

National Regeneration Panel
c/o Regeneration Division
Welsh Government
Cathays Park
Cardiff
CF10 3NQ

Julie James AM
National Assembly for Wales
Ty Hywel
Cardiff Bay
Cardiff
CF99 1NA

8th March 2012

Dear Julie

Further to our recent discussion, I write as Chair of the National Regeneration Panel to appraise you of the issues on procurement raised by members at a recent meeting.

Procurement was a major agenda item and the discussion followed a presentation on procurement by officials from the Value Wales team at the Welsh Government.

In summary the discussion focused on a number of key themes.

Strategically it was agreed all Welsh Public Sector spend should be seen as Regeneration Investment. This investment needs to focus on the wider Regeneration benefit for the community and this should be fully considered when assessing value for money on procurement exercises.

It was agreed grants need to deliver regeneration benefits and that community benefits do not necessarily incur additional costs when incorporated into procurement exercises.

Further in the current macro economic climate it was agreed it was both appropriate and a good time to include community benefits in procurement.

The Panel firmly believe that there is a need to consider the effects on small businesses and local supply chains of collaboration activity where public bodies combine to maximise best monetary value through letting larger joint contracts.

It was also agreed that there is a need to learn from good practice, where work on the Welsh Housing Quality Standard (WHQS) was detailed, and enhance procurement training available to the public and third sectors.

In respect of training the panel acknowledged the work of Value Wales on delivering training for local authority professionals but feel there is a need to further enhance procurement capacity and expertise.

Thank you for agreeing to review the issues raised by the National Regeneration Panel, should you wish to discuss any aspect in greater detail please do not hesitate to contact me.

I am copying this letter to the Minister for Housing, Regeneration and Heritage.

Yours sincerely,

Vivienne Sugar
Chair of the National Regeneration Panel