

Wolverhampton Pound Update

14th November 2023

Background and Context

Ambition

“Use the combined power of institutions, businesses and communities to retain local wealth, creating new jobs and opportunities”.

Background and Context

5 Key Objectives

- Retain local growth
- A leader in green transition
- A health and wellbeing economy
- Creative and cultural city
- Embed social value in the city

Anchor Partners: City of Wolverhampton Council, The Royal Wolverhampton NHS Trust, University of Wolverhampton, Wolverhampton Homes, City of Wolverhampton College.

Background and Context

- Wolverhampton Pound Strategy was launched September 2020
- Select Committee work was undertaken on the objective to ‘retain local growth’ and a report was presented to Cabinet in July 2022
- Previous update to Scrutiny on the Select Committee action plan November 2022

Update on progress following the Select Committee

Completed Actions

- ✓ 1. That the Council enter dialogue with the University in relation to identifying any students nearing the end of their studies who may be interested in a role in procurement.
- ✓ 2. That opportunities be considered in relation to engaging with partners to utilise their skills and resources in areas such as procurement to help deliver major capital schemes.
- ✓ 3. That the Council enter dialogue with the University, College and other local providers, in relation to providing the Chartered Institute of Procurement and Supply Diploma qualification
- ✓ 4. That the Council investigate using market forces supplements in the short term to recruit to the more senior posts whilst at the same time ensuring that clear succession planning is in place by continuing to develop our own staff through the apprentice and procurement buyers posts and the Diploma.

- ✓ 5. That a clause be added when a qualification is undertaken and funded by the Council, that should the employee leave within a certain amount of time after studying, that all or part of the fee for the course be reimbursed.
- ✓ 6. That when advertising for procurement roles, the Council go beyond the normal compensation package. This should also include highlighting the less tangible elements that make working for the City of Wolverhampton Council special and using the website to highlight and promote this.
- ✓ 7. That to provide coordination and consistency of approach across all departments, that resources for the Wolverhampton Pound initiative are reviewed by officers, and that additional capacity is identified to ensure delivery against this key priority.
- ✓ 8. That the Procurement Pipeline be kept under review and monitored on a regular basis through the relevant scrutiny panels.

- ✓ 11. That a working group be set up to investigate and balance areas of risk in relation to the procurement process and where processes might be streamlined and areas such as liability insurance reduced. The working group should include representatives from legal, procurement, audit and risk and governance.
- ✓ 13. That there be mandatory training for all contract managers included as part of their induction process.
- ✓ 16. That a single point of contact for the procurement processes and contract management processes be identified.
- ✓ 17. That existing application and bureaucratic processes be assessed and where possible, streamlined.

- ✓ 18. That visible leadership be used to promote the Wolverhampton Pound at both councillor level and officer level and that a champion from both areas be appointed to raise awareness and champion the work being done. These champions will provide visible leadership at the highest levels and help to raise the profile of the Wolverhampton Pound to local businesses, the VCS and our communities.

- ✓ 19. That regular reports in relation to the work of the VCS be provided to Scrutiny Board or the All-Councillor briefings to help to raise awareness and support for the organisations.

Summary of outcomes achieved

Employees being sponsored for qualifications, that are not under the apprenticeship levy, now sign an agreement stating they will pay costs back to the Council if they leave employment within the first 2 years of the qualification.

The single point of contact for Procurement is now identified as the Head of Procurement.

Recruitment outcomes:

- A dedicated recruitment website has now been developed for any Procurement recruitment moving forward.
- The University are now advertising trainee procurement roles with their third-year law students.
- Market forces has now been utilised to recruit two Procurement Business Partners for Social Care and Corporate categories.

Summary of outcomes achieved

- Procurement now have 6 trainees (in both front-line Procurement and support services) in post at various stages of their career path as part of the grow our own approach.
- Two Procurement managers are currently being mentored, alongside their professional training, to prepare them for more senior roles in the future.
- There is already less reliance on interim staff and, as a result of all these measures, over the next 12 months to 18 months the Head of Procurement believes that we will significantly further reduce our reliance on interim staff.

Summary of outcomes achieved

Contract Lifecycle Management

- A contract has been awarded to Intend Ltd for the new system and implementation is in progress.
- The new system will enable greater visibility and monitoring of our spend and social value achieved.
- Officers across the council are being supported by the Commercial Team with contract management work e.g. drafting specifications, KPIs, monitoring, reviews. This will bring improved supplier accountability.
- The CLM strategy has been drafted and will be going through the governance process shortly – clearer vision for suppliers and officers.

Summary of outcomes achieved

- There has been an investment in the Commercial team to create permanent roles to continue driving the programme forward– increased support and monitoring.
- The Council is also part of the DLUCH's Contract Management Pioneering Programme – sharing best practice and feedback to central government.
- All of this will put the Council in good stead for the Procurement Act 2023 and contribute to the key priorities, compliance and VFM.

Actions in Progress

- 9. That when the Pipeline is published, at least three upcoming contracts be identified to be used as pilots for the new approaches to procurement and the Wolverhampton Pound and that a report in relation to these and the ongoing management of the contracts be monitored through the scrutiny process.

Progress and next Steps

The Strategic Lead is working with the Head of Procurement/ Head of Commercial to identify appropriate contracts. A contract oversight officer group will be established which will lead on this process.

Actions in Progress

- 10. That any social value and ethical priorities relating to procurement link to the Our City: Our Plan and that there be a refresh of the Council social value strategy.

Progress and next steps

The Social Value strategy has been developed, including a framework to provide context. It will be going to Pre decision Scrutiny and Cabinet for approval in the new year.

Once approved an implementation group will work to embed the strategy across the council, with key performance indicators to monitor impact and delivery utilising the new contract management system. This will also link to the contract oversight panel for consistency.

Actions in Progress

- 12. That a structured and consistent approach is developed in relation to pre procurement supplier engagement.

Progress and next steps

The new Procurement Act 2023 gained Royal Assent on Oct 26 2023, we will implement this recommendation in line with the requirements under the new legislation – this will be completed prior to the end of the transition period (October 2024).

In the mean-time process mapping has been undertaken to ensure consistency across the organisation.

Actions in Progress

- 14. That moving forward, training is developed in-house in relation to procurement and contract management and includes references to the Our City: Our Plan, Vision 2030, the Wolverhampton Pound, Relighting our City and the Social Value Framework.

Progress and next steps

This internal training builds on the mandatory external training that has been rolled out across the council.

Procurement and Commercial teams have started to develop bespoke internal training. Now that the Procurement Act has been given Royal Assent, it is possible to reflect this legislation in the training material.

- 15. That regular reports be provided to the Our Council Scrutiny Panel to include:
 - how and where social value is being achieved and measured/ figures in relation to how we are retaining increased economic wealth/ information on new job creation / how we are ensuring value for money throughout the procurement and contract management process/ updates on training for contract and service managers / successes to be celebrated

Progress and next steps

The Procurement Strategy was approved by Cabinet on 22 March 2023, which includes the following elements to ensure Value for Money is achieved:

- The evaluation of Whole Life Costs must be undertaken to ensure value for money is obtained to release the benefits of a service or product.
- Identify the correct route to market
- Ensure make or buy options are considered
- Utilise outcome specifications to drive innovation
- Procurement, commercial and legal are working together to develop training for officers

Actions in Progress

Progress and next steps continued

The contract management system is currently being implemented, training will be provided to the Commercial team at the end of November, following which it will be rolled out to the wider organisation. Once the system is fully implemented, we will be able to more easily provide evidence of social value delivery and performance.

The contract lifecycle management strategy has been developed once embedded this will provide a robust framework for developments.

This will be embedded into the council's overarching performance framework.

The Strategic Lead will work with internal stakeholders to identify baseline data.

Actions in Progress

20. That consideration be given as to whether the VCS might have a place on the Anchor Network and that if this is not possible, that processes be put in place to ensure that the VCS is regularly and routinely consulted by the Network.

Progress and actions

Anchor Network Leads meeting December 2023 and wider representation and engagement is on that agenda

Next Steps

- Strategic Lead in place to ensure WP is a golden thread across council business and drive the strategy forward with partners and create new opportunities.
- Currently mapping progress against the WP strategy objectives and actions within the council, including analysing spend to date.
- Refresh and update the WP strategy – align and embed into new initiatives/directions with clear evidence of impact.
- Further build upon the Anchor Network and repeat mapping process externally.

Next Steps

- Agree achievable action priorities with Anchor leads going forward and how impact can be measured.
- Representation on the Black Country Anchor Network. Profile the work of Wolverhampton, share good practice and development opportunities.
- Establish structure to monitor and evidence impact
- Implement Social Value Strategy and Framework including identifying key performance indicators to monitor delivery.
- Wider engagement extend partnerships for increase opportunities

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