

A Welsh Public Sector Procurement Strategy for Construction

Nick Sullivan

Value Wales

6 May 2009

www.buy4wales

www.sell2wales.co.uk

A Welsh Public Sector Procurement Strategy for Construction

- Drivers behind the Strategy
- Development of the Strategy
- Aims and Outputs of the Strategy
- Engagement and Embedding the Strategy
- Questions

Drivers Behind the Strategy (1)

- One Wales
 - Publicly funded projects shall seek to meet sustainability criteria
 - Encourage procurement which incentivises training opportunities for the unemployed
 - Make it easier for small local firms in Wales to win government contracts

Drivers Behind the Strategy (2)

- The Welsh Public Sector
 - The Public Sector is the single biggest client of the construction industry in Wales
 - Construction = 20% (£1bn) of annual public sector procurement spend
 - Procurement is largely fragmented and practices vary widely

Drivers Behind the Strategy (3)

- Economic Downturn
 - Construction always hit first and hardest
 - Welsh construction = 40,000 businesses, 100,000 employees
 - New orders fallen by 9% in quarter to February, by 34% on same period in 2008

Development of the Strategy

- Finance Minister commissioned development of draft strategy, Dec 2008
- Stakeholder engagement event, Jan 2009
- Draft submitted to Cabinet, Feb 2009
- Submitted to Business Procurement Task Force, April 2009

Aims of the Strategy

- Co-ordinated and planned approach
- Simplified procurement processes
- Provide confidence to our suppliers
- Utilise procurement to secure maximum value for money
 - Economic
 - Environmental
 - Social

Strategy Outputs

- Welsh Common Minimum Standards
- Investment Database
- Common approach to supplier selection
- Agree requirements for single registration
- Embed Opening Doors Charter into procurement decisions – VfM, not lowest price
- Greater use of social clauses

Engagement & Embedding the Strategy

- Strategy Steering Group
- Regional Networks
- Annual Conference
- Communicate Strategy via established networks, CEW, Construct Wales, Zero Carbon Hub

Questions

Thank you for listening.....any questions?