

# A More Equal Wales: Strengthening Social Partnership - White Paper

Question 1: Do you agree with proposals to strengthen social partnership arrangements by putting them on a statutory footing in legislation?

Natural Resources Wales already has strong social partnership arrangements with its 5 recognised Trade Unions. Therefore we see no issue of making these arrangements statutory as long as they don't devalue our current arrangements.

Question 2: Do you agree that strengthening social partnership arrangements will support Welsh Government ambitions to deliver a more equal Wales?

From Natural Resources Wales perspective we already have good social partnership working. However there is little detail in this consultation of what this might look like.

Question 3: Do you think that we should legislate to enforce decisions reached in social partnership and what form might that enforcement take?

In principle, Natural Resources Wales has no objection to any enforcement. However some care would need to be considered of the reasonableness and take into account one size does not fit all.

Question 4: Are these the right areas for legislation to deliver our proposals to strengthen social partnership arrangements and embed fair work principles across Wales?

In general these seem reasonable however the who the representatives are would need careful consideration to encompass different sizes of organisations and would be better if organisations were on the council for a set period to enable other organisations to participate.

**Question 5: Are there any particular or additional costs associated with the proposals you wish to raise?**

The particular or additional costs from a procurement perspective relate to implementing any new measures identified either as mandated in the Act or at an organisation level. NRW has tended to request that suppliers pay the national or living wage for certain contracts and we are currently seeking Living Wage accreditation, which brings a cost with it but is ethically beneficial. In the past we have put an onus on our suppliers to commit to the use of Project Bank Accounting for appropriate projects that have significant or relevant sub-contractor / supply chain impacts and our tier 1 contractors to commit to the Wales Fair Payment charter and the reporting of fair payment for projects >£2m on our flood risk management projects.

The added cost can come from suppliers increasing their rates during the tender process to cover off any wider requirements requested by a contracting authority that is on top of delivering of the service itself. This leads to increased cost to the public sector organisation but can result in the achievement of meeting wider objectives such as economic growth, sustainability and wellbeing benefits, though these can often be difficult to quantify or evidence.

There is a risk that where the focus of a procurement exercise looks to ensure fair payment, SMEs in Wales may not be able to utilise their competitive advantage if that advantage is price related and this could result in contracts being awarded to suppliers outside of Wales.

The consequence of such an outcome is money not remaining in Wales and doesn't then satisfy the Wellbeing goal of 'an equal Wales' and the social economical aspects set out by WG.

Additionally, with resource and time factors playing a big part in the route to market for procurement requirements there is now a greater reliance on external frameworks outside of Wales such as Crown Commercial Services or other UK government framework providers. NRW has no direct influence over the framework scope so cannot enforce payment charters on suppliers, and more importantly, these suppliers tend to be outside of Wales so again, this is a challenge when NRW is not leading on a procurement but is utilising something already in existence.

NRW supports the aims and drivers of this paper and moving to an approach where each organisation determines the strategy will make it more likely that tangible outcomes can be generated and it could be argued that from a procurement perspective, this is what 'an equal Wales' within the Wellbeing and Future Generation Act seeks to achieve.

## Survey submission

Please provide your name.

<b>Name</b>	Steve Burton
<b>Organisation (if applicable)</b>	Natural Resources Wales
<b>I prefer to remain anonymous</b>	- -

If you want to receive a receipt of your response, please provide an email address. Email address

steve.burton@cyfoethnaturiolcymru.gov.uk