and sectors where there is more potential to buy locally, or where additional social value could be delivered, and where there is scope for more specific and interventionalist market shaping activity including, for example:

- programmes of co-design with local, social and ethical suppliers to share strategic priorities.
- developing a shared vision for how generative organisations can play a part in economic recovery.
- programmes to ensure commissioning processes are accessible to generative suppliers.

Whilst this phase of the project focuses specifically on the 'progressive procurement' community wealth building pillar it is helpful at this point to signal where this activity could potentially read across to other community wealth building pillars. The commentary below maps the draft key actions in Carmarthenshire's Economic Recovery Plan most relevant to community wealth building against the CLES' Rescue, Recover and Reform Framework, Own the Future – in order to relate the progressive procurement activity to the wider pillars of community wealth building.

Actions	Commentary
Capital Infrastructure • Continue with significant regeneration capital infrastructure investments to boost demand in the construction sector and stimulate confidence.	See comments on the Strategic Regeneration Plan for Carmarthenshire (above).
Business Support • Review of current priorities is required with greater emphasis on engagement. Focus on sector specific as necessary. Greater staff resource required through re-modelling of service. Financial support to assist with recovery. Re-prioritise the Business engagement strategy. • Set up a business support hotline to support and provide guidance to Carmarthenshire businesses on funding, recovery and general advice. • Investigate possibility of negotiating bulk purchase / subsidised deals for businesses.	Many of these actions map well against those proposed in Own the Future, including the need to scale-up and repurpose employment support and the need to remodel and increase business support capacity. Options for employment support include: • Targeted local recruitment programmes for existing vacancies. • Supported job transition for people who have lost work through the pandemic. For example, in Birmingham the Anchor Institution Network is developing a hospitality to health programme for people who have lost work in the hospitality and leisure industries to enable them to access NHS jobs and careers. • Expansion of local authority and anchor institution workforces to stimulate recovery and reform of the local economy. This could include investment in retrofit of local authority homes (already planned in Carmarthenshire), extended public works programmes and insourcing of activity currently undertaken by contractors who do not appropriately serve the local economy.

• Refocus Communities for Work to provide training and work experience to people who have become unemployed as a result of Covid 19. • Workways + provide assistance for the unemployed as a consequence of Covid 19 - ref Short Term Unemployed. • Investigate possibility of reinvention of Future Jobs Fund to provide guaranteed, paid employment for young people.	An eco-system of financial, technical and social support will be critical to the growth of generative organisations. This support can be delivered through community wealth hubs, which would repurpose existing business support services to provide wrap-around support to generative organisations. They might undertake a number of the activities listed below: • Developing a baseline understanding of existing and potential supply and demand for generative organisations and employee ownership. • Deploying funding streams to support the development of new generative organisations to supply target sectors. • Repurposing existing business support to facilitate the conversion of some existing businesses to more generative models, including employee ownership. • Developing "platform co-operatives" – or other types of umbrella organisations in target sectors to provide the scale needed for small generative organisations to compete in public sector and commercial markets. • Developing bespoke business support programmes for the co-operative sector and to address business ownership gaps in disadvantaged communities. • Providing technical and financial assistance to support the conversion of businesses which are at the point of transition (owners retiring or selling) to worker-ownership. • Creatively using and repurposing public sector land and assets (see below).
Town Centre Economy • Reviewing and refocusing primary town centre regeneration master and recovery plans. • Develop safe town centre environment plans. • Supporting BIDs in Carmarthen & Llanelli	See previous commentary on capital infrastructure. Strategic acquisition and repurposing of empty retail premises could be an opportunity to provide social businesses with the infrastructure and opportunity to develop into commercial markets.

• Review current parking initiatives/provisions throughout the County. • Acquisition of empty retail premises to revive economic buoyancy/footfall through innovation. • Consider county-wide development order for town centres. • Put in place arrangements for resumption of trading at our indoor and outdoor Markets – ensuring compliance with regulations and staff and shopper safety	
Planning • Consider relaxation of the emerging LDP for the creation of additional employment areas particularly for B2 uses and small business startups. Consider also any interim options. • Consider the emerging LDP in terms of home working and the concept of live / work. Consider also any interim options. • Consider feasibility of reallocating S.106 monies where possible to economic development activity. • Consider whether there should, or could be, a prioritisation approach for applications that will generate job opportunities/economic benefits.	These actions map well against CLES' framework

• Review and simplify planning support for key economic development applications (small and large)	
Rural Economy • Review and prioritise Council's Moving Rural Carmarthenshire Forward recommendations and projects. • Foundational Economy Fund - develop a local food strategy. • Review 10 town growth plans. • Investigate feasibility of developing co-operation led milk processing facilities within Carmarthenshire. • Review Arfor rural business support.	See separate commentary on Moving Rural Carmarthenshire Forward. The development of a local food strategy could be underpinned by considering the potential of the aggregated demand across local anchors in order to provide a stable, baseline level of demand for local, generative suppliers operating in the wider commercial economy locally.
Communities • Support local communities to become more self-resilient with sustainable local supply chains. • Realignment of Bureau function. • Review the Authorities poverty support measures and priorities. • Third sector support. • Deliver community led projects – Leader. Reprioritise and grow grant funding to Covid-19 community resilience projects.	The potential to explicitly use procurement as a strategic lever to support baseline demand that enables more community-owned business to operate in the local, commercial economy. Realignment of the Bureau function could be undertaken as part of a more significant realignment of business support - community wealth hubs, which would repurpose existing business support services to provide wrap-around support to generative organisations, as described above.

Skills • Skills and Talent Swansea Bay City Deal project - identify new ways of working and the new skills and technology required in order to deliver this across the region. • Develop local skills action plan.	The local skills action plan could incorporate requirements for both contractors and their supply chains, such as developing and implementing skills and training opportunities. A granular analysis of skills shortages in the locality and mapping of future skills needs should inform the commissioning of skills programmes. In suspending and terminating some economic activity, Covid-19 has given us an imperative to pivot local economies towards the sustainable growth sectors of the future. Employment support should ensure local people have the skills to make the most of these opportunities. Business analysis and intelligence will provide practitioners with an idea of the key and core sectors in the locality. Employment support should be linked to these areas, so that the labour supply is able to support the recovery effort at the local level.
Land and assets • Review accommodation programme considering changing working practice and agile working. • Reprofile capital receipts and potentially target certain sectors. • Energy efficiency and local energy generation - focus in the short term on invest to save Re:fit scheme. • Review land availability and reprofile as necessary to ensure that best use of council	How land and property assets are owned and managed is key to local economic outcomes. Concentrated land ownership, property speculation and landlord absenteeism all drive inequality, as communities suffer the consequences of unaffordable housing, lack of access to land for businesses and a lack of investment in the local economy. Wealth gained from land and property leaks out of local economies, contributing to a lack of resilience, as well as being incompatible with social and environmental progress. There is scope to consider how land and property assets can be creatively repurposed to support local, generative business activity and stem the outflow of wealth.

owned land is being made to support the local economy. • Development of incubator/commercial accommodation and medium sized food based and production units.	In 'Own the Future' CLES recommend consideration of: • Strategic acquisition and repurposing of land and property – e.g. 1. in sectors where assets are vulnerable to asset stripping by investors seeking to maximise profit – using ownership to protect at-risk sectors and provide infrastructure for new, locally generative businesses. 2. office and retail space which can be repurposed to provide social businesses with the infrastructure and opportunity to develop into commercial markets. 3. land assembly for subsequent development and management via municipal development vehicles and community land trusts; and, 4. existing housing, as part of a strategic intervention in the private rented sector. • Local economic stimulus through investment in renovation and retrofit.

Procurement Strategy Review

Carmarthenshire County Council's Procurement Review

Strategy

The aim of Carmarthenshire County Council's Procurement Strategy is to create a framework so that procurement and commissioning decisions play a key role in supporting the delivery of the aims of the Council's key strategies3. The overarching themes and core values of these include "*commitment to ensuring that the economic, social and environmental well-being of Carmarthenshire is at the heart of our activities*." Indeed, the procurement's strategy's definition of procurement includes not just value for money but also benefits "*not only to the organisation, but also to society and the economy*"4

As a strategic function Procurement directly contributes to the following Wellbeing Objectives, themselves drawn from the seven Wellbeing Goals identified in the Welsh Government's Wellbeing of Future Generations Act:

- Reduce the number of young adults that are Not in Education, Employment or Training (NEET)
- Create more jobs and growth throughout the county
- Look after the environment now and for the future
- Promote Welsh Language and culture
- Governance and use of resources

In line with its support for the delivery of the aims of the Council's Corporate Strategy (2015-2020) and the Integrated Community Strategy the Corporate Procurement Unit have identified the following key priorities:

- Delivering spend effectively
- Supporting Collaboration
- Delivering compliant processes and procedures
- Maintaining and developing the local economy

The procurement strategy states there is a strong political will in the Council to support the local economy. It does this by viewing 'Value for Money' as the optimum combination of whole-of-life costs in terms of not only generating efficiency savings and good quality outcomes for the Council, but also *"benefit to society and the economy, whilst minimising damage to the environment."*

Procurement / Commissioning

The Category Management approach adopted by Carmarthenshire's Corporate Procurement Unit (CPU) ensures tendering activity is strategically planned and addressed in the wider Council context of our corporate objectives. This includes

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[3] Such as Corporate Strategy, Carmarthenshire's Well-Being Plan and 'Moving Forward – The Next 5 Years' Plan

[4] Procuring the Future 2006 – Sustainable Procurement Task Force definition and Wales Public Procurement Policy Statement 2015

incorporating their wider Well-Being objectives into tendering and monitoring and reporting of any efficiencies generated.

The CPU's Tender Record Form (TRF) asks several questions for each procurement exercise including Efficiencies, Community Benefits and how the Well Being of Future Generations Act can be embedded into the specification and subsequent contract.

The department have an officer who is a dedicated first point of contact for any suppliers looking to understand how they bid for opportunities to work with the Council. They run a range of different supplier engagement initiatives and events including 1-2-1 meetings and larger tender specific supplier or early market engagement events to consult with the marketplace and explain their rationale for the procurement strategy approach taken. These have been critical in shaping their tendering activity into an approach which can be met by the marketplace.[5]

The standard threshold for Community Benefits to be included in Tenders is £1 million, in terms of reporting and the requirement to apply the Welsh Government's measurement tool. To date, efforts have been concentrated in the higher value, longer duration, projects to ensure the clauses drafted are meaningful with confidence that they can be delivered in reality.

Delivery / Contract Monitoring

Whilst being delayed by the onset of the pandemic, templates and guidance are currently being developed for contract monitoring, together with subsequent training for officers.

Community Benefits targets are tracked and reported using tools just as the Welsh Government's Community Benefits Measurement Tools for Schools Projects, either annually or on the end of contract.

The procurement department has struggled with resourcing the measurement of Community Benefits across all sectors as they do not have a dedicated resource to manage this. However, they are due to advertise a post who will drive this agenda for the department.

Analysis / Reporting

Carmarthenshire track their spend and, as of 2016/17, spend higher % of spend with SMEs, Carmarthenshire suppliers and Welsh suppliers (73%, 43% and 74% respectively) than the Welsh local authority average (65%, 29% and 59% respectively).

[5] Procurement Annual Report 2019/20

The spend analysis review and market analysis outlined later in this report will help to provide fine-grain intelligence to help inform efforts by procurement officers when examining the extent to which there is scope to further increase the rate of local spend.

Carmarthenshire as a Community Wealth Building Council

Whilst this phase of CLES' work with Carmarthenshire focuses specifically on progressive procurement, it is useful to reflect that, as a community wealth building approach, changes to procurement policy and practice will have most impact when progressed as one component of an intentional community wealth building strategy, alongside actions in the other pillars of community wealth building described on Page 6 of this report.

It is evident from the strategy review that there are examples of good practice already being done by Carmarthenshire across each of the five pillars of community wealth building. For the full impact of community wealth building to be achieved, it needs to represent a fundamental shift in practice and policy - putting community wealth building at the heart of how the council operates and in its partnership approaches, including through the PSB, to put your supply chains, your workforce and your assets at the forefront of creating a truly inclusive economy.

Carmarthenshire County Council is starting from a strong baseline which represents a real opportunity to focus on more fundamental questions around reorganising the local economy to be more equitable for residents; with community wealth building as the guiding approach to local economic recovery and reform post Covid-19.

Recommendation – make community wealth building a more explicit, central strategic narrative.

3. Evidence review

Local economy mapping and sectoral analysis

In order to carry out an economic review which captures the specificities of Carmarthenshire's local economy, whilst also reflecting broader national changes being instigated by the covid-19 crisis, we have utilised a series of datasets.

At the **firm** level, CLES has analysed June 2020 snapshot data from Companies House. This data lists every business operating with Carmarthenshire, as well as providing supplementary information such as the sector they are working in and where they are based.

To understand the **employment** and **labour market** picture, CLES have utilised the most recent Business Register and Employment Survey dataset, which details the number and proportion of employees within a local area working within specific high-level, and specific, sectors of the economy.

We have also undertaken broader **sectoral analysis** – in the first instance led by the findings of Carmarthenshire Council's May COVID-19 analysis report, and then buttressed by data on GVA**,** as well as accessing HMRC's Coronavirus Job Retention Scheme data.

Finally, we have also undertaken **geospatial analysis**, coupling Multiple Deprivation data with Companies House and sectoral data to understand where firms working in shutdown sectors are located within Carmarthenshire, and how this maps onto existing areas of deprivation.

Outline analysis

As a starting point for our analysis of the local economy in Carmarthenshire, we utilised the council-produced document 'Analysis of the Impact of COVID-19 on Carmarthenshire'. This identified a number of sectors which could be classed as 'shutdown' sectors. This list is reproduced below:

- Education and Childcare
- Food and Beverage
- Personal Services
- Food and Drink Production
- Sports and leisure
- Visitor economy
- Retail
- Passenger Transport

In order to get a sense of the size of these shutdown sectors, the geographical spread of firms working within them, and how their presence maps onto existing areas of deprivation and the wider geography of Carmarthenshire, we undertook **three** layers of subsequent analysis.

Firstly, we matched 5-digit SIC code categories to the high-level categories listed above. Our full methodology is provided in the appendix – by way of example, this exercise entailed matching the high-level **Education and Childcare** category with the corresponding subcategories of:

- 85100 Pre-primary education
- 85200 Primary education
- 85310 General secondary education
- 85320 Technical and vocational secondary education
- 85410 Post-secondary non-tertiary education
- 85421 First-degree level higher education
- 85422 Post-graduate level higher education
- 85510 Sports and recreation education
- 85520 Cultural education
- 88910 Child day-care activities

Undertaking this activity allowed us, in turn, to get a granular and detailed sense of the firms operating within the sectors listed above which could reasonably be regarded as being in particular distress due to the outbreak of coronavirus.

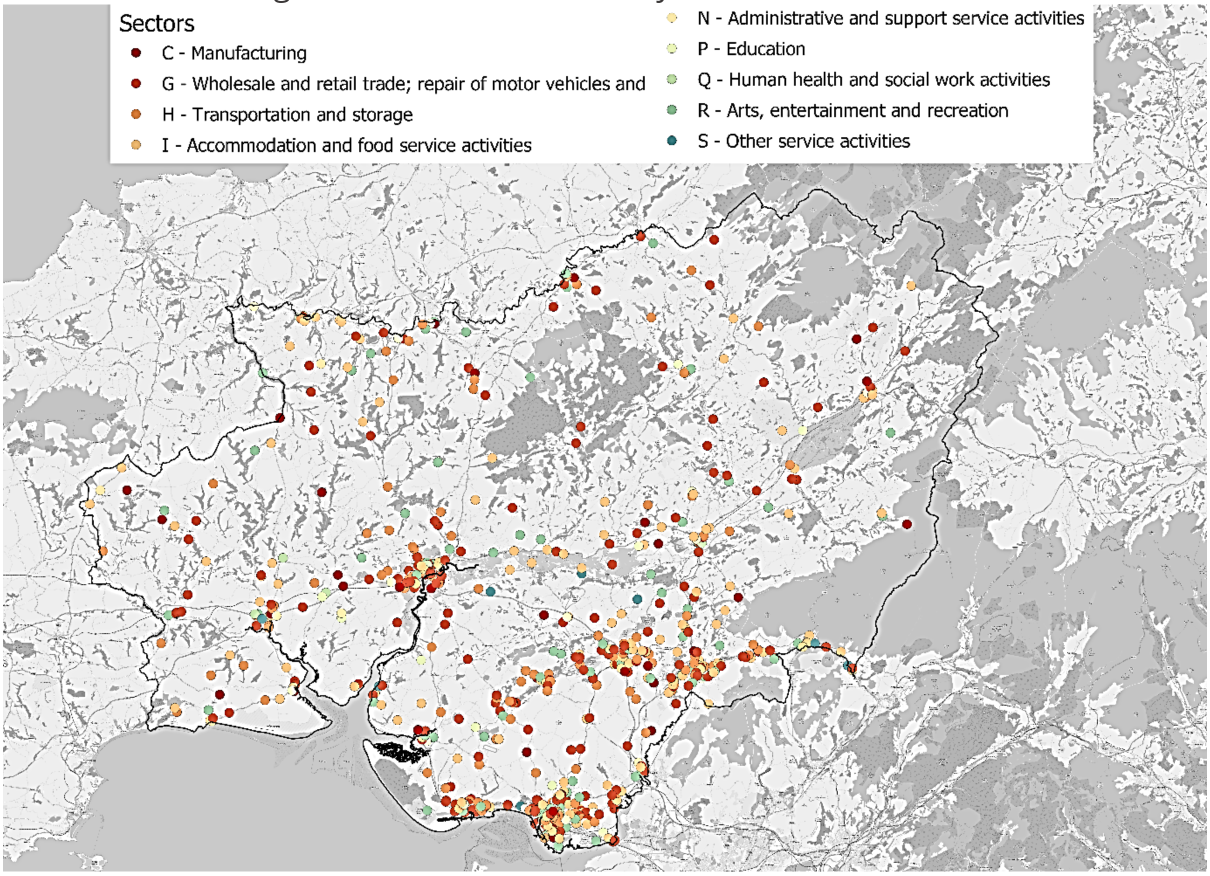
To do this, we analysed Companies House data from June 2020, showing all trading organisations active in Carmarthenshire, and then filtering on the basis of all firms whose SIC code showed them as working within the affected sectors.

This returned **1284 firms** – it is worth noting that this is *only* on the basis of the highlighted firms from Carmarthenshire council's report and is not an exhaustive summary of shutdown firms. In all, this entails:

- 72 organisations in the **Education and Childcare** sector
- 272 organisations in the **Food and beverage** sector
- 11 firms in the **Personal Services** sector
- 41 firms in the **Food and drink Production** sector
- 121 organisations in the **Sports and leisure** sector
- 125 firms in the **Visitor economy** sector
- 417 firms in the **Retail** sector, and;
- 210 firms in the **Passenger Transport** sector.

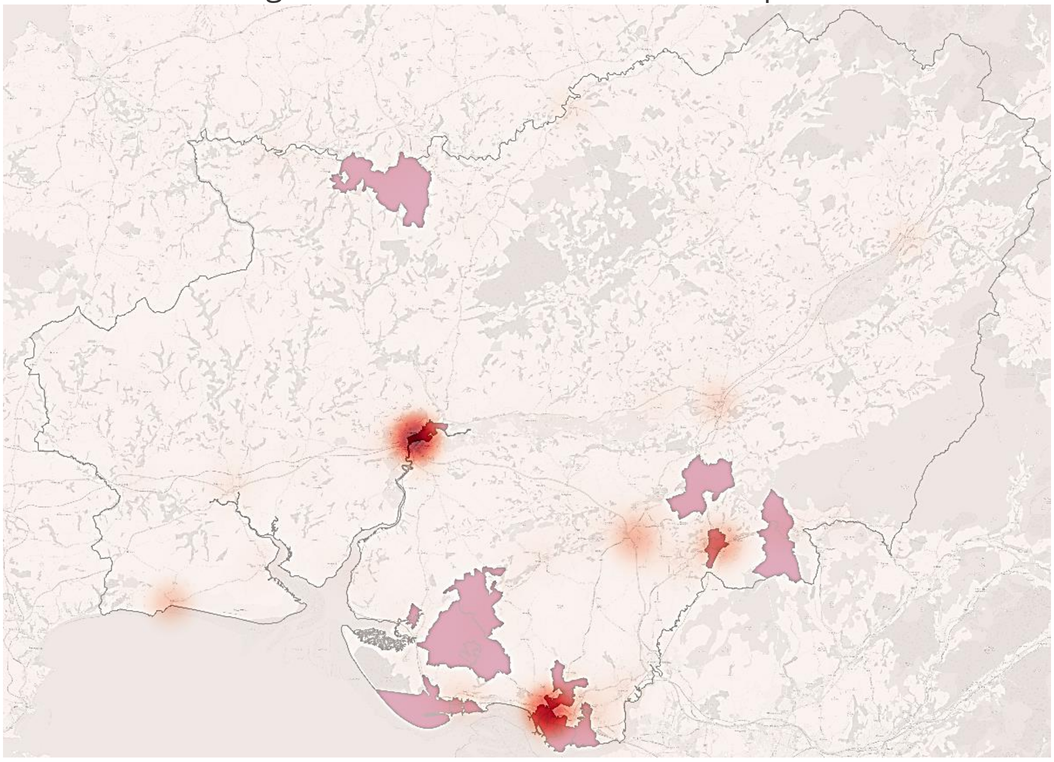
Having assembled this data, we then plotted these firms across the geography of Carmarthenshire, on the basis of their high-level SIC code.

Figure 2: Shutdown Firms by Sector



As this shows, there is a relatively wide geographic distribution of affected firms working in ‘shutdown sectors’. Notable, too, is that there is a clear concentration in built-up areas, as subsequent heat map analysis demonstrates – in the map below, the areas coloured in purple have a deprivation decile between 1 and 3 – in other words, they are amongst the 30% most deprived LSOAs in Wales.

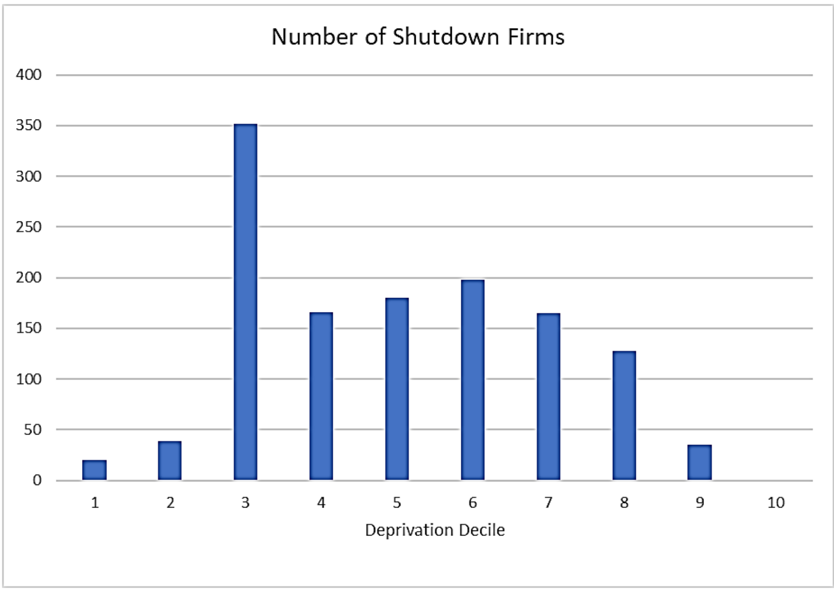
Figure 3: ‘Shutdown sector’ heatmap



What is important to recognise here is that, despite Carmarthenshire having a relatively low number of areas scoring highly in the Multiple Deprivation rankings, there is a high density of affected firms operating in – and potentially employing their staff from – the most deprived areas in Carmarthenshire.

Indeed, analysis shows that close to 30% of the shutdown firms are found in areas with a deprivation rank amongst the bottom 3.

Figure 4 – Number of shutdown firms by deprivation decile



Coronavirus Job Retention Scheme analysis

The fast-moving nature of this crisis means new datasets are constantly being made available. Whilst the initial analysis from Carmarthenshire, produced in May, is of great use in undertaking the analysis shown previously, there is a need to update some of this working, particularly as we begin to slowly and cautiously reopen.

Some sectors may not have been directly shutdown but may have seen significant falls in demand. Others may, due to continued social distancing, be operating but below capacity due to public health reasons.

A key metric to utilise in flagging up sectors in danger going forward is the recently released HMRC Coronavirus Job Retention Scheme data.[6]

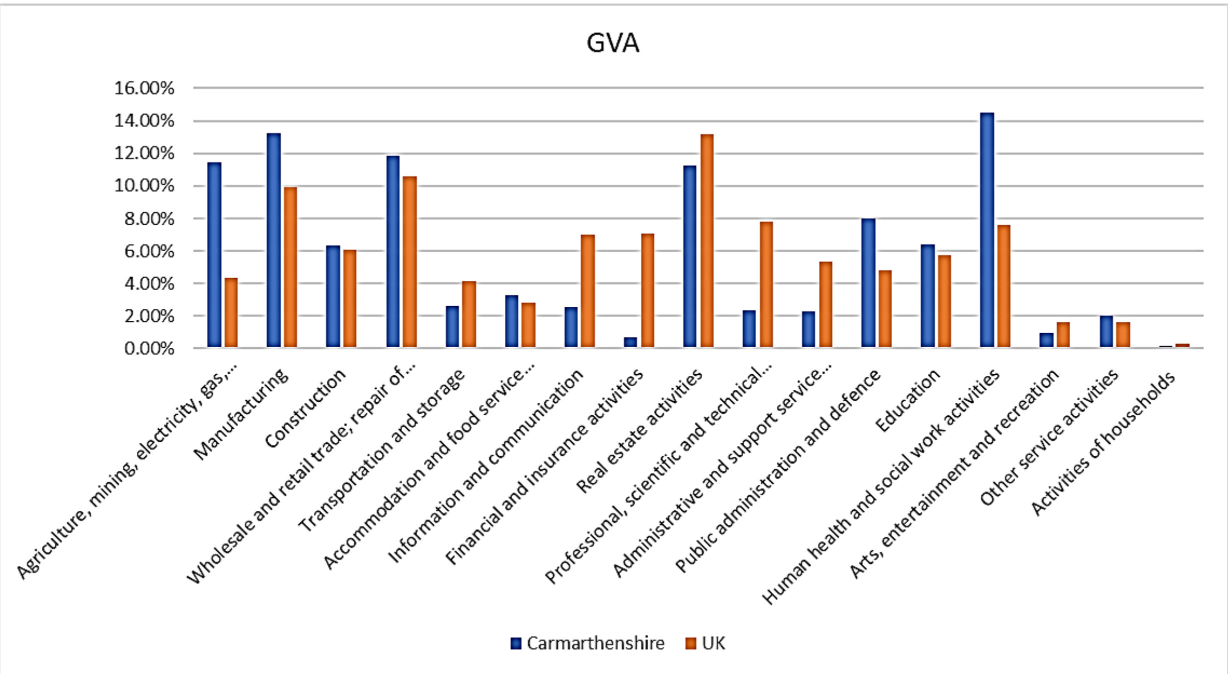
This dataset can be usefully applied alongside the previous analysis to help build up a strong picture of sectors in Carmarthenshire that require support and, in some cases, guidance in developing in new directions.

At the local authority level, the data only provides a raw number of employees placed on furlough – in Carmarthenshire's case, this is **21,200 employees** – equating to 28% of the local labour force. This is slightly below the average of both Wales (29%) and the United Kingdom (31%).

Whilst sectoral data for local authority areas is not provided, it is possible to create a proxy for Carmarthenshire by using UK-wide sectoral data. This is not a perfect comparison – the local economies which collectively make up the UK economy have different strengths and weaknesses, opportunities, and challenges. As noted throughout this report, there is a need for a particular focus on the sectors of significance in Carmarthenshire, **agriculture** as well as **health and social work**, which are of particular importance locally. As the data overleaf shows, these two sectors have a local GVA double that proportionally of the wider UK economy.

[6] https://www.gov.uk/government/publications/coronavirus-job-retention-scheme-statistics-july-2020/coronavirus-job-retention-scheme-statistics-july-2020

Figure 5 – GVA by sector



The sectoral Coronavirus Job Retention Scheme data shows both the **number of employers furloughing staff** (i.e. how many businesses in a sector have accessed the scheme), and the **number of employees furloughed** (i.e. how many individuals working in a sector had been placed on furlough).

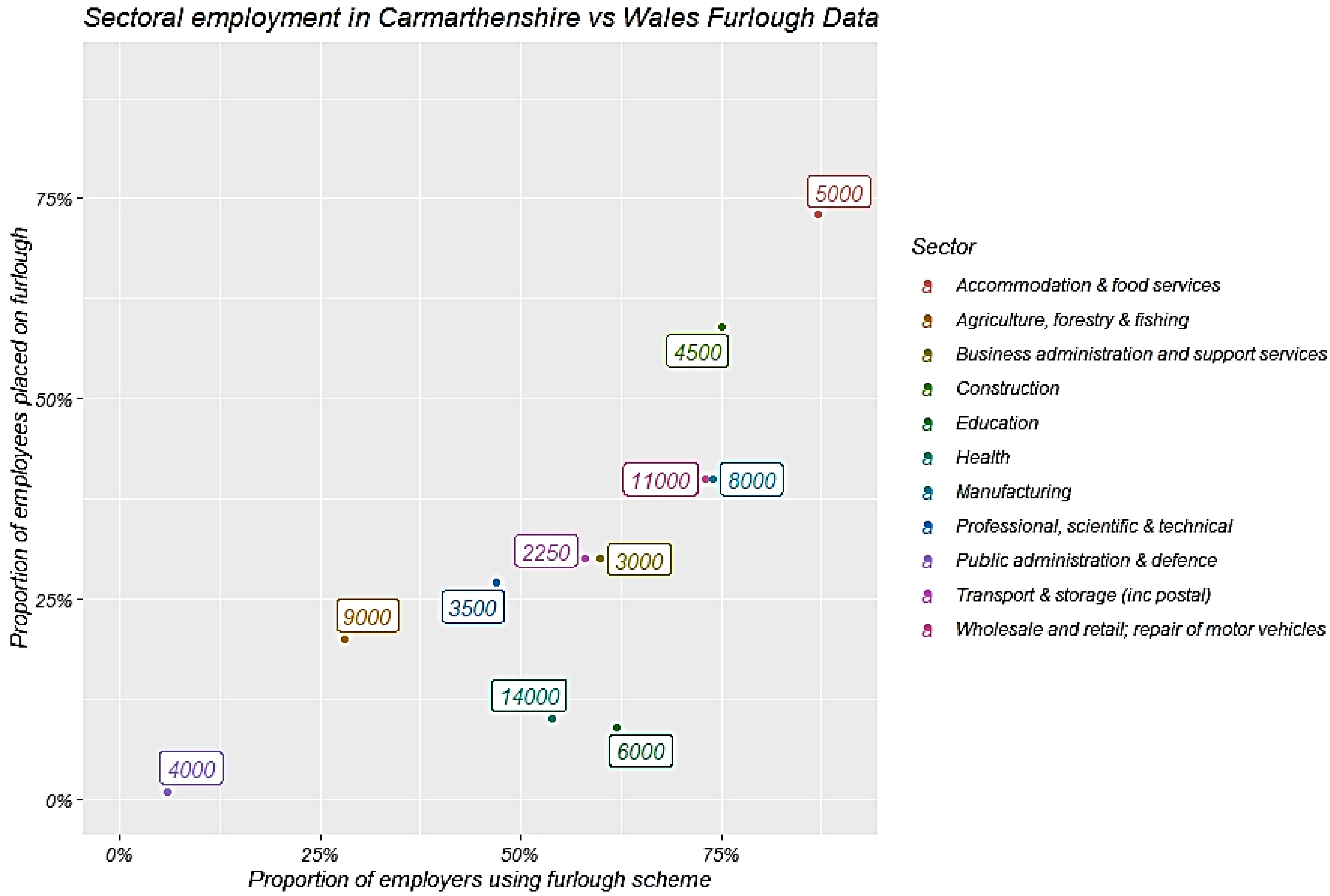
In other words, this can show us both the firm-level and individual-level impacts of the coronavirus on sectors of the economy, via uptake of the government's furlough scheme.

To give this analysis greater resonance for Carmarthenshire, CLES accessed the most recent Business Register and Employment Survey data for the area, to ascertain the precise employment patterns of different sectors in the area.[7]

We then filtered the data to remove sectors with fewer than 1,500 employees in Carmarthenshire, before plotting this data against the proportion of employers utilising and employees placed on the furlough scheme, as of the 30th June.

[7] BRES counts both *employees* and *employment* – the latter including worker-owners and self-employment. CLES is utilising *employment* statistics throughout.

Figure 5



The sectors with the greatest employment contribution in Carmarthenshire are Health (14,000 employees), Wholesale and Retail (11,000), Agriculture, Forestry and Fishing (9,000), and Manufacturing (8,000).

The accommodation and food services sector – with 5,000 employees – appears immediately as a sector of significant concern – close to 90% of employers nationwide have accessed the furlough scheme and close to 75% of employees have been placed on it.

With the collapse in demand witnessed across swathes of the economy – with short-term potentially turning into long-term shifts in consumer habits – there is a need for the council, alongside key anchors, to intervene and support endangered sectors locally.

As CLES have noted in *Own the Future*, our position paper for local economic reform after coronavirus, we note that:

local commissioning and procurement spend may even become the primary source of liquidity and stable demand... it is important that local authorities and anchor institutions recognise the potential of their spend to catalyse business growth, economic development and the delivery of local social and economic value. What anchor *institutions buy, which supplier wins a contract and the conditions attached to it will have a direct bearing on the livelihoods of individuals and communities.*[8]

Applying these approaches in a bespoke manner that protects the vital sectors in the Carmarthenshire economy is a key task for the local authority and other anchors going forward.

Sectoral transition and survival strategies

Coronavirus represents an existential threat to multiple firms in the economy – not all sectors have been, or are being, hit equally. For local authorities, this means there is a need to develop bespoke and targeted approaches, offering support to affected sectors.

But they also need to help spur on a transition to a different kind of economy – one which is greener, more equitable, and more socially just. Whilst there is uncertainty around the future course of coronavirus – the impacts of a second wave; the efficacy of palliative treatment; the emergence of functional vaccines – what is certain is the threat and reality of climate change.

In order to recover from this crisis and avert the climate crisis, local authorities need to use this moment to advance a two-pronged strategy:

- Supporting the survival of valuable and viable sectors
- Helping sectors with transferable skills to transition to green growth industries

A relevant example in Carmarthenshire would be the manufacturing sector. Providing 8,000 jobs, and over a tenth of local GVA, it represents a vitally important sector locally. The UK-wide sectoral figures show close to 75% of firms in the sector have used the furlough scheme, with nearly 1 in 2 employees placed on furlough.

Local difficulties have been flagged up already in qualitative analysis undertaken by Carmarthenshire Council, with respondents speaking of difficulties brought about by cancelled orders, supply chain problems, and associated falls in income.

Even prior to the onset of coronavirus, emerging debates have touched upon the need for economic transition, with increasing discussion of policy interventions based around the idea of a Green New Deal, and a renewed focus in recent years on industrial strategy.

As part of this work, CLES has been developing emerging toolkits around the kind of transition that will be necessary to both build community wealth within local economies, and ensure the *kind* of economic activity being undertaken is both

[8] https://cles.org.uk/wp-content/uploads/2020/07/Own-the-future-revised-mutuals-copy.pdf

commensurate to the challenge of climate crisis and – critically – is part of the solution to this threat.

In this, we have linked *existing* SIC subcategories to emerging sectors of the new green transition economy, utilising a methodology and sectoral subcategories as defined by Plymouth Business School research[9]:

Environmental – such as air pollution, environmental consultancy, recovery and recycling, and water and waste-water treatment.

Renewable – including renewable consulting, as well as wave and tidal, geothermal, biomass, and wind energy production

Emerging - including development of new types of vehicles and vehicle fuels, carbon finance and carbon capture and storage, and new, green building technologies.

What this work does is give a baseline impression of how the skills and capital equipment of existing sectors can transition into futureproof green growth sectors in a place. To take an explanatory example, there is scope for work to be undertaken addressing **air pollution** by firms which currently work within the existing four-digit industrial sectors:

8411 General (overall) public service activities
8121 General cleaning of buildings
4322 Plumbing
7120 Technical testing and analysis
7111 Architectural and engineering activities and related technical consultancy
2751 Manufacture of electric domestic appliances
8412 Regulation of the activities of agencies that provide social services
2825 Manufacture of non-domestic cooling and ventilation equipment

Through the council's procurement activities and relations with other anchors in places, this work can be spurred on both directly and indirectly, as this report will show.

In all, through cross-referencing Plymouth Business School's methodology against BRES data for Carmarthenshire, CLES found **23,495** existing employment opportunities that map onto green growth sectors of the future.

In particular, there are strong opportunities to transition:

- the 8000 jobs in Agriculture, 700 jobs in freight transport, 600 jobs in maintenance and repair of motor vehicles, and 900 jobs in processing of meat into **sustainable production of vehicle and other fuels**

[9] https://www.plymouth.gov.uk/sites/default/files/Uoplowcarboneconomyfullreport.pdf

- the 2,250 jobs in general public administration to support environmental work in the areas of **environmental consultancy** and **monitoring**, as well as **marine pollution** and **noise and vibration control**,

- And the 700 jobs in plastic manufacturing towards **emerging building technologies**

This – it is worth stressing – represents a starting point not a destination. This initial analysis shows potential in the green fuels sector should be further investigated. Procurement activity and anchor collaboration can further this potential, with an approach which is both reactive – looking at issues facing key sectors and firms in the Carmarthenshire economy – coupled to a forward-looking programme which is proactive in anticipating growth sectors which can be meaningfully progressed in the local economy. In particular, strategic sectors locally should be supported by collaboration with key educational institutions such as Coleg Sir Gâr and the University of Wales Trinity Saint David, to ensure a skills infrastructure is in place locally to give graduates and school and college-leavers the skills to stay and support their local economy working in well-paid, stable, and sustainable green sectors.

Spend analysis review and Gap Analysis

Carmarthenshire already have a dedicated spend analysis officer, who is responsible for pulling data from Carmarthenshire's finance systems, analysing this data and providing reports to the relevant category managers and their teams.

This enables the team to access and split spend data by the total spend value, as well as splitting spend by Local Suppliers (where local is defined as Carmarthenshire), SME suppliers, Local SME's and Welsh Suppliers.

The next step is to provide category managers with an increased level of local business intelligence to assist their current 'market analysis' process, whereas they undertake engagement with local suppliers.

The fact Carmarthenshire has invested in a dedicated resource to processing the spend analysis is worth praise, as this ensures there is capacity to continue undertaking the processing of business databases.

CLES undertook a gap analysis by accessing Carmarthenshire's spend data for the financial year 2019/20 (as provided by the Welsh Government via Atamis) and mapping it against the relevant Standard Industrial Classification (SIC) codes. The 'leakage' of spend from contracts with suppliers who are based outside of Wales was examined and split by SIC categories (i.e. Manufacturing) and low level SIC code (i.e. Manufacturing of computing).

Following this the Companies House data, records showing information on the number and location of businesses across both Carmarthenshire and Wales more generally were extracted and cleansed.

It was then possible to examine this spend by low level SIC code (i.e. Manufacturing of computing), and compare this with the potential supply of firms available locally – split by those within the PSB area; Wales; and companies in Wales who were an existing supplier for other anchor institutions in Wales (as per the data suppliers from the Atamis database).

CLES will provide these processed datasets to Carmarthenshire County Council and talk them through to either the Spend Analysis officer and Category Managers, which should provide further market intelligence for when undertaking market engagement for forthcoming procurement exercises. High level observations are contained later in this report.

Areas of high leakage, where local supply is currently underdeveloped, should be examined as potential areas of focus for market development activity, particularly to support the development of new, local, generative businesses in this sector, or to support businesses in failing or at-risk sectors to diversify or transition.

The following chart and table show the County Council's spend against the relevant Standard Industrial Classification (SIC) codes, the amount of that spend which is within Carmarthenshire, outside Carmarthenshire, but within Wales, and the amount of spend outside of Wales. These figures relate to Tier 1 spend. The patterns of supplier re-spend within the local economy will be analysed later by the County Council using the toolkits provided by CLES.

Figure 6 – Carmarthenshire County Council's spend (and leakage) by Standard Industrial Classification (SIC) code

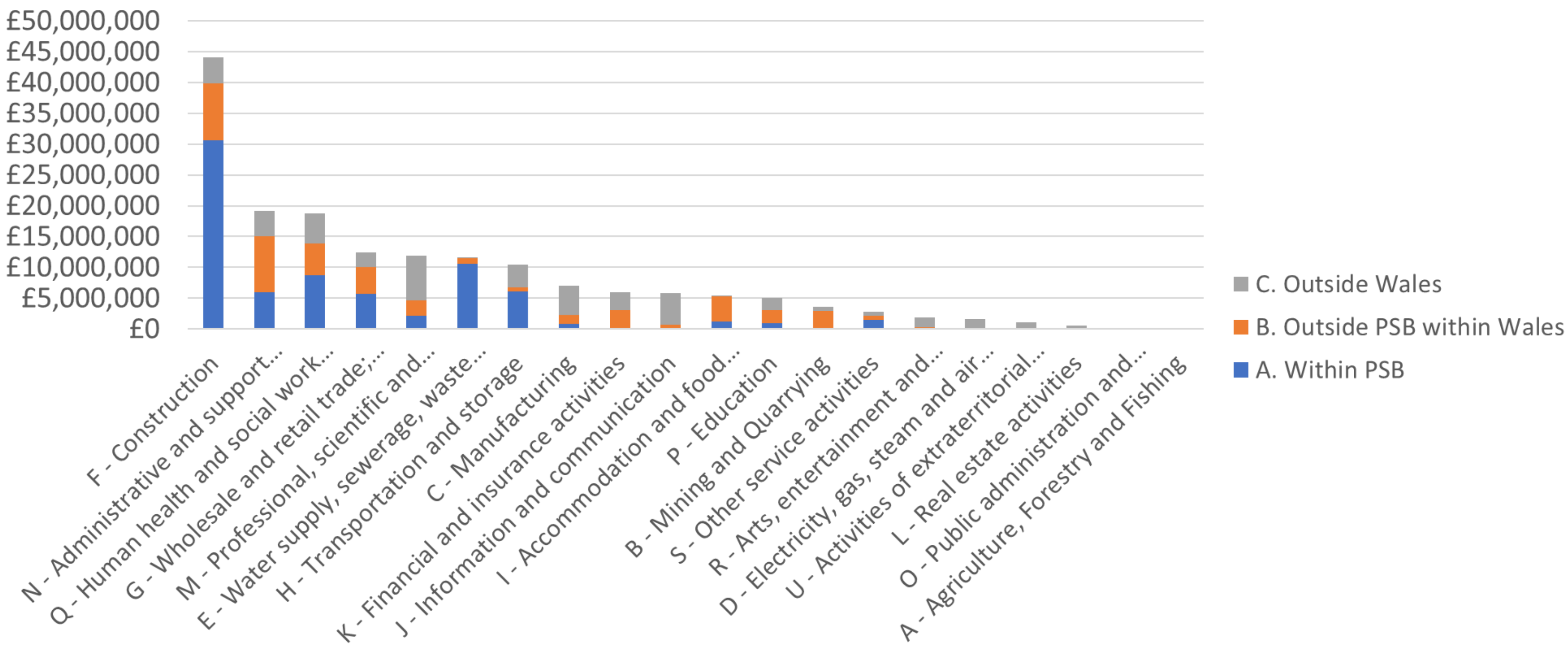


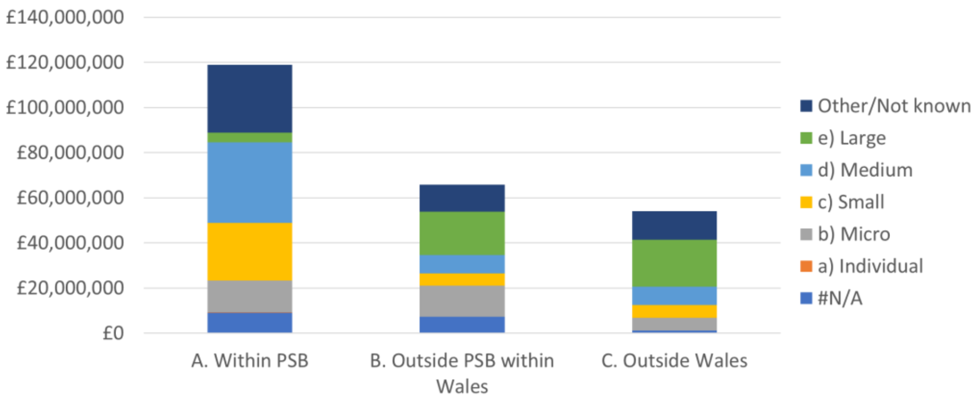
Table 1 – Carmarthenshire County Council's spend (and leakage) by Standard Industrial Classification (SIC) code

High Level Industrial Sector	A. Within PSB	B. Outside PSB within Wales	C. Outside Wales	Grand Total
F - Construction	£30,551,785	£9,307,570	£4,197,811	£44,057,166
N - Administrative and support service activities	£5,963,859	£9,146,043	£4,079,523	£19,189,425
Q - Human health and social work activities	£8,710,469	£5,164,190	£4,833,593	£18,708,252
G - Wholesale and retail trade; repair of motor vehicles and	£5,648,938	£4,363,399	£2,444,931	£12,457,268
M - Professional, scientific and technical activities	£2,109,635	£2,467,467	£7,296,419	£11,873,522
E - Water supply, sewerage, waste management and	£10,624,178	£877,355	£29,941	£11,531,474
H - Transportation and storage	£6,108,659	£618,805	£3,762,874	£10,490,338
C - Manufacturing	£827,299	£1,441,339	£4,728,811	£6,997,448
K - Financial and insurance activities	£2,475	£3,043,751	£2,899,801	£5,946,027
J - Information and communication	£41,016	£703,163	£5,085,635	£5,829,814
I - Accommodation and food service activities	£1,176,850	£4,080,341	£70,303	£5,327,495
	£74,456,190	**£47,341,804**	**£47,215,644**	**£169,013,639**

It is important to note that Carmarthenshire County Council are already significantly outperforming the Welsh local authority average in terms of the proportion of spend with SMEs, Carmarthenshire suppliers and Welsh suppliers. This is indicative of a mature corporate approach to procurement, which recognises the strategic importance of procurement to delivering social, environmental, and economic outcomes for Carmarthenshire's residents. This is supported by the development of the category management approach, the investment in a dedicated spend analysis officer, investment in local SME supplier engagement and commitment to further invest in staff resources to enhance the community benefits approach.

The following analysis seeks to identify where there are opportunities to build on and enhance existing good practice.

Figure 7 - Profile of businesses being procured from – size of businesses (share of £, all sectors)



Local suppliers are more likely to be SMEs. Where spend is outside of Carmarthenshire, and particularly so when outside of Wales, the suppliers are significantly more likely to be large businesses.

The Procurement Team, working with category managers, should explore each contract which constitutes leakage, in order of contract value, to determine its potential for re-localisation. For example:

- When are the contracts up for renewal?
- Are the contracts for specialist provision where there is no viable, local supply?
- If local supply potential does exist, what further opportunities are there to engage with that market? What are the reasons or barriers to local firms not accessing these opportunities?
- Is there potential to develop new or expand existing local supply capacity through support and interventions from the economic development function?
- Is there scope for disaggregating contracts or further refining the lotting approach to widen access to more local supply?

Table 2 - The top high-level sectors with the most (by value) leakage outside of Wales

	Value (2019-20)	Value (as a % of total spend in sector)	Number of suppliers
M - Professional, scientific and technical activities	£7,296,419	61%	106
J - Information and communication	£5,085,635	87%	191
Q - Human health and social work activities	£4,833,593	26%	46
C - Manufacturing	£4,728,811	68%	160
F - Construction	£4,197,811	10%	33
N - Administrative and support service activities	£4,079,523	21%	101
H - Transportation and storage	£3,762,874	36%	8
K - Financial and insurance activities	£2,899,801	49%	30
G - Wholesale and retail trade; repair of motor vehicles and	£2,444,931	20%	168
P - Education	£1,969,146	39%	72
D - Electricity, gas, steam and air conditioning supply	£1,572,937	97%	3
R - Arts, entertainment and recreation	£1,486,573	82%	34
Grand Total	£47,215,644	20%	1030

Table 2, above, shows the sectors with the highest value of leakage outside of Wales. We have expressed this, in Figure 8 below, also as a percentage of the total spent in those sectors by the Council. This is important and illuminating. What particularly stands out is the exceptionally good performance in relation to construction spend, where overall spend is substantial, but there is only 10% leakage outside of Wales. We explored, through the 1-2-1 interviews with officers and members, the specific practice lessons from the construction category and what potential exists to build on this good practice and extend it across other spend categories. Whilst there was some caution that the proportion of local spend in construction may decrease with the use of new regional frameworks, the approaches taken in the construction category to date (use of appropriate lotting strategies, developed with engagement from the sector, and proactive market engagement) have been impactful.

Figure 8 – Leakage by sector (by value and as a percentage of spend)

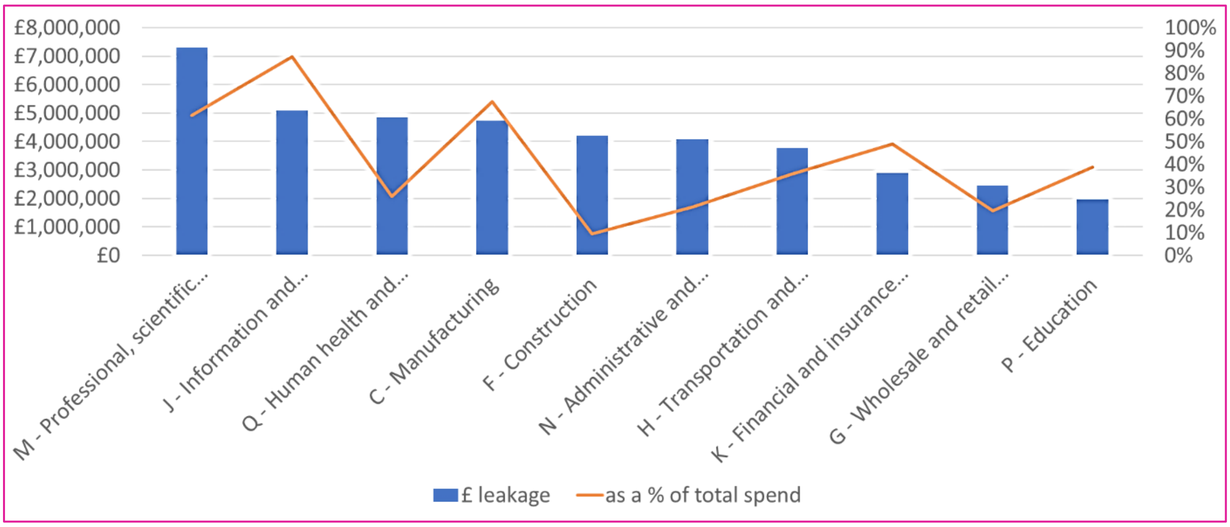


Table 2, above, shows leakage by sector, by value and as a percentage of spend. This helps prioritise potential areas of focus, highlighting those sectors where the value of leakage is relatively high and where this represents a significant proportion of overall spend in that sector. The following sectors have leakage values exceeding £4m and percentages exceeding 50%.

- Professional, scientific and technical activities
- Information and communication
- Manufacturing

The **potential local social and economic benefit of re-localising spend** is significant. Using assumptions based on CLES' work with local authorities elsewhere in the UK, we estimate that every £10m 'leakage' that is localised could achieve:

- **220 jobs**
- **£3.2 million** re-spend (via suppliers' own employment and supply chain)
- **£2.9 million** 'value of social value' (i.e. mapping TOMS to £)

A deep-dive, looking beyond high level spend analysis to draw out the intricacies across specific subsectors, is a useful analytical tool to establish where there is leakage - and thus growth potential locally.

Figures 9 and 10, below, plot leakage (total and as a proportion of all spend) against sector vulnerability (using the proportion of employees furloughed as a proxy for vulnerability). This provides a valuable insight to the degree to which re-localising spend could be an effective lever for supporting vulnerable or at-risk businesses in Carmarthenshire. Some sectors, such as the 'food and accommodation' sector, have been particularly hard hit by the consequences of the pandemic, but leakage levels are relatively low, so there is relatively less scope to support these businesses simply by localising more spend. Instead, the focus should be on how this sector can be supported through the supply chain. However, for other sectors, such as 'manufacturing', there is potentially much more scope, as there is relatively high leakage and relatively high vulnerability.

Figure 9 – Leakage and sector vulnerability (total leakage £)

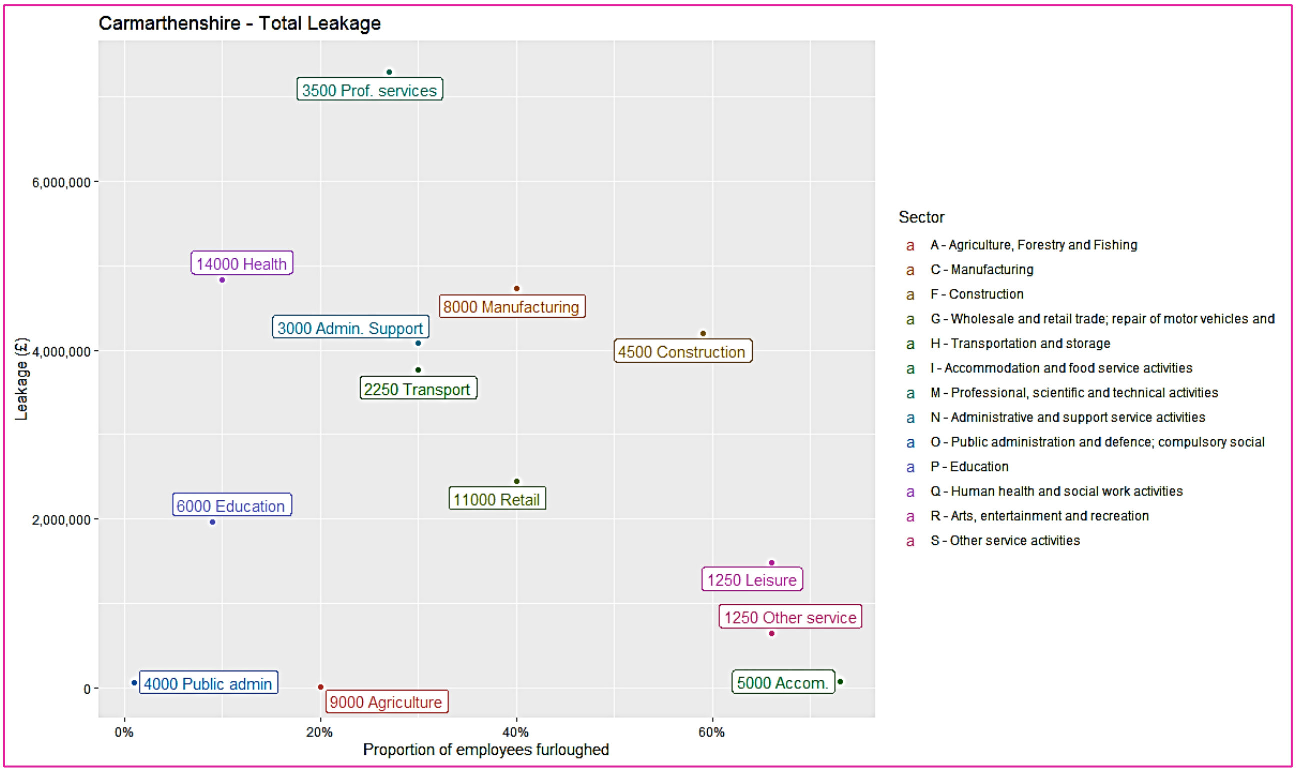
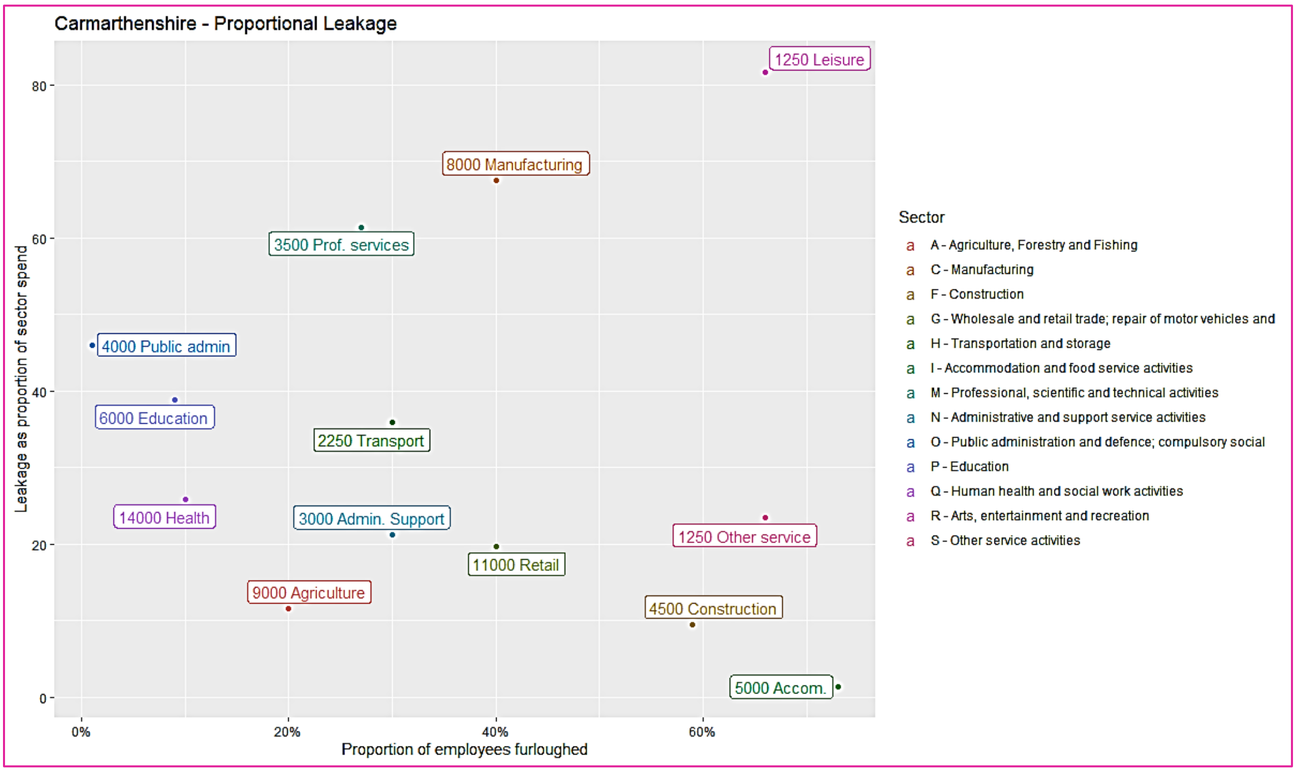


Figure 10 – Leakage and sector vulnerability (leakage as a proportion of total spend £)



CLES analysed Carmarthenshire's spending, and we have homed in here on manufacturing, by 5-digit SIC codes. There are several subsectors where low employment within the council area equates to very high levels of leakage. **With an already existing strong manufacturing base, scoping should be undertaken to consider whether some of this leakage could be re-localised. Where local supply is underdeveloped to meet demand in areas of high leakage, consideration should be given to focused and tailored business support and more interventionalist market shaping**.

Table 3 – Manufacturing leakage by subsector against employment in Carmarthenshire

Sub-sector	Leakage as proportion of total spend	Leakage	Sub-sector employment locally
33190 - Repair of other equipment	99.9%	£1,789,345	0
26200 - Manufacture of computers and peripheral equipment	100.0%	£887,982	10
26301 - Manufacture of telegraph and telephone apparatus and equipment	100.0%	£263,036	0
28230 - Manufacture of office machinery and equipment (except computers and peripheral equipment)	100.0%	£195,011	0
18130 - Pre-press and pre-media services	100.0%	£190,652	0
28220 - Manufacture of lifting and handling equipment	100.0%	£143,186	0
32500 - Manufacture of medical and dental instruments and supplies	100.0%	£129,048	5
27900 - Manufacture of other electrical equipment	92.4%	£120,884	0
26110 - Manufacture of electronic components	94.3%	£117,886	0
26309 - Manufacture of communication equipment (other than telegraph and telephone apparatus and equipment)	100.0%	£86,596	0
29201 - Manufacture of bodies (coachwork) for motor vehicles (except caravans)	98.1%	£77,166	10
31090 - Manufacture of other furniture	100.0%	£67,919	5
17230 - Manufacture of paper stationery	100.0%	£67,195	0
16290 - Manufacture of other products of wood; manufacture of articles of cork, straw and plaiting materials	96.5%	£50,623	30
28250 - Manufacture of non-domestic cooling and ventilation equipment	100.0%	£45,635	35
22290 - Manufacture of other plastic products	90.5%	£42,050	20
13990 - Manufacture of other textiles n.e.c.	100.0%	£36,604	0
20200 - Manufacture of pesticides and other agrochemical products	100.0%	£23,920	0
22210 - Manufacture of plastic plates, sheets, tubes and profiles	100.0%	£18,706	0
13960 - Manufacture of other technical and industrial textiles	100.0%	£16,772	0
28131 - Manufacture of pumps	100.0%	£14,353	0
28490 - Manufacture of other machine tools	100.0%	£13,500	0

32300 - Manufacture of sports goods	100.0%	£12,907	0
27400 - Manufacture of electric lighting equipment	100.0%	£12,756	0
28290 - Manufacture of other general-purpose machinery n.e.c.	100.0%	£10,094	75
11070 - Manufacture of soft drinks; production of mineral waters and other bottled waters	100.0%	£8,794	40
17220 - Manufacture of household and sanitary goods and of toilet requisites	100.0%	£7,230	0
20411 - Manufacture of soap and detergents	100.0%	£6,041	0
22190 - Manufacture of other rubber products	100.0%	£5,685	0
27320 - Manufacture of other electronic and electric wires and cables	100.0%	£4,675	20
26511 - Manufacture of electronic instruments and appliances for measuring, testing, and navigation, except industrial process control equipment	100.0%	£3,934	0
33170 - Repair and maintenance of other transport equipment	100.0%	£3,873	5
17290 - Manufacture of other articles of paper and paperboard	100.0%	£2,919	10
20590 - Manufacture of other chemical products n.e.c.	100.0%	£2,916	50
20590 - Manufacture of other chemical products not elsewhere classified	100.0%	£2,340	50
28923 - Manufacture of equipment for concrete crushing and screening roadworks	100.0%	£1,737	0
22220 - Manufacture of plastic packing goods	100.0%	£1,147	0
28940 - Manufacture of machinery for textile, apparel and leather production	100.0%	£1,124	0
20301 - Manufacture of paints, varnishes and similar coatings, mastics and sealants	100.0%	£1,077	0

4. Stakeholder findings

Officer and elected member interviews

One-to-one interviews were conducted with the following officers and elected members:

- Wendy Walters, Chief Executive
- Chris Moore, Director of Corporate services
- Linda Rees-Jones, Head of Administration & Law
- Julian Lewis, Principal Procurement Officer
- Hywel Harries, Property Design Manager
- Stuart Walters, Economic Development Manager
- Simon Davies, Head of Access to Education
- Jonathan Morgan, Head of Homes and Safer Communities
- Clare Jones, Principal Procurement Officer

- Cllr Emlyn Dole, Leader and EBM economic development
- Cllr Mair Stephens, Deputy Leader
- Cllr David Jenkins, EBM procurement
- Cllr Cefin Campbell, EBM rural

Key lines of enquiry included exploring the economic, social and environmental challenges facing Carmarthenshire and the degree to which procurement is strategically aligned to those challenges, current strengths of the Council's approach to procurement, the challenges and barriers to further developing the Council's progressive approach to procurement, and the relationship between procurement and economic development.

Key issues raised in the interviews are presented below.

Key challenges facing Carmarthenshire

There was a shared understanding, across members and officers, of the existing economic, social, and environmental challenges facing Carmarthenshire and of the magnitude of both the immediate and longer-term impacts arising from the Covid-19 pandemic. Particularly issues raised included:

- The local economic development challenges in the context of the rural economy and the needs of market towns.
- The prevalence and importance of micro-enterprises and SMEs to Carmarthenshire's local economy and the extent to which these businesses now need additional focus and support.
- The specific impact of reduced footfall in town centres
- The vulnerabilities of particular sectors, including food and hospitality, that have been severely impacted by Covid-19.

- The existing challenges relating to jobs / unemployment – and the need to create jobs and business opportunities to retain young people in Carmarthenshire, and the extent to which local employment opportunities will be further impacted by Covid.
- The challenge of connecting larger capital projects to local supply chain and employment opportunities in the context of a relative lack of larger contractors in South West Wales.

Procurement as a key strategic lever

There was a consistent understanding, both at a political and senior leadership level, of the strategic importance of procurement to economic and community wellbeing, and a strong commitment to the community wealth building agenda.

The importance of procurement to economic reform and recovery in Carmarthenshire is recognised, and the crucial role that procurement has played in many aspects of the Covid response has reinforced that.

There was a real determination that now is the time to be bold, to strengthen the strategic role of procurement, and have a single-minded focus on localising spend and supporting local, generative businesses.

The procurement process in Carmarthenshire

A consistent response from many of the interviewees was a recognition of the professionalism of the procurement team in Carmarthenshire, the value of their relationships with service areas and the quality of advice and support provided. However, concerns were raised about whether the current capacity of the procurement function is sufficient and that lack of capacity results in a need for 'firefighting' and reduces the potential for even more proactive working.

Interviewees characterised the relationship between procurement and economic development as being positive, but that there was potential to cement the strengthened links between these functions that have come to the fore in the response to the Covid crisis.

There remains a perception both internally and among suppliers (see business focus group summary, below) that there is scope to further streamline and improve processes and procedures to make the experience of supplying goods or services to the Council as straightforward as possible and reduce any unnecessary barriers for small and medium sized enterprises, community businesses and the third sector.

There was a frustration expressed by the majority of interviewees around the perceived limitations of procurement legislation and guidance; and a view that there is a 'risk-averse' culture in Carmarthenshire that impacts on the ability to support local businesses and local supply chains.

The importance of the community benefits approach as a key enabler for procurement to support the delivery of Carmarthenshire's well-being objectives is understood. The Council is self-aware in terms of existing good practice (e.g. in the construction category) and where there is scope to do more and has already highlighted the need for dedicated resource/capacity to enhance the community benefits approach.

Business focus groups

CLES conducted three online focus groups with Carmarthenshire businesses:

a) Existing suppliers
b) Potential suppliers
c) 'Generative' businesses

The discussions were based around the following themes:

- **Theme 1 – Procurement Opportunities**: finding out about procurement opportunities, clarity about the nature of the opportunities advertised, awareness of forthcoming opportunities and ability to gear up for those, and strengths and barriers in terms of accessing opportunities.

- **Theme 2 – Bidding for work**: the experience of bidding for work, including the PQQ process, of being on framework agreements, and of going through the tender process.

- **Theme 3 – delivery**: the experience of delivering contracts for the County Council, engagement and feedback, the community benefits approach, and suppliers' attitudes towards the importance of localising their own supply chains.

- **Theme 4 – Support**: suppliers' views on the types of support that is available to businesses in Carmarthenshire to help them access public sector procurement opportunities, including help available specifically to smaller businesses.

Key issues raised in the focus groups are summarised below:

<u>Existing suppliers</u>

Theme 1 – Procurement Opportunities

- Suppliers felt that relationships with the Council and with procurement were good.
- Suppliers were aware of where to look for tender opportunities, including Sell2Wales notifications. They valued their existing relationships with the Council and early engagement to be given advance notice of opportunities.
- Awareness of opportunities tends to be at the tender stage, and this can sometimes be short notice. There is limited awareness of what the medium or longer term pipeline of opportunities might be, although this varied by sector, as some needs are more stable over time (for example food procurement), whereas others (e.g. construction) are more project-based.

Theme 2 – Bidding for work

- In terms of process, there was a view that suppliers are required to regurgitate the same quality information, equality criteria etc, leading to lots of duplication and time spent submitting information, a cost which needs recovering.
- There was a perception that there can be disparities in how tenders are evaluated and that the quality aspect of tendering can very subjective – a view that too much is based on what you say you are going to do, not what you actually deliver[10]. Consequently, the process does not reward those who have made the most effort to make the local pound go further. There is a need to better understand the real benefits that suppliers are bringing to the local community and the local economy as opposed to perceived outputs.
- The community benefits approach was supported, in that suppliers are genuinely invested in the wellbeing of their local communities - they are based in Carmarthenshire and want to employ local labour and improve local communities. However, there was a view that this is inherent in what they do anyway, so why is there a need for such a depth of reporting?
- Many aspects of what suppliers do to support the local community do not get scored, so these efforts are not recognised. There was a feeling that procurement can be too process-driven and sometimes the process gives the wrong answer.
- Community benefits will focus on aspects including apprentices, NEET etc, but there never seems to be a focus on how you are keeping your existing staff employed, or the efforts you make to support develop and train your existing staff[11].
- Some suppliers said their experience of recent framework agreements had been frustrating – having been unsuccessful in relation to specific opportunities.
- Suppliers who supply to multiple anchors in Carmarthenshire and/or multiple local authorities across Wales noted a lack of uniformity in terms of process. Procurement expertise across local authorities was felt to be variable, with some procurement functions lacking specific expertise of certain sectors, although it was noted that this was not the case in Carmarthenshire.

Theme 3 – delivery

- Suppliers noted that there were generally good relationships during the delivery phase of contracts and effective ongoing communication.
- There was a view that KPIs for community benefits were sometimes only monitored at the end of a contract, rather than on an ongoing basis which led to a feeling of not feeling rewarded for the good that suppliers do.

Theme 4 – Support

- Suppliers welcomed and genuinely valued the loyalty and support that Carmarthenshire County Council has and continues to provide during the Covid pandemic.

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[10] It is worth noting that the regulations do not allow for historical experience to be evaluated. The evaluation must be forward looking in terms of what a potential supplier will deliver against the specification.
[11] The retention of existing staff has been added in an update to the Welsh Government's measurement tool.

- Examples of specific initiatives were raised, for example the provision of food parcels to vulnerable residents who were sheltering and how this demonstrated public procurement as a force for good.
- The suppliers all talked about their commitment to the local area and pride in contributing to the local economy, supporting local employment and communities.
- The issue of contract length was discussed, in terms of how shorter contracts result in difficulties in getting a return on investment and give less scope to be confident to make long term investment decisions in people and capital equipment. Construction was given as an example, with 3-4-year contracts, compared to a housing association framework, which has a 10-year timespan[12].
- The support needs of smaller firms were acknowledged, but so too were the practical difficulties, for example in some sectors it was felt that working together as consortia would be problematic. It was also noted that some of the barriers to smaller providers are legitimate – for example, if they have insufficient resources to invest in critical areas, such as food safety.

<u>Potential suppliers</u>

Theme 1 – Procurement Opportunities

- A view was expressed that Carmarthenshire County Council is reluctant to engage local consultants, favouring in-house approaches, or contracting out-of-area, even when the capacity exists locally.
- Some of the attendees had experience of working on Council contracts, but indirectly as third-party contractors.
- There was a feeling that in some sectors 'incumbent' providers are selected based on price not quality, which reduced opportunities for local contractors and didn't necessarily reflect overall value for money.
- The attendees had a good awareness of Sell2Wales and some had signed up to notifications. However, there was a lack of awareness of whether all opportunities are advertised versus going directly to 'incumbent' suppliers. Particularly with respect to contracts under £25k, the suppliers were not aware of how to get on the radar of the officers in the Council who would be seeking quotations for these awards.
- Some attendees had attended 'meet the buyer' events. A view was expressed that feedback at 'meet the buyer' events was sometimes not acted on – for example, suggestions to divide contracts into more specific lots. The suppliers would welcome earlier engagement so that their views could shape how the opportunities are brought to market.
- Some suppliers were unable to access procurement opportunities due to different elements of provision being bundled together and not divided into separate lots; and felt that a more disaggregated approach would open up more opportunities for local suppliers.
- None of the attendees had a sense of the longer-term pipeline of potential opportunities, but all felt this would be helpful.

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[12] The duration of frameworks is dictated by the Public Contracts Regulations which procurement tenders must comply with. Carmarthenshire County Council have put in place an increasing number of Dynamic Purchasing Systems which enebales greater duration and more flexibility for suppliers to join during its lifetime.

Theme 2 – Bidding for work

- Some of the attendees had gone through the PQQ stage but found it impossible to service that agreement later in the process, because of the nature of the specification (services/goods not being split into separate lots).
- There was a general view that the procurement process favours larger firms with in-house expertise on how to bid, and that the time and effort required, particularly for lower value opportunities, discouraged smaller contractors. There needs to be a simplification of processes to make it more proportionate.

Theme 4 – Support

- Some of the attendees noted that their businesses currently spend a lot of money out-of-area, and would value support from the County Council on opportunities to support local businesses through their supply chain, but didn't know where to find this information.
- Suppliers noted that they would like a more direct approach, as businesses based in Carmarthenshire and under Welsh ownership, more direct conversations about how the right price/business relationship could be developed.
- Contract sizes were mentioned as a barrier and a view that splitting contracts into smaller lots would open up opportunities.
- Attendees felt that the Council should consider dealing with local smaller suppliers even if it is slightly more expensive.

<u>Generative businesses</u>

Theme 1 – Procurement Opportunities

- The organisations present had experience of receiving grants to provide services and support and of more competitive tendering for contract opportunities.
- A feeling was expressed that there is sometimes very short notice to bid for opportunities, or for requests to pull a project proposal together. Existing Service Level Agreements (SLAs) sometimes run over without renewal, so provision is provided based on trust. When SLAs come up for renewal, it was felt that decisions are often made late, or at short notice, which creates operational difficulties for providers, in terms of their forward budgetary planning and being able to retain staff.
- All participants noted that relationships were generally positive with the Council and they valued the professionalism and accessibility of Council staff.
- Attendees were generally aware of where to look for tendering opportunities that are advertised, but some felt that very few opportunities arise.
- For work under £25k there was a lack of understanding of how to get "on the list" to be asked for quotes.
- Capacity and resources in the sector are limited in terms of the time and expertise required to put proposals together. The third sector wants to be responsive, but it was felt they are sometimes put under pressure to deliver at short notice.

- Under the Carmarthenshire Compact arrangement there were previous efforts to develop a forward planning calendar approach, to enable third sector organisations to know what contract opportunities were coming up on the horizon, but despite a lot of work being put into this, it never came to fruition.
- Some attendees felt that there was a 'we know best' attitude in certain parts of the Council, that engagement with the third sector could be improved, and that the sector could support delivery in some areas but the Council prefer to progress initiatives in-house which could be better delivered by the third sector.

Theme 2 – Bidding for work

- One example from a community enterprise delivering a large capital project from a combination of European funding, Welsh Government funding, and a small element of funding from Carmarthenshire County Council – was a frustrating experience. It was felt that the County Council process was lengthy and overcomplicated, and that the procurement departments expectations resulted in increased professional costs and project delays (it was stressed, however, that this was a one-off experience and not generally indicative of the relationship with the Council).
- In terms of the requirements to conform with procurement procedures – there was a view that the Council need to be a bit more understanding of voluntary and community groups.

Theme 3 – delivery

- Generally good engagement and positive relationships, particularly with more senior staff.
- Attendees noted that there was very good dialogue around the delivery of existing SLAs, with sufficient opportunities to keep in touch, and a degree of flexibility in terms of how organisations' deliver their targets, which as welcomed.
- Some expressed a degree of frustration around financial monitoring that the monitoring requirements were cumbersome (e.g. paper copies required even during lockdown) and that there is a lack of flexibility.

Theme 4 – Support

- Attendees felt there was good support and signposting to support in relation to specific tender opportunities.
- Information is provided to the sector about how the Council is thinking about making changes (for example to longer running SLAs), and what the changing expectations are for third sector providers.
- On business support, it was felt that there could be more tailored business support to the third sector and that the social enterprise sector could be involved in many areas of the local, commercial economy, but that the sector is under-developed in Carmarthenshire, with a lack of ambition for the sector and insufficient support.
- Participants felts that there was scope for social enterprises to be doing more of what the Council currently does – for example, training, IT support, tourism.

- A view was expressed that the Council sometimes act more as 'competitors' to the sector, rather than 'allies'. Some specific examples were cited where Council projects were launched which were in direct competition to, or duplicating, existing third sector/social enterprise provision.
- On the potential for the third sector to act collaboratively, forming consortia in order to access larger procurement opportunities, efforts had been made in the past but a number of practical difficulties have inhibited this coming to fruition in some cases (the time required, organisational differences etc.)

5. Advancing progressive procurement

Procurement as a key strategic lever

Carmarthenshire's approach to procurement is thoughtful and mature, the Council is self-aware of the potential impact of its spend, and strongly committed to making additional improvements, with the economic impacts of Covid prompting further urgency to this agenda. Whilst the political and officer appetite to increase the proportion of local spend was clear, there is scope to explicitly codify and refine this – for example:

- Highlighting the importance of procurement as a strategic lever in the Corporate Strategy, as part of a more explicit Community Wealth Building narrative, aligned to wellbeing objectives and goals.
- Adopting a corporate KPI and clear targets for the percentage of spend with local suppliers and supplier local re-spend.
- Ensuring that spend analysis is used strategically and routinely considered at senior leadership and Cabinet level.
- Marshalling internal leadership, management, and communications to ensure a shared culture and mindset with all departments focused on the importance of the 'Carmarthenshire pound'.

The importance of procurement to economic reform and recovery in Carmarthenshire is recognised, and the crucial role that procurement has played in many aspects of the Covid response has reinforced that.

The emergency response phase of the pandemic foreshadows much of what is possible. Local authorities have deepened and broadened their relationships with businesses and workers. These relationships and insight provide a key foundation for the work that must now be done. The key leadership role provided by Carmarthenshire County Council in the emergency response to Covid, for example the decision to directly lead on the provision of food parcels for vulnerable residents (working with a locally based wholesaler and ensuring the food parcels contained locally sourced produce) vividly demonstrate the marrying of deep public service values and community focus, the Council's commitment to localism and the social and economic power of procurement. It will be important to continue to underline the importance of procurement and economic development to the wellbeing of local communities going forward and to celebrate the role of the professionals in these services and the value of their collective efforts, as the economic impacts associated with the pandemic begin to bite. It will also be important going forward, that procurement professionals continue to have a voice and input to senior decision making.

The procurement process in Carmarthenshire

Current capacity in the procurement function does not match the benchmark of one procurement professional per £10m expenditure quoted in the Wales Procurement Policy Statement[13]. Acknowledging the resource constraints on local authorities across the UK and the additional demands arising from the shifting procurement landscape and decreased reliance on National Procurement Service frameworks in Wales, it will be important to consider what resources are needed for the procurement function to maximise the economic and social impact of the County Councils spend. The Council deserve praise for investing in dedicated capacity for spend analysis and the planned new community benefits officer post.

There is scope to strengthen the relationship between procurement and economic development. As already mentioned in the 'evidence review' section of this report, consideration should be given to facilitating local supply to fill existing supply voids, with the manufacturing sector being a particular area of focus. This will require a capacity building approach and additional collaborative working between procurement and economic development. There needs to be a continued focus on developing a strong relational approach to local business, with procurement and economic development working together to encourage supplier readiness and collaboration.

There are clear strengths in terms of how the procurement function engages with the market. The department have an officer who is a dedicated first point of contact for any suppliers looking to understand how they bid for opportunities to work with the Council. They run a range of different supplier engagement initiatives and events including one-to-one meetings and larger tender specific supplier or early market engagement events to consult with the marketplace and explain their rationale for the procurement strategy approach taken. These have been critical in shaping their tendering activity into an approach which can be met by the marketplace. This approach has been particularly successful in the construction category and consideration should be given to broadening the approach across other areas of category management; and could be enhanced by:

- Publishing a longer-term (3-5 year) forward plan and using this as the basis for more regular market engagement across all categories, not just reactive to tenders – to support local supply chain readiness. This could be compiled from 3-5-year Procurement Plans for each Category Manager.
- Developing a suppliers' guide that is bespoke for Carmarthenshire and tailored to the needs of local SMEs and the third sector.
- Continuing to review contract timescales to ensure the right balance between competitiveness/efficiency and the need for stability of contracts to give local suppliers the

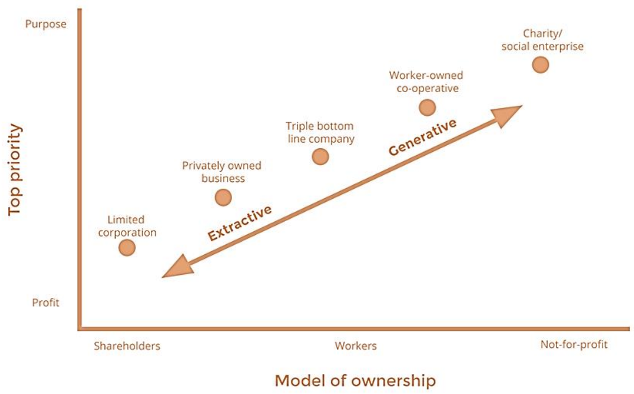
[13] https://gov.wales/sites/default/files/publications/2019-09/wales-procurement-policy-statement.pdf

confidence to invest in their capacity – informed by deep engagement with potential local suppliers.

- Building on current relationships with suppliers to support the localisation of their supply chains (informed by the supplier re-spend analysis – see toolkits below)

There would be merit in more explicitly differentiating between different business forms in the local economy. At the core of Community Wealth Building, is a focus on locally productive forms of business. These "generative" businesses, such as employee owned firms, community business and social enterprise are firms in which wealth is both created and shared broadly between owners, workers and consumers, ultimately increasing local multipliers as wealth flows through to people and places.

Figure 11 – Extractive vs generative



Consideration should be given to differentiating the business types/forms of suppliers and potential suppliers, in terms of spend analysis, market engagement and business support (including market making/shaping activity) to enable bespoke approaches to increase the proportion of generative businesses.

Any business database used by the Council should seek to include whether the organisational form of the current/potential supply is classed as 'generative' or 'extractive'. Insofar as it is feasible within the local sector, commissioners and policymakers should be utilising locally generative alternatives to maximise social value. Ideally, there should be a mix of suppliers involving the local state in conjunction with alternative models of ownership such as local charities, co-ops, CICs and community businesses etc. If designed in the right way, specifications can enable these more generative providers to enter the market and maximise social value. Once complete, this dataset can be a useful resource for commissioners to identify potential suppliers that can bid for procurement opportunities and consequently potentially increase the share of council spending that is delivered by local socially, economically and environmentally generative organisations.

Work has already been undertaken to streamline procedures and supplier documentation, particularly with respect to lower value (sub £75k) contracts. However, there is still a perception both internally and among suppliers that there is scope to further streamline and improve processes and procedures to make the experience of supplying goods or services to the Council as straightforward as possible and reduce any unnecessary barriers for small and medium sized enterprises, community businesses and the third sector. There are discussions in the wider public sector procurement community in Wales about the potential development of a 'Passport to Trade' solution to minimise the need for suppliers to submit information in successive tender bids. The anchor organisations across the Public Service Board footprint should monitor any developments in this space and ascertain to what extent any such development would add value to existing processes and could stimulate more collaborative working across the public sector procurement landscape in Carmarthenshire. Establishing a procurement forum which brings together Public Services Board partners would provide a mechanism to share resources and learning and develop collaborative approaches across Carmarthenshire.

There is a recurring theme of the perceived limitations of procurement legislation and guidance and a view that there is a 'risk-averse' culture in Carmarthenshire that impacts on the ability to support local businesses and local supply chains. We are aware from our discussions with officers and members in Carmarthenshire that these issues have been much debated, and of the criticality of taking a measured and balanced approach, staying within the regulations and not exposing the Council to unwarranted risk. Officers (rightly) look to act in the best interests of the Council and protect it from challenge and potential reputational damage. However, if there is a disconnect between aspirations and capacity to deliver, it is important to focus on what more could potentially be done, within the regulations.

The recent report[14] of the National Assembly for Wales Committee inquiry on 'Procurement in the Foundational Economy' noted that:

Several witnesses told the Committee that EU rules themselves are not a barrier to local firms engaging in the procurement process. Liz Lucas of Caerphilly County Borough Council (CBC) said the rules were "very, very flexible as they stand" and "the rules do not stop you looking after your local contractors". Steve Cranston also said current rules do not prevent innovation, but that there are other cultural and capacity barriers. Wales Co-operative Centre said that "the existing legal framework provides scope to support social enterprises and the foundational economy."

In this respect, consideration could be given to:

- Increased emphasis on market engagement (combined with publishing a longer-term forward plan of what is likely to need to be procured and a contract-by-contract review for each major area of 'leakage' – see Appendix 5 below).
- Consideration of contract lengths and how this impacts the stability of potential supply for local contractors.
- Tailored and focused business support for local SMEs and, particularly, for more 'generative' business models such as community business, cooperatives, mutuals and social enterprises.
- Encouraging local supplier collaboration and ensuring that procurement professionals are well connected to their economic development colleagues.
- Adopting the use of small lot exemptions to support SMEs.
- Extending the use of reserved contracts for businesses whose main aim is the integration of disadvantaged people – particularly where there is scope to work with third sector organisations to design new approaches linked, for example, to tackling long-term unemployment or disadvantage.

[14] https://senedd.wales/laid%20documents/cr-ld12308/cr-ld12308%20-e.pdf

For lower value works (£5k- £25k), officers are currently required to obtain three quotes from competitive sources and be able to demonstrate this process by keeping appropriate records. Discussions have taken place as to whether a number of these quotes could be required to be from local suppliers. Whilst CLES are categorically **not** able to offer legal advice, we do note that other local authorities in Wales have adopted procedures to allow for a minimum number of quotations to be requested from local businesses alongside others. A possible alternative would be to consider encouraging local sourcing *where practicable* whilst emphasising the overriding need for competitiveness and value for money – i.e. not a *requirement* to select a locally-based supplier if that supplier would not be best value (e.g. they are more expensive or their bid does not comply with the specification), and measures to consistently communicate these opportunities to a local business audience.

We consider this to be an important area of focus. For smaller businesses which have not historically engaged with public sector procurement, the opportunities arising out of £5-£25k contracts could have significant potential to support their viability. It would also provide smaller, local suppliers who may have no or little experience of working for the Council an entry route for engagement and provide them with the confidence to move on to bidding for higher value works in the future. Consideration should be given to developing a mechanism to regularly communicate these opportunities to the SME and third sectors in Carmarthenshire – e.g. via online channels, social media, email alerts, or via local business networks.

Social value and community benefits

The community benefits approach is currently considered for all contracts but monitoring against outcomes is prioritised for larger contracts (over £1m). Community benefits in Carmarthenshire cover a range of areas, as described on the procurement pages of the Council's website:

- Employment and Training Opportunities
    - Recruit and train long term economically inactive persons and or 16-24 year olds not in education employment or training (NEETs) as part of the workforce delivering this contract.
    - You might be required to agree to a set number of person weeks of employment/experience per annum (To be agreed upon contract award). A person-week is the equivalent of one person working for 5 days either on site, or through a mix of on-site work and off-site training (paid or unpaid).
    - Consider employing an apprentice during the contract period.
    - Offer work placements to school, colleges and university students as part of their course or for any individual interested in gaining experience in your sector.
- Supply Chain Opportunities
    - Create opportunities for SME's to bid for work through the supply chain.
    - Sign up to various mentoring schemes to provide advice and support to new companies or SME's.
- Additional Benefits
    - Community Initiatives: Volunteering days, contribute to community regeneration schemes, Sponsor mini sporting tournaments e.g. rugby or football etc.
    - Educational Contributions: Engage positively with school-age children; Work placements for secondary-school children and college students, visits to primary schools to engage

with younger children, Provide educational opportunities to local schools e.g. site visits etc., Development of bespoke qualifications with local colleges.

The community benefits approach is a key enabler for procurement to support the delivery of Carmarthenshire's well-being objectives, by embedding the Well-being of Future Generations Act into procurement contracts and frameworks.

Carmarthenshire County Council can be proud of existing recognised good practice in this regard –for example, in its delivery of the Welsh Government funded 21st Century school programme, the County Council used the South West Wales Regional Contracts Framework to embed the delivery of community benefits and sustainable ways of working. The project will achieve Passivhaus certification and BREEAM 'excellent' certification, with project bank accounts (a ring-fenced bank account from which payments are made directly). The project has been recognised by the Future Generations Commissioner for Wales as one which demonstrates clear links to the five ways of working within the Act as well as the local authority's well-being objectives.

The Council acknowledge that monitoring of community benefit KPIs is currently less robust in categories other than construction.

We recommend considering:

- Scaling up the community benefits approach codifying this into a social value (community benefits) policy, with clear outcomes linked to wellbeing objectives and continuing to increase the number of contracts below £1m in which community benefits are routinely included, supported by a recording and monitoring approach to ensure community benefits are being delivered. This would establish a robust policy framing which could be used flexibly to support innovation in terms of how suppliers respond to the needs and priorities expressed in the policy.
- Reviewing the 'menu' of community benefit clauses to ensure the scope of benefits matches the scale of current economic and social challenges – for example, including a focus on retention and training of the existing workforce, which can help maintain or improve the local skill pool and from a supplier development viewpoint can benefit the contractor's competitiveness in the future. While inclusion of mandatory clauses which specifically require companies to employ local labour would be in breach of the European Community Treaty Principles of equal treatment, inclusion of monitoring requirements which measure the impact of procurement activity on local labour rates and the requirement to advertise opportunities locally and work with local employability providers is permissible.
- Building in annual reviews to ensure that Carmarthenshire's community benefits remain fit for purpose and in line with Wellbeing and Future Generations Act (Wales) 2015 and any refresh of the local Well-being Pan.
- Seek to collaborate with other PSB partners to increase the social value of procurement through maximising local spend.
- Investigating the use of a tool which enable the 'value of community benefits' to be measured, so that concerns over the financial implications of pursuing community benefits more widely can be

assuaged[15] - and weighing up the potential benefits and limitations of such tools, the costs of administering this process and its potential suitability for different market categories.

The recent S20 report of the Commissioner stated that:

In testing and demonstrating how they are applying the Act, all public bodies and boards covered by the Well-being of Future Generations Act (including Welsh Government) should:

Approach all procurement decisions through the lens of the Act – by applying the Five Ways of Working, considering their well-being objectives and/or steps and how to maximise contribution to the seven well-being goals at the very beginning of the process even at pre-procurement stage. Provide clear evidence for how their procurement activities are supporting the delivery of their well-being objectives. Include specific contract clauses linked to well-being objectives/goals in every public sector contract and framework, using social value measures to capture impact.

The concept of Social Value needs not just to be viewed as being in the domain of the procurement function. Instead, it needed to sit across the corporate heart of the Council and be the responsibility of all departments. It needs the active involvement of policy leads, those with knowledge of key local and global policy challenges, such as climate change, health and well-being, economic reform and ensuring sustainable employment. The approach should address each of the stages of the Cycle of Procurement:

- The first stage of the Cycle is around **Governance and Strategy**. If local authorities want to change the way in which they undertake procurement, then they must have the strategic and governance conditions in place to enable it to happen. They need to undertake Spend Analysis to set a baseline position of where their spend goes. They need to have a Social Value Procurement Strategy and Framework in place that outlines the types of wider (Social Value) outcomes they want to achieve through procurement. And they must have Officers that are socially, as well as cost conscious.
- The second stage of the Cycle is around **Commissioning**. This is where, during the design of goods and services, local authorities can start to think about the types of outcomes that are appropriate in relation to that good or service from a Social Value perspective. Here, Commissioners can consult with end users, other departments, and the market to shape the design of the good or service. It is at this point that they need to also consider breaking contracts into lots and set the weighting against which Social Value will be evaluated.
- The third stage of the Cycle is **Pre-Procurement**. Here, local authorities need to make the market aware of what they are looking to purchase and what added benefits they are seeking in Social Value terms and beyond the provision of the good or service. They need to provide information, often through a portal and through Meet the Market events.
- The fourth stage of the Cycle is **Procurement and Decision-Making**. If local authorities want to use procurement as a way of achieving wider outcomes, they need to ask potential suppliers about the types of Social Value they are going to deliver through the contract. They also need to evaluate against this in a qualitative and quantitative manner.
- The fifth stage of the Cycle is **Monitoring**. If local authorities are going to the trouble of developing Social Value Procurement Strategies and asking questions around it, then they need to monitor the extent to which suppliers are delivering upon Social Value outcomes during delivery, and support suppliers through effective brokerage. A tool which assesses social value contributions to the Wellbeing Act in terms of non-financial benefits (e.g., jobs for long term unemployed) and the

[15] The National Social Value Measurement Framework for Wales is an existing tool that could be used for this purpose

additional financial value created (e.g. additional fiscal and economic benefits) such as the National Social Value Measurement Framework for Wales (also known as the National TOMs Wales[16]) may be useful in this regard.

[16] https://www.nationalsocialvaluetaskforce.org/national-toms-wales

6. Action Plan

Advancing progressive procurement in Carmarthenshire

Recommendation	Time Horizon	Next Steps
Make community wealth building a more explicit, central strategic narrative	Medium term	○ Create a cross-cutting Community Wealth Building narrative across corporate strategy, policy, and associated action plans. ○ Develop a wider Community Wealth Building approach, encompassing the full range of anchor institution economic assets (including workforce, land, property and wider financial assets), to enable even greater impact to be secured.
Incorporate an emphasis on sectoral transition in the Councils economic recovery and reform programme.	Medium term	○ Consider the development of bespoke and targeted approaches to support sectoral transition towards environmental, renewable, and emerging technologies sectors.
Increase the strategic profile of procurement.	Short term	○ Ensure that the resourcing and capacity of the procurement and business support functions are commensurate with the Council's expectations. ○ Ensure that procurement professionals continue to have a voice and input into senior decision making.

Recommendation	Time Horizon	Next Steps
		○ Marshal internal leadership, management, and communications to ensure a shared culture and mindset with all departments focused on the Carmarthenshire pound. ○ Continue to strengthen the relationship between procurement and economic development.
Systematically review opportunities to localise spend, prioritising interventions where there is a strong overlap between leakage and local economic vulnerability.	Short to medium term	○ The Procurement Team should explore each contract which constitutes leakage, to determine its potential for localisation, with the following sectors being of priority: • Professional, scientific, and technical activities • Information and communication • Manufacturing ○ Instigate a programme of market engagement with the potential local supply base in relation to these contract opportunities. ○ Consider the need to focus and tailor business support and for more interventionalist market shaping, for example in the manufacturing sector – to enable the sector to meet demand.
Deepen and extend the approach to spend analysis	Short term	○ Undertake a supplier re-spend analysis and use this as the basis for future interventions and support. ○ Adopt corporate KPIs and clear targets for the percentage of spend with local suppliers and supplier re-spend.

Recommendation	Time Horizon	Next Steps
		○ Any business database used by the Council should seek to include whether the organisational form of the current/potential supply is classed as 'generative' or 'extractive'. ○ Ensure that spend analysis is used strategically and routinely considered at senior leadership and Cabinet level.
Further develop market engagement approaches	Short to medium term	○ Develop and publish a longer-term (3-5-year) forward plan and use this as the basis for more regular market engagement across all categories, not just reactive to tenders. ○ Roll out the suppliers' guide (to be finalised following the workshops) ○ Provide advice on how suppliers and other local businesses can engage their supply chains to contribute. ○ Provide tailored business support to increase the capacity of local, generative businesses, to access procurement opportunities. ○ Share best practice to assist suppliers in the procurement process, for example anonymised examples of what scored well and what didn't. ○ In advance of contract, or framework, renewal- undertake supplier and market engagement to consider: • Whether contract timescales ensure the right balance between competitiveness/efficiency and the need for stability of contracts to give local suppliers the confidence to invest in their capacity.

Recommendation	Time Horizon	Next Steps
		• Whether lotting strategies can be tailored to maximise the ability of local suppliers to engage.
Enhance and refine procurement processes	Short to medium term	○ Engage with smaller suppliers and the third sector on opportunities to further streamline procurement processes. ○ Keep under review the national discussions about a 'Passport to trade' and the extent to which this potentially adds value to existing processes. ○ Adopt the use of small lot exemptions to support local SMEs ○ Consider the potential for 'reserved contracts', including any scope to work with third sector organisations to design new approaches linked, for example, to tackling long-term unemployment or disadvantage. ○ Ensure a strong corporate focus on the impact of lower value spend (£5-£25k) on the local economy to support micro-enterprises and SMEs. • Encourage local sourcing where practicable. • Develop mechanisms for potential suppliers to be visible to the Council. • Develop a mechanism to effectively communicate these contract opportunities to micro-enterprises and SMEs.
Scale up and codify the approach to social value and community benefits	Short to medium term	○ Produce a social value (community benefits) policy, with clear outcomes linked to wellbeing objectives.

Recommendation	Time Horizon	Next Steps
		○ Consider expanding the community benefits approach, increasing the number of contracts below £1m in which community benefits are routinely included. ○ Implement a more robust recording and monitoring approach to ensure community benefits are being delivered. ○ Review the 'menu' of community benefit clauses to ensure the scope of benefits matches the scale of current economic and social challenges. ○ Build in annual reviews to ensure that Carmarthenshire's community benefits remain fit for purpose and in line with Wellbeing and Future Generations Act (Wales) 2015 and any refresh of the local Well-being Plan. ○ Investigate the use of a tool such as the National TOMs Wales which can measure suppliers social value contribution to the Wellbeing Act in terms of non-financial benefits (e.g., jobs for long term unemployed) and the additional financial value created (e.g., additional fiscal and economic benefits).
Seek to collaborate with other anchors across the PSB	Medium term	○ Establish, or utilise an existing, forum to bring together procurement and economic development leads from across all the PSB anchor institutions in Carmarthenshire. ○ Investigate the scope for joint procurement of certain goods or services. • Identifying key sectors of relevance to multiple anchors where they could seek to grow dense local and socially

Recommendation	Time Horizon	Next Steps
		virtuous supply chains which will achieve wider social and local economic value. ○ Investigate the scope for to align procurement processes and objectives. • Identifying key social value outcomes of relevance to the Carmarthenshire economy, prioritise them in social value approaches of multiple anchors and share learning on what works in delivering on these between anchors and across supply chains. • Streamline processes, including investigating any national developments in terms of a ‘Passport to trade’ across sectors.

Appendix 1 – supplementary information

SIC code Matching

As noted previously in this report, CLES analysed high-level industry categories provided in a previous Carmarthenshire Council report by matching these categories to 5-digit SIC code industries. Our workings are shown below:

Education and Childcare

85100 Pre-primary education
85200 Primary education
85310 General secondary education
85320 Technical and vocational secondary education
85410 Post-secondary non-tertiary education
85421 First-degree level higher education
85422 Post-graduate level higher education
85510 Sports and recreation education
85520 Cultural education
88910 Child day-care activities

Food and Beverage

56101 - Licensed restaurants
56102 - Unlicensed restaurants and cafes
56103 - Take away food shops and mobile food stands
56210 - Event catering activities
56290 - Other food service activities
56290 - Other food services
56301 - Licensed clubs
56302 - Public houses and bars

Personal Services[17]

95110 - Repair of computers and peripheral equipment
95220 - Repair of household appliances and home and garden equipment
95240 - Repair of furniture and home furnishings
95250 - Repair of watches, clocks and jewellery

[17] (exempting Building, Commercial, Business, or Professional services)

95290 - Repair of other personal and household goods
96010 - Washing and (dry-)cleaning of textile and fur products
96090 - Other personal service activities n.e.c.

Food & Drink Production

10120 - Processing and preserving of poultry meat
10130 - Production of meat and poultry meat products
10320 - Manufacture of fruit and vegetable juice
10511 - Liquid milk and cream production
10519 - Manufacture of milk products (other than liquid milk and cream, butter, cheese) n.e.c.
10520 - Manufacture of ice cream
10611 - Grain milling
10612 - Manufacture of breakfast cereals and cereals-based foods
10710 - Manufacture of bread; manufacture of fresh pastry goods and cakes
10720 - Manufacture of rusks and biscuits; manufacture of preserved pastry goods and cakes
10821 - Manufacture of cocoa, and chocolate confectionery
10822 - Manufacture of sugar confectionery
10831 - Tea processing
10832 - Production of coffee and coffee substitutes
10840 - Manufacture of condiments and seasonings
10850 - Manufacture of prepared meals and dishes
10890 - Manufacture of other food products n.e.c.
10910 - Manufacture of prepared feeds for farm animals
10920 - Manufacture of prepared pet foods
11010 - Distilling, rectifying and blending of spirits
11050 - Manufacture of beer
11070 - Manufacture of soft drinks; production of mineral waters and other bottled waters

Sports & Leisure

77210 - Renting and leasing of recreational and sports goods
93110 - Operation of sports facilities
93120 - Activities of sport clubs
93130 - Fitness facilities
93199 - Other sports activities (not including activities of racehorse owners) n.e.c.
93199 - Other sports activities

Visitor Economy

55100 - Hotels and similar accommodation
55201 - Holiday centres and villages
55202 - Youth hostels
55209 - Other holiday and other short-stay accommodation (not including holiday centres and villages or youth hostels) n.e.c.
55300 - Recreational vehicle parks, trailer parks and camping grounds
55300 - Camping grounds, recreational vehicle parks and trailer parks

55900 - Other accommodation
79110 - Travel agency activities
79120 - Tour operator activities
79901 - Activities of tourist guides
79909 - Other reservation service activities (not including activities of tourist guides)
91020 - Museum activities
91030 - Operation of historical sites and buildings and similar visitor attractions
91040 - Botanical and zoological gardens and nature reserve activities
91040 - Botanical and zoological gardens and nature reserves activities
93210 - Activities of amusement parks and theme parks
93290 - Other amusement and recreation activities
93290 - Other amusement and recreation activities n.e.c.

Retail

47110 - Retail sale in non-specialised stores with food, beverages or tobacco predominating
47190 - Other retail sale in non-specialised stores
47210 - Retail sale of fruit and vegetables in specialised stores
47220 - Retail sale of meat and meat products in specialised stores
47230 - Retail sale of fish, crustaceans and molluscs in specialised stores
47240 - Retail sale of bread, cakes, flour confectionery and sugar confectionery in specialised stores
47250 - Retail sale of beverages in specialised stores
47260 - Retail sale of tobacco products in specialised stores
47290 - Other retail sale of food in specialised stores
47300 - Retail sale of automotive fuel in specialised stores
47410 - Retail sale of computers, peripheral units and software in specialised stores
47421 - Retail sale of mobile telephones in specialised stores
47429 - Retail sale of telecommunications equipment (other than mobile telephones) n.e.c., in specialised stores
47430 - Retail sale of audio and video equipment in specialised stores
47510 - Retail sale of textiles in specialised stores
47520 - Retail sale of hardware, paints and glass in specialised stores
47530 - Retail sale of carpets, rugs, wall and floor coverings in specialised stores
47540 - Retail sale of electrical household appliances in specialised stores
47591 - Retail sale of musical instruments and scores in specialised stores
47591 - Retail sale of musical instruments and scores
47599 - Retail of furniture, lighting, and similar (not musical instruments or scores) in specialised store
47599 - Retail sale of furniture, lighting equipment and other household articles (other than musical instruments) n.e.c., in specialised stores
47610 - Retail sale of books in specialised stores
47620 - Retail sale of newspapers and stationery in specialised stores
47640 - Retail sale of sports goods, fishing gear, camping goods, boats and bicycles
47640 - Retail sale of sporting equipment in specialised stores
47650 - Retail sale of games and toys in specialised stores
47710 - Retail sale of clothing in specialised stores

47721 - Retail sale of footwear in specialised stores
47722 - Retail sale of leather goods in specialised stores
47730 - Dispensing chemist in specialised stores
47749 - Retail sale of medical and orthopaedic goods (other than hearing aids) n.e.c., in specialised stores
47749 - Retail sale of medical and orthopaedic goods in specialised stores (not incl. hearing aids) n.e.c.
47750 - Retail sale of cosmetic and toilet articles in specialised stores
47760 - Retail sale of flowers, plants, seeds, fertilisers, pet animals and pet food in specialised stores
47781 - Retail sale in commercial art galleries
47782 - Retail sale by opticians
47789 - Other retail sale of new goods in specialised stores (other than by opticians or commercial art galleries), n.e.c
47789 - Other retail sale of new goods in specialised stores (not commercial art galleries and opticians)
47799 - Retail sale of second-hand goods (other than antiques and antique books) in stores
47799 - Retail sale of other second-hand goods in stores (not incl. antiques)
47890 - Retail sale via stalls and markets of other goods
47910 - Retail sale via mail order houses or via Internet
47990 - Other retail sale not in stores, stalls or markets

Passenger Transport

49100 - Passenger rail transport, interurban
49200 - Freight rail transport
49319 - Urban, suburban or metropolitan area passenger land transport other than railway transportation by underground, metro and similar systems
49319 - Other urban, suburban or metropolitan passenger land transport (not underground, metro or similar)
49320 - Taxi operation
49390 - Other passenger land transport n.e.c.
49390 - Other passenger land transport
49410 - Freight transport by road
49420 - Removal services
50100 - Sea and coastal passenger water transport
50200 - Sea and coastal freight water transport
50300 - Inland passenger water transport
51101 - Scheduled passenger air transport
51102 - Non-scheduled passenger air transport
51210 - Freight air transport
52101 - Operation of warehousing and storage facilities for water transport activities of division 50
52102 - Operation of warehousing and storage facilities for air transport activities of division 51
52103 - Operation of warehousing and storage facilities for land transport activities of division 49

52103 - Operation of warehousing and storage facilities for land transport activities
52213 - Operation of bus and coach passenger facilities at bus and coach stations
52219 - Other service activities incidental to land transportation, n.e.c. (not including operation of rail freight terminals, passenger facilities at railway stations or passenger facilities at bus and coach stations)
52219 - Other service activities incidental to land transportation, n.e.c.
52220 - Service activities incidental to water transportation
52230 - Service activities incidental to air transportation
52241 - Cargo handling for water transport activities of division 50
52243 - Cargo handling for land transport activities of division 49
52290 - Other transportation support activities
53100 - Postal activities under universal service obligation
53201 - Licensed Carriers
53202 - Unlicensed carrier
53202 - Unlicensed Carriers

Appendix 2 -Stakeholders engaged

Officers

Name	Role
Wendy Walters	Chief Executive
Chris Moore	Director of Corporate services
Linda Rees-Jones	Head of Administration & Law
Clare Jones	Principal Procurement Officer
Julian Lewis	Principal Procurement Officer
Hywel Harries	Property Design Manager
Stuart Walters	Economic Development Manager
Simon Davies	Head of Access to Education
Jonathan Morgan	Head of Homes and Safer Communities

Elected members

Name	Role
Cllr Emlyn Dole,	Leader and EBM economic development
Cllr Mair Stephens	Deputy Leader
Cllr David Jenkins	EBM procurement
Cllr Cefin Campbell	EBM rural

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