

FUTURE GENERATIONS CYMRU

PROCUREMENT STRATEGY









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Version	Author	Date	Changes	Review
1.0	Alice Horn	10 September 2024	Original policy following the enactment of the Social Partnership and Public Procurement (Wales) Act 2023	September 2025

Introduction

Legislation and guiding policies

Developing this new Procurement Strategy is one of our duties under new legislation and procurement policy.

The vision for public sector procurement in Wales, as outlined within the Wales Procurement Policy Statement (2021) is that "Welsh public sector procurement is a powerful lever with the ability to affect sustained change to achieve social, economic, environmental and cultural outcomes for the well-being of Wales".

Legislation that informs our Socially Responsible Procurement Policy

The Social Partnership and Public Procurement (Wales) Act 2023 recognises the strategic role procurement has in improving the economic, social, environmental and cultural well-being of its area in accordance with the sustainable development principle.

Procurement Act (2023)

The <u>Procurement Act (2023)</u> aims to create simpler, more flexible and effective procurement in Wales, England and Northen Ireland. These regulations replace the Public Contracts Regulations 2015.

The key aspects include:

- Introducing duties to improve transparency throughout the commercial lifecycle by developing an open system, enabling proper scrutiny of how taxpayers' money is spent.
- · Identifying and reducing barriers for small businesses and social enterprises to compete for and win more public sector contracts.

The duties introduced will require us to:

- 1. Set, publish and take all reasonable steps to meet socially responsible procurement objectives when carrying out public procurement in relation to any prescribed contract
- 2. Prepare a procurement strategy that states how we intend to take all reasonable steps to meet our socially responsible procurement objectives
- 3. Prepare and publish an annual procurement report

4. Include social public works clauses in major construction contracts and take all reasonable steps to ensure these clauses are implemented

5. Include social public workforce clauses in outsourcing services contracts and take all reasonable steps to ensure these clauses are implemented

- 6. Create, maintain and publish a contracts register
- 7. State how we intend to make payments due under a contract promptly and, unless this is not reasonably practicable, no later than 30 days after an invoice (or similar claim) is submitted.

The Well-being of Future Generations (Wales) Act 2015 (WFGA) sets out a clear ambition to improve our economic, social, environmental and cultural well-being.

To ensure we are all working towards the same purpose, the WFGA outlines a shared vision through introducing seven well-being goals.

It introduces five ways of working (long-term, integration, involvement, collaboration and prevention) needed to achieve these well-being

Our purchasing principles and procedures have been developed to align with these key pieces of legislation and accompanying guidance. Through taking an outcomes-based approach, we will work to deliver across all four dimensions of well-being (economic, social, environmental, and cultural) for current and future generations.

Socially responsible procurement

Procurement is one of the seven corporate areas for change in the WFGA's statutory guidance (Shared Purpose: Shared Future, SPSF 1: Core Guidance), and should be carried out in accordance with the sustainable development principle, aimed at achieving Wales' national wellbeing goals.

The Office of the Future Generations Commissioner recognises the key role procurement plays in improving the economic, social, environmental and cultural well-being of people and communities in Wales.

During 2023/2024 we spent £400k buying goods, services and works from over 90 suppliers and contractors. Examples of how we do this in a way to benefit wider society include:

- When procuring venues, we choose to use facilities as close to public transport or walking/cycling routes as possible.
- We ask questions around a venue's sustainability credentials where this is not publicly available.



- We choose accommodation that have sustainability credentials and are close to public transport.
- We seek to use suppliers that are Fairtrade and use local produce.

This Procurement Strategy sets out the steps we will take to meet our socially responsible procurement objectives and improve economic, social, environmental and cultural well-being. It also outlines what we expect from our suppliers and contractors.

All our policies are designed to both ensure the process is regular, fair, unbiased, proportionate and have regard to the need to secure value for money, and secure benefits for the wider society but also to ensure that we are walking the talk, aiming to achieve the well-being goals and use the five ways of working ourselves and encourage our suppliers to do it too.



Aligning with Cymru Can

Our socially responsible objectives will help us deliver <u>Cymru Can</u> by maximising our contribution to the national well-being goals.

The objectives build on our long-term vision, purpose and values:

Our Vision

In 2050, Cymru is a better place to live and has a bright and optimistic future – thriving, inclusive and green.

Together we have protected the interests of those not yet born.

Well-being and long-term thinking are at the heart of decision-making.

Cymru Can.

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Our Purpose

We are a voice for future generations, acting today for a better tomorrow. We advise and challenge, holding decision- makers to account. We inspire, convene, and mobilise for maximum impact.

Together with others, we are growing a movement for change – putting long-term thinking and a future focus at the heart of everything we do.

Our Values

Every day, we work towards our vision, underpinned by a set of core shared values.

We are:

- Inclusive
- Bold
- Open
- Supportive
- Optimistic



Our Missions

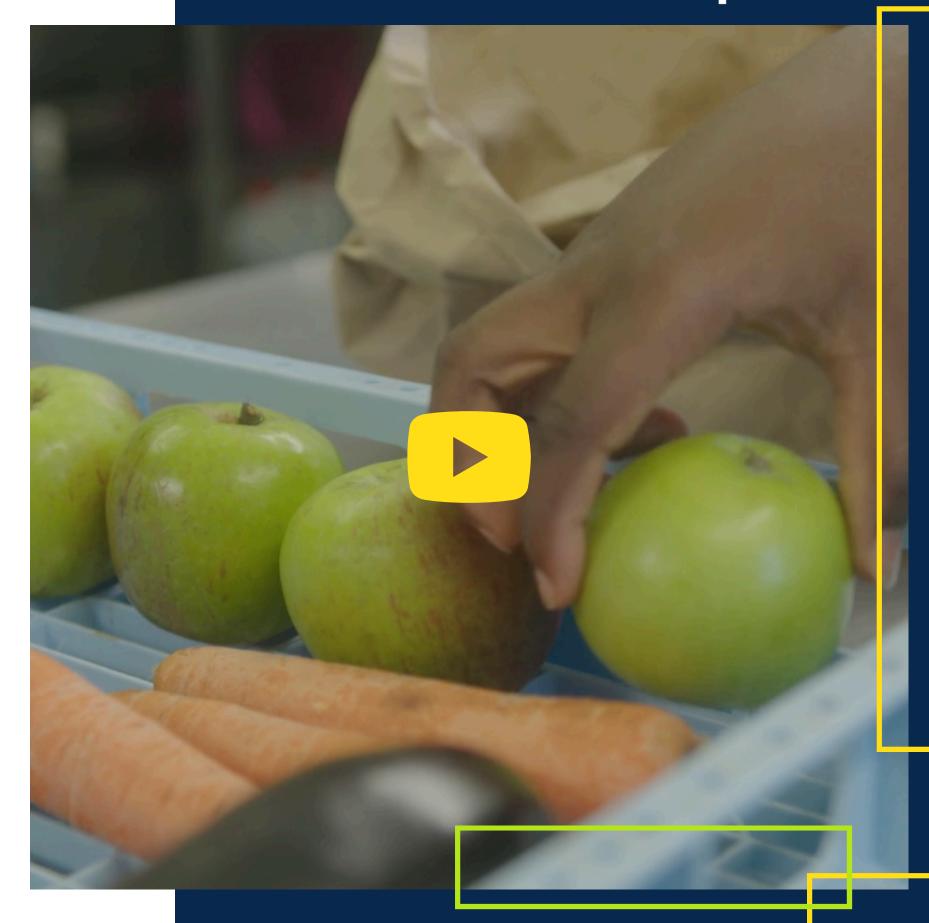
Our 2023 – 2030 strategy, Cymru Can, summarises the approach we intend to take over the next seven years towards achieving this vision.

It sets out our five missions:

- Implementation and Impact
- Climate and Nature
- Health and Well-being
- Culture and Welsh Language
- A Well-being Economy

We also identified topics, themes or systems that connect all our missions, such as the <u>food system</u> and artificial intelligence and digital, which we will explore in more detail.

Our socially responsible procurement objectives are designed to support these missions.



Our socially responsible procurement objectives

To meet our legislative duties under the Social Partnership and Public Procurement (Wales) Act 2023 and promote a well-being economy that puts people and planet first, the Future Generations Commissioner for Wales' has adopted, in 2024, the following socially responsible procurement objectives:

Objective 1: Improving Fair Work and ethical supply chains

Objective 2: Increasing equality, diversity and inclusion

Objective 3: Affecting positive change towards reducing carbon emissions and enhancing biodiversity

Objective 4: Promoting and protecting culture and the Welsh language

These objectives will guide our procurement activity and ensure we will carry out socially responsible procurement defined by the Social Partnership and Public Procurement (Wales) Act 2023 as follows:

> "a contracting authority must seek to improve the economic, social, environmental and cultural wellbeing of its area by carrying out public procurement in a socially responsible way. This means acting in accordance with the sustainable development principle, aimed at achieving Wales' seven national well-being goals outlined in the Well-being of Future Generations (Wales) Act 2015."

Annexe 1 details further how our objectives and procurement strategy will help contribute to each of the national well-being goals set out in the Wellbeing of Future Generations (Wales) Act 2015.

Our socially responsible objectives will be published on our website, within this Strategy and included as part of commissioning and contracting paperwork as appropriate.

How we intend to ensure that it will carry out public procurement in a socially responsible way

We have developed our Procurement Strategy to ensure that money being spent by our office meets legislative requirements and improves the economic, social, environmental and cultural wellbeing of people and communities in Wales. This commitment is reflected in the themes of our socially responsible procurement objectives, and the steps we will take to meet them.

Our procurement objectives are rooted in delivering our longer-term organisational strategy Cymru Can, as well as the key pieces of procurement legislation.

This Strategy has been approved by the Commissioner, and the steps outlined in this document should apply to them, all staff and others working on their behalf. The procedures set out in this document will be applied proportionately (depending on contract size) to all cases where goods or services are purchased on behalf of the Commissioner.

Mission Directors are responsible for supporting the delivery of socially responsible procurement in line with our procurement objectives.







The 'Steps we will take' and 'Steps taken by people we want to work with' are outlined for each objective in the next section.

The Director for Finance & IT and our Corporate & Finance Officer will monitor compliance with this Strategy and progress will be included in our statutory Annual Report. The progress made towards how we have improved the economic, social, environmental and cultural well-being through our spending will be evidenced through examples of our procurement outcomes.

Our internal Procurement Policy contains further details on the processes and procedures staff must follow to carry out socially responsible public procurement.

This Strategy should be considered in conjunction with other policies such as our Partnerships, Collaborative Arrangements, and Joint Ventures Policy.

Collaboration and partnership working is a good way to achieve value for money, speed up knowledge sharing, help break down the barriers to cultural change, increase resources and help reduce administrative costs and avoid duplication of efforts.

Joint funding, the delivery of joint projects and collaborative working in general is encouraged by the Commissioner for us to walk the talk of the WFG Act and lead by example.

To ensure we are carrying out socially responsible procurement, we will follow the advice and recommendations we have issued public bodies in key resources.

These include:

- Future Generations Report 2020
- Procuring well-being in Wales Report 2021
- Ways of Working Progress Checker
- Art of the Possible Journey Checkers towards each of seven national well-being goals

We will also utilise the guidance and resources published by the Welsh Government in relation to public procurement and our socially responsible procurement objectives.

Evidence of this approach can be found throughout this document, but particularly in the section titled 'steps to meet each of our 4 socially responsible procurement objectives'.

Revising and reviewing socially responsible procurement objectives

We have taken a long-term view when setting our socially responsible procurement objectives. They are aligned towards achieving our national wellbeing goals and considering future trends.

We don't anticipate they will change during the delivering of our strategy Cymru Can. However, we will review our socially responsible procurement objectives at least every three years and as part of our statutory duty if at any point at which Wales' national well-being goals are amended.

The list of our socially responsible objectives will be updated in our Strategy and our website.

Steps to meet each of our four socially responsible procurement objectives

Objective 1: Improving Fair Work and ethical supply chains

Through encouraging inclusive opportunities to support more people into employment we can contribute towards A More Equal Wales and A Prosperous Wales. Our outcome focus includes improving skills, particularly those that are taking steps towards a low carbon transition.

Welsh Government's guidance to fair work outlines that "work which is not informed by fair work principles has a negative impact on physical and mental and well-being more broadly".

Public Health Wales' guide <u>Delivering fair work for</u> health, well-being and equity, evidences that fair reward, sufficient income, flexibility, opportunities for progression and an inclusive working environment can support better health outcomes. Our action to implement the principles of fair work can contribute to A Healthier Wales.

These findings are reflective of the approach we currently take in the development of internal policies to create a supportive working environment.

We have implemented flexible working practices and a shorter working week policy, so our team has the opportunity for a good work-life balance. Actions in relation to the delivery of this objective provides further opportunities to improve fair work within our supply chains.

Defining Fair Work

"Fair work is where workers are fairly rewarded, heard and represented, secure and able to progress in a healthy, inclusive environment where rights are respected."

(Fair Work Wales, 2019)

Guidance on developing ethical supply chains in Wales and overseas is outlined by Welsh Government in the Code of Practice Ethical Employment in Supply Chains.

We will take action that contributes towards A Globally Responsible Wales by ensuring our supply chains are fair, ethical and sustainable. The Code of Practice includes 12 commitments with steps to improve the economic, social, environmental and cultural well-being.



Objective 1: Improving Fair Work and ethical supply chains

Steps we will take	On our journey to meeting Wales' national well-being goals	Steps taken by people we want to work with	Contribution towards Wales' national well-being goals
Analyse and publish procurement spend annually, paying close attention to where money goes in terms of geography, sector and business type.	Making a Simple Change towards A Prosperous Wales	Pay at least the equivalent to the Real Living Wage.	Making a Simple Change towards A Prosperous Wales and A More Equal Wales
Sign up to the Code of Practice – Ethical Employment in Supply Chains and take action in relation to the 12 commitments. Use the Code of Practice Example questions, conditions and policies as a tool to deliver these commitments.	Making a Simple Change towards A Prosperous Wales Being More Adventurous towards A More Equal Wales	Apply for sustainable organisational certifications.	Being More Adventurous towards A Globally Responsible Wales
Provide support and guidance for small and medium sized enterprises (SMEs) and social businesses to improve their chances of securing contracts. The office might call and explain what is meant by "social value/well-being value" or perhaps share a list of definitions or provide examples of what we might expect to see with the aim of awareness raising and improving competition.	Making a Simple Change towards A Prosperous Wales	Provide wider benefits going beyond statutory requirements such as opportunities for progression, job sharing, parental leave and flexible working practices.	Making a Simple Change towards A Prosperous Wales and A More Equal Wales
Promote / support sustainable organisational certifications, award schemes and practices including BCorp, Green Dragon, Fair trade, Marine Stewardship Council and Forestry Stewardship Council.	Making a Simple Change towards A Globally Responsible Wales		
Use Wales-based suppliers wherever possible.	Making a Simple Change towards A Globally Responsible Wales		

Steps to meet each of our four socially responsible procurement objectives

Objective 2: Increasing equality, diversity and inclusion

Our Equality Strategy 2023-2027 sets out our commitment to improving equality, diversity and inclusion. At the core of this work is recognising the importance of promoting different identities and accepting diverse lived experiences, while ensuring that we eliminate barriers that will hinder individuals and organisations from thriving in building a better Wales for future generations.

Taking steps to increase equality, diversity and inclusion at each stage of the procurement cycle enables us to embed a culture of inclusion internally in our organisation and externally in the work that we do with suppliers and contractors.

The Well-being of Wales (2023) report highlights that the ethical pay difference has widened 9.9 percentage points compared with the previous year.

Desirable outcomes will particularly relate to A More Equal Wales, with a focus on providing more opportunities for disadvantaged people, improved employability of young people under 24 years old and supporting innovation for a more equal Wales. This objective also seeks to contributes towards A Prosperous Wales through increasing skills for the future and reducing barriers to employment.

We will strive to contribute towards A Wales of Cohesive Communities by encouraging outcomes that have involved people from diverse backgrounds and provide support for disadvantaged young people and their families.

Outcomes that promote multi-culturalism and the Welsh language as well as improved people's access to cultural activities, especially for people with protected characteristics and those from disadvantaged backgrounds relate to A Wales of Vibrant Culture and Thriving Welsh Language.



Objective 2: Increasing equality, diversity and inclusion

Steps we will take	On our journey to meeting Wales' national well-being goals	Steps taken by people we want to work with	Contribution towards Wales' national well-being goals
Remove barriers to involve people who can share lived experiences, knowledge and expertise to increase equality, diversity and inclusion in our procurement approaches and outcomes.	A Simple Change towards A More Equal Wales and A Wales of Cohesive Communities	Take steps to monitor and improve the equality, diversity and inclusion of the workforce.	A Simple Change towards A More Equal Wales
Our staff receive training on equality, diversity and inclusion training.		Deliver equality, diversity and inclusion development to ensure that equality considerations are part of everyday practices.	
Review existing policies and ensure all new policies focus on removing workplace barriers which compromise equality e.g. gender-neutral language, working conditions of disabled people.	A Simple Change towards A More Equal Wales		

Steps to meet each of our four socially responsible procurement objectives

Objective 3: Affecting positive change towards reducing carbon emissions and enhancing biodiversity

We have made it our mission to ensure all Welsh public bodies achieve their net zero and nature positive goals by 2030. Procurement is a key lever that has huge potential to support positive outcomes for climate, nature and our communities.

The <u>State of Natural Resources Report (SoNaRR) for Wales 2020 report</u> outlines a need for Wales to move towards a regenerative economy that achieves sustainable levels of production and consumption. The report states that this is not achievable if economic activity continues to happen at the expense of the environment.

Through our own procurement approach, we can ensure resource efficiency and the circular economy are promoted. Acting in relation to delivering this objective can contribute towards A Prosperous Wales through the creation of prosperity and jobs in green business sectors and responding to future trends such as artificial intelligence (AI), digital and green skills.

We can deliver outcomes related to A Resilient Wales and A Globally Responsible Wales by promoting sustainable procurement that safeguards the environment and protects our biodiversity.

However, without urgent change we will be unable to reverse nature's decline. Currently, one in six species in Wales and one in three mammals is facing extinction without intervention (State of Nature, 2023).

The national milestone on biodiversity is to reverse the decline in biodiversity with an improvement in the status of species and ecosystems by 2030 and their clear recovery by 2050. The <u>Well-being of Wales (2023)</u> report states that overall, biodiversity is still declining.

The Well-being of Wales report also states that although Wales' global footprint is reducing, further progress is needed to deliver the national milestone for the global footprint indicator that Wales will only use its fair share of the world's natural resources by 2050.

We need to ensure the money we spend on procuring goods, services and works is improving the economic, social, environmental and cultural well-being of Wales.



Objective 3: Affecting positive change towards reducing carbon emissions and enhancing biodiversity

Steps we will take	On our journey to meeting Wales' National well-being goals	Steps taken by people we want to work with	Contribution towards Wales' National well-being goals
Identify how our procurement and budget cycle can support carbon reduction across everything we do as an organisation in line with our Carbon Emissions Reduction Plan.		Can show their commitment to reducing carbon emissions, for example through a carbon reduction plan, and establish projects to support or action these.	
Procure transport and mobility solutions on the basis that they reflect our sustainable travel policy and reduce our emissions, whether that's for business travel or our employee incentive schemes.		Support and incentivise staff and visitors to reduce their travelling emissions by using active travel, public transport, agile working, car sharing and the use of ultra-low emission vehicles where possible.	Being More Adventurous towards A Prosperous Wales
Ensure the products we source which are forestry-based, such as furniture or paper, are FSC certified.	Being More Adventurous towards A Resilient Wales	Manufacture or source goods and packaging solutions from sustainable sources (including recycled items) or have a plan to work towards this.	A Simple Change towards A Prosperous Wales
When holding events and conferences, book venues and suppliers that prioritise sustainable, local and/or ethical food, such as fair trade, and avoid single-use plastics.		Adopt a single-use plastic policy to remove single-use plastics, including in packaging.	A Simple Change towards A Resilient Wales and A Globally Responsible Wales
Source reused or recycled items wherever possible.	A Simple Change towards A Resilient Wales	Ensure there are facilities for recycling.	A Simple Change towards A Resilient Wales



Steps to meet each of our four socially responsible procurement objectives

Objective 4: Promoting and protecting culture and the Welsh language

A society with good cultural well-being is one where people benefit from culture, heritage and the Welsh language and can participate in the arts, sports, and leisure.

Across Wales, creative freelancers and the cultural sector are working to amplify causes, address loneliness, bring new life to old streets and solve challenges.

The Well-being of Wales (2023) assessment of progress in relation to A Wales of Vibrant Culture and Thriving Welsh Language highlighted that the percentage of people able to speak Welsh is at the lowest recorded level.

Working with our suppliers, we can promote action that enables culture and Welsh language to thrive, delivering impacts that enhance our communities and makes progress towards meeting the national Welsh language milestone (to reach a million speakers by 2050).

A focus on outcomes that contribute towards A Wales of Vibrant Culture and Thriving Welsh Language will mean that communities feel more involved in decisions affecting them and people will have improved access to cultural activities.

Prompt Payments

We will pay suppliers within 30 days of receipt of an invoice unless otherwise agreed in advance with them. We have laid out this requirement within our procurement policy. Our Finance and Corporate Governance Officer monitors this deadline and ensures prompt payment always. We try to pay ahead of this time frame whenever we can.

The Finance and Corporate Governance officer will make payments on request or receiving an invoice from suppliers subject to the correct internal authorisation.

Payment runs happen every two weeks. Emergency payments can also be made if necessary.

Steps we will take	On our journey to meeting Wales' National well-being goals	Steps taken by people we want to work with	Contribution towards Wales' National well-being goals
Procurement tenders are accessible and appealing to creative professional and those working in arts and culture (where relevant).	Being More Adventurous towards A Wales of Vibrant Culture & Thriving Welsh Language	Have initiatives in place that support Welsh language and / or culture.	A Simple Change towards A Wales of Vibrant Culture & Thriving Welsh Language and A Wales of Cohesive Communities
Embed Welsh language considerations when planning any project or activity.	A Simple Change towards A Wales of Vibrant Culture & Thriving Welsh Language	Champion bilingualism (have a bilingual webpage / communications, for example).	Being More Adventurous towards A Wales of Vibrant Culture & Thriving Welsh Language

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Annexe 1 - contribution to the well-being goals

Well-being goal	Illustrative example of desired outcomes contributing towards the seven well-being goals
A Prosperous Wales	 Resource efficiency and the circular economy are promoted Opportunities for MSMEs (Micro, Small and Medium Enterprises) More people in employment Improved skills for people Improved skills for a low carbon transition Innovation to support a more prosperous Wales
A Resilient Wales	 Sustainable procurement is promoted Safeguarding the environment Green spaces and biodiversity are protected and enhanced Innovation to support a more resilient Wales
A Healthier Wales	 Creating a healthier community Air pollution is reduced Improving staff well-being Innovation to support a healthier Wales
A More Equal Wales	 More opportunities for disadvantaged people Reducing inequalities Improved employability of young people under 24 years old More support for target curriculum activities Innovation for a more equal Wales







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Annexe 1 - contribution to the well-being goals

Well-being goal	Illustrative example of desired outcomes contributing towards the seven well-being goals
A Wales of Cohesive Communities	 More opportunities for VCSEs (Voluntary, Community and Social Enterprises) A workforce and culture that reflect the diversity of the local community Social value embedded in the supply chain Crime is reduced Vulnerable people helped to live independently Support for disadvantaged young people and their families More working with the community Innovation to support more cohesive communities in Wales
A Wales of Vibrant Culture and Thriving Welsh Language	 The Welsh culture is promoted Native wildlife, nature and heritage sites are protected Innovation to support a more vibrant culture
A Globally Responsible Wales	 Ethical procurement is promoted globally Carbon emissions are reduced Innovation to support a globally responsible Wales









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