

Foundational Economy Challenge Fund Progress Report

The Progress Report is made up of 5 sections:

1. Progress Update
2. Forward Plan
3. Publicity / Good news
4. Challenges / Issues / Risks
5. Finance

A Progress Report must be supplied with every claim form submitted. Failure to submit this information will prevent you from submitting your claim, and lead to grant payments being delayed.

Organisation Name:	Carmarthenshire County Council
Organisation Contact:	Gwyneth Ayers
Project FECF Number:	025
Claim Period:	01/10/20 – 31/12/20

1. Progress Update – Activity Undertaken in the previous quarter

The Carmarthenshire project is being taken forward in two parallel stages – one focusing on procurement arrangements and the other focusing on supply chain development and opportunities.

Procurement focused activity

As part of the ongoing work undertaken by CLES in relation to the procurement arrangements, a draft final report including action plan with recommendations has been received for advancing progressive procurement in Carmarthenshire with a view to enabling and developing local community wealth. This final draft version of the report has been reviewed and agreed by all parties.

The draft version of the CLES report has been presented in an informal briefing session to the Executive Board of Carmarthenshire County Council and will be submitted for formal approval by March 2021.

Workshops have been held for both key practitioners, strategic leads and elected members, from Carmarthenshire County Council, Hywel Dda University Health Board, Coleg Sir Gâr and University of Wales Trinity Saint David. Specific feedback sessions with individual partner organisations are still on-going. These were conducted to share findings to date and explore a path to implementation as well as 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. Once each individual partner has taken stock of the findings and recommendations for their organisations, a session will be held for these partners to reconvene and identify key focus areas that can be taken forward collaboratively .

A guide and toolkits have been produced for conducting LM3 analysis of the supply chain, and training has been provided to procurement officers on the use of this methodology. Feedback on the suppliers' toolkit has also been provided to assist procurement officers with its development.

The spend analysis element has now been completed for each of the PSB partners (Coleg Sir Gâr, University of Wales Trinity Saint David and Hywel Dda University Health Board), concluding all elements of the work undertaken by CLES in specific relation to food procurement of partners. Draft reports are to be received imminently on this aspect of work.

A briefing paper on the national TOMs Wales framework has been prepared with the aim of introducing the concept of embedding social value into the organisations' procurement and management processes. This also ties in with the work undertaken to date on how value can be measured and how a strategic move from the current method of placing emphasis on cost can be implemented to place greater emphasis on community benefits and maximising the value of procurement spend in local communities. Further research work on the TOMs Wales framework has also been carried out as well as exploration of other methods of measuring social value and how this framework may be implemented. Contact has been made with other organisations who are utilising this framework in order to gain an insight into how this method of measurement can work for local authority organisations in reality.

As part of the cost versus value discussion and specifically embedding social value into the organisations management and procurement processes, Social Value policies have been researched. The implementation of a Social Value policy would set out how social value is embedded throughout procurement, commissioning and delivery within the Authority and it is a requirement for all public sector bodies to consider how commissioned and procured services may improve the economic, social and environmental wellbeing of the community, which ties in with the Wellbeing of Future Generations Act. The findings will be shared with other PSB partners.

Supply chain development focused activity

Following an invitation to quote and an evaluation process complying with procurement regulations, food supply chain experts have been appointed to support the project team to drive forward the supply chain element of the project. An inception meeting has been held between the project lead, the project officer and the food supply chain expert advisors. Introductions between the expert advisors and all relevant catering personnel from Carmarthenshire County Council and the PSB partners have been made and a number of meetings have already taken place to establish current working practices over food procurement and the supply chains that are already in existence within Carmarthenshire County Council and partner organisations.

Work on the food supply chain element of the project commenced in earnest during November 2020 with the expert advisors developing a project plan, focusing specifically on the food supply chain element to assist with the delivery of the outcomes, to include consideration of healthy eating practices, development of future supply chain and engagement of suppliers.

The current arrangements in place over food procurement and public sector menus, including nutritional standard requirements and take up figures have been scoped following meetings with the relevant catering and procurement officers.

A number of connections have been established with associate projects to facilitate shared learning and collaboration. Meetings have been conducted with stakeholders to better understand barriers of entry from both demand (logistics) and supply (yield, accreditation) perspectives.

Intelligence gathering has commenced on steering group stakeholders with the aim of hosting an imagination event to ensure realistic targets are set. An engagement plan has also been commenced to link suppliers with current support available for public procurement e.g. Business Wales.

Additional work on data mapping of supply and demand across PSB anchors and other organisations has commenced to analyse leakage and how/ where to plug gaps in the present and in the future.

A summary of UK best practice food models has been collated with key lessons learnt being considered as part of the approach. Contact has been made with representatives of the South West Food Hub in order to gain best practice information and advice to establish whether any practices may be implemented across Carmarthenshire.

Healthy eating requirements have been researched and the current menus in place at schools and care homes have been obtained for further scrutiny. Monthly meetings are taking place with the catering teams with the ultimate aim of identifying opportunities to influence public sector facility menus to reflect healthy eating practices and opportunities for local sourcing of products.

Project Support

Project Advisory group meetings have taken place each month since October 2020 and are scheduled to continue until the project end in March, in order to provide project progress updates and to obtain support and guidance from a number of knowledgeable professionals to aid with project delivery. A project monitoring group has also been established with meetings arranged to discuss project delivery, progress and financials in greater detail.

In order to ensure there is a clear pathway to project delivery a project plan has been compiled and distributed to members of the Project Advisory Group. The project plan was accepted by the group.

The Project Lead has provided recent individual updates on the project position to both the Deputy Minister for Economy and Transport, Lee Waters and Liz Lucas. Updates have also been provided to the procurement panel in October 2020 and to the Foundational Economy Challenge Fund Community of Practice, through a monthly highlight report in November 2020.

The Project Lead and Project Officer are contributing to the Foundational Economy Procurement Community of Practice and are engaging and sharing experiences to date through these networks. Information is also constantly being shared amongst PSB partners as well as wider anchor institutions. Connections with other organisations and projects have been established and information sharing occurs with a number of these on a frequent basis. The findings from the initial work with CLES will be shared with other Carmarthenshire PSB partners and with other networks through the Foundational Economy Challenge Fund as required, once endorsed by Carmarthenshire County Council. Elements of this work will also feed into the regional progressive procurement work being supported by CLES, which Carmarthenshire PSB is taking part in.

The first claim was submitted to Welsh Government on the 14th October 2020 ahead of the stipulated deadline of the 21st October 2020. Payment in respect of the grant expenditure has been received in full from Welsh Government and allocated accordingly.

Due to the restrictions imposed by COVID the best method of conducting engagement events for stakeholders has had to be reassessed. In the current climate the only viable option for hosting any kind of event is through a virtual platform. The stakeholder event is to take place through a virtual Food Summit, towards the end of the project, with the aim of engaging with stakeholders, sharing project findings and communicating local food procurement concepts to a wider audience.

2. Forward Plan – Activity planned over the next quarter

The final report relating to the ongoing work undertaken by CLES has been viewed and discussed in detail, with the conclusive amendments agreed and the complete final pdf version of the definitive report is due to be received imminently in January. Greater analysis of the findings and recommendations is to be carried out in order to devise a methodology for the implementation of the report findings, moving forward.

The final report version for the work undertaken by CLES on behalf of Carmarthenshire County Council will be presented formally to the Executive Board of the Authority during the next period.

A suppliers toolkit has been drafted by the Procurement section of Carmarthenshire County Council to support local businesses to engage with local public bodies emerging procurement policy. Feedback/ guidance on this suppliers toolkit is due from CLES, with this document then being ready for circulation following possible amendments. A commissioners toolkit will also be developed to assist with the implementation of a more progressive procurement policy.

A draft report is due in mid-January 2021 from CLES conveying the findings of the food procurement work carried out on behalf of PSB partners, Hywel Dda UHB and university of Wales Trinity Saint David and Coleg Sir Gar. Feedback sessions have been arranged for mid-January 2021 to report on the findings of the food procurement draft report compiled for the partner organisations. Following the feedback sessions and agreement with the partner organisations, a final report on the food procurement exercise is due to be received from CLES as well as a suppliers and commissioners toolkits.

The findings from the work with CLES will be shared with other Carmarthenshire PSB partners and with other networks through the Foundational Economy Challenge Fund as required. A meeting is also due to take place with other Foundational Economy Challenge Fund organisations who are focusing on food projects, in order to share knowledge, findings to date and to discuss concepts surrounding local food supply chains.

Research will continue in relation to identifying best practice and lessons learnt from other food procurement models and projects. An update paper is due to be received from the food supply chain expert advisors, charting progress against the project outcomes. Following this, towards the end of the project, a final report is also due from the food supply chain expert advisors collating their findings and conclusions in relation to public sector food procurement.

With the assistance of the expert advisors, opportunities will continue to be identified within the local food supply chain for development with the potential for collaborative/ co-operative arrangements across producers considered. Liaising with PSB members, challenging current ways of working and identifying future opportunities will continue until project end.

Discussions will centre around the development of a collaborative procurement methodology which embed the Well-being of Future Generations Act five ways of working.

A stakeholder engagement event in the form of a virtual food summit is planned to take place towards mid to the end of March 2021. This will enable the findings of the project to be shared with others and to communicate local food procurement concepts and methods to a wider audience. Having decided upon a date and an event format, an event facilitator will be procured along with guest speakers with the focus on enabling public sector procurement of local food.

Preparation will be made for the submission of the final grant claim due in April 2021. As part of this, a final report is to be produced sighting the conclusions drawn from the project. The final report will draw conclusions on whether there is a way forward for collaborative procurement of food supplies and whether there is an opportunity for public sector organisations to make a greater contribution to the local supply chain by changing its approach to procurement and doing things differently through local sourcing and smarter procurement.

3. Publicity / Good News – Any publicity undertaken or good news opportunities

No publicity undertaken at present.

4. Issues / Risks – An outline of any issues identified which may hinder project delivery, and any risks which may occur in the next quarter

Due to COVID there will need to be a change in the method of stakeholder engagement in the first instance, to be virtual sessions rather than face to face. This will be constantly reviewed as circumstances and guidance changes. The stakeholder engagement event will now take place in the format of a virtual Food Summit. Whilst a risk, this situation is not expected to hinder project delivery.

5. Finance Update – Please provide an update of actual spend against the cash-flow forecast, under or over spend.

	<u>Actual</u>	<u>Budget</u>	<u>Forecast Spend</u>
Project Officer	£12,641.50	£30,000	£22,084.06
Expert Advice/ Consultancy	£10,080.00	£50,000	£49,478.00
Stakeholder Events	£90.82	£20,000	£20,000.00

At present, we're anticipating that there will be an under spend at project end on actual expenditure in comparison with the approved grant allocation figure. Project delivery commenced later than anticipated due to COVID restrictions and these restriction have remained in place for the duration of the project. The project officer was only appointed in August with a start date of September 1st, 2020 and costs have been incurred against this heading constantly and will be until project end but due to the late commencement of post there will be an under spend on this element as project officer costs will only be incurred for 7 months. The underspend on this category is anticipated to be £7,915.94

Additional expenditure has already been committed against the expert advice/ consultancy fees category, with the expert advisors commencing work during late November 2020 and the first invoice received in January 2021. Expenditure against this heading is to be incurred for the remainder of the project period until March 2021. There is a small predicted under spend against the Expert Advice/ Consultancy, which is anticipated to be approximately £500.

Stakeholder engagement/ events will occur during the latter stages of the project and therefore the forecast spend is the whole allocation of £20,000, which is to be incurred in March 2021. The engagement event is likely to be in a different format than first anticipated due to COVID and is now planned to take place in the format of Food Summit to engage with stakeholders, share project findings and communicate local food procurement concepts to a wider audience.

In relation to payment profile – the funding is required in a slightly different format to the payment profile, as noted in the variation to award letter:

	<u>Actual</u>	<u>Payment Profile</u>	<u>Remainder</u>
Claim 1 (Instalment 4)	£13,278.91	£40,000	£26,721.09
Claim 2 (instalment 5)	£9,533.41	£30,000	£20,466.59
Claim 3 (Instalment 6)	N/A	£30,000	N/A

There is an under spend on the first claim of £26,721.09 against the maximum profile instalment of £40,000 and again an under spend of £20,466.59 against the instalment of £30,000. The majority of this expenditure has been committed for the next period and will largely be spent before the project end, however there is an anticipated under spend of approximately £8,000 in comparison with the grant allocation total. It is expected that the majority of the grant expenditure will be incurred and claimed in the final instalment but not in accordance with the indicative profile of £30,000, the actual expenditure is likely to exceed this, but remain below the full grant figure allocated.

As noted, the actual spend for the next period is likely to exceed the figure noted within the indicative payment profile (noted above for claim 3 as £30,000) due to the late commencement of the project and the lower level of expenditure incurred during claim 1 and claim 2. The ability to claim in excess of the payment profile and deviate from the indicated £30,000 for claim 3 will enable us to allocate a greater total amount of funding against the project activities, that are largely to be carried out during the final period, to assist with project delivery.