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Councillor Chris Weaver, Cabinet Member
Finance, Modernisation and Performance,
City of Cardiff Council
County Hall
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CF10 4UW

Dear Chris,

Policy Review & Performance Scrutiny Committee: 9 June 2021.

Thank you for joining the remote meeting of the Policy Review and Performance Scrutiny Committee last week to facilitate consideration of the proposed delegation of Monmouthshire County Council's procurement function to Cardiff. As Chair I wish to convey the Committee's gratitude for the co-operation of the Corporate Director Resources, and Commissioning and Procurement Manager in attendance to answer Members' questions. Members have asked me to pass on the following observations and concerns.

Context - Atebion Solutions

The Committee heard that Atebion Solutions, the Council's arms-length trading commissioning and procurement company, was set up to generate revenue, increase resilience and grow the knowledge base of the service at a time of shrinking budgets. We note also that the proposal before Cabinet is set within a context of Cardiff's expertise in the procurement arena gaining recognition from a variety of local authorities and agencies.

Officers clarified that Atebion Solutions were invited to review Monmouth Council's procurement arrangements, and the proposal for Cardiff's commissioning and procurement team to deliver the Monmouth procurement function, whilst a result of the review, will not be the vehicle to deliver the proposed partnership arrangement.

Benefits to Cardiff Council

Given the backdrop as outlined above Members were keen to establish whether the Council will benefit financially from the proposed procurement partnership with

Monmouthshire Council. Whilst you were unable to confirm there would be financial or economy of scale benefits for Cardiff, you reassured us that the arrangement allows the service to fulfil budget cuts and the extra capacity will build resilience. We note that a 'Free agent' system is in place to record time and overheads, and discussions are underway with Financial Services to ensure there are accurate recording, apportionment of time and charging mechanisms in place

The Council's strategic view

The Committee notes that the partnership is very much an opportunity for both Councils, the arrangement will be a procurement first for Cardiff and is seen as a game changing opportunity. We were therefore keen to test the organisations strategic view of the procurement service growing its customer base further. Should Atebion expand its activities and seek further partnership arrangements? We note that the Corporate Director Resources believes collaborations and relationships across local authorities present opportunities and are very important. Therefore, whilst the approach is evolutionary, it presents an opportunity to grow a centre of excellence, and is a great example with which to sell the benefits and skills of Cardiff. We concur with the Corporate Director that procurement presents an opportunity to be proactive and use Cardiff's capacity to lead.

On behalf of the Committee thank you once again, the Committee is supportive of the proposal and there are no recommendations that follow this scrutiny.

Yours sincerely,



COUNCILLOR DAVID WALKER

CHAIR, POLICY REVIEW AND PERFORMANCE SCRUTINY COMMITTEE

cc Members of the Policy Review & Performance Scrutiny Committee
Leaders of Opposition Parties
Chris Lee, Corporate Director Resources
Steve Robinson, Operational Manager
Joanne Watkins, Cabinet Support Office
Debi Said, PA to Leader