

Answers to the Written Assembly Questions for answer on 21 January 2010

[R] signifies that the Member has declared an interest.

[W] signifies that the question was tabled in Welsh.

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To ask the Minister for Business and Budget

David Melding (South Wales Central): What proportion of Welsh Assembly Government contracts have been awarded to Welsh-based SMEs for the following financial years; 2003-4, 2004-5, 2005-6, 2006-7, 2007-8, 2008-9. (WAQ55405)

Answer issued on 22 January 2010

The Welsh Assembly Government does not fully hold this information. However, an analysis of purchase ledger information from the whole Welsh public sector, including Welsh Assembly Government was commissioned in the financial years 2002/3, 2004/5 and 2007/8 -. The analysis does not allow us to identify which contracts were awarded to Welsh based SMEs but does allow us to analyse expenditure in Wales.

- In 2003 the percentage of Welsh public sector expenditure with businesses with a Welsh post-code was estimated to be 35%. The specific Welsh Assembly Government figure was not available at that time.
- In 2005/6, the percentage of Welsh Assembly Government expenditure with businesses with a Welsh postcode was estimated to be 45%.
- The most recent analysis of 2007/08 data indicates an increase of 2% with an estimated 47% of Welsh Assembly Government expenditure spent with businesses with Welsh postcode addresses. This represents an estimated value of £138 million. An additional £50 million relates to expenditure covering on site ICT maintenance and support services and is invoiced from suppliers such as Siemens, Royal Mail and BT all of whom have a significant Welsh presence but have a postcode address which is outside of Wales.
- Many positive measures have been taken to improve opportunities for Welsh SMEs to bid for Welsh Assembly Government business including:-
 - o Signing up to the 'Opening Doors Charter' – committing to making contracts open and accessible to SMEs.
 - o Ensuring that all Welsh Assembly Government contract opportunities over £25k are advertised national procurement web-site www.sell2wales.co.uk. During 2008/9 approximately 350 such tenders were advertised through the portal.
 - o Developing the Sell2Wales.co.uk website so that successful prime contractors can advertise opportunities to their second and third tier suppliers – opening up major contracts to competition from SMEs;
 - o Encouraging supply chain development through 'Meet The Buyer' events. The main contractors for both WAG new build construction contracts held events and advertised opportunities on Sell2Wales. As a direct result in Llandudno Junction around £250,000 worth of work has been awarded to local companies and of the £13.2 million spent on construction so far, over £8.5 million (64%) has been spent locally.

David Melding (South Wales Central): What proportion of Welsh Assembly Government contracts have been awarded to Welsh-based companies for the following financial years; 2003-4, 2004-5, 2005-6, 2006-7, 2007-8, 2008-9. (WAQ55406)

Answer issued on 22 January 2010

Please refer to the response provided to WAQ55405.

David Melding (South Wales Central): Will the Minister make a statement on the use of framework contracts in the Welsh Assembly Government's procurement process. (WAQ55407)

Answer issued on 22 January 2010

A framework agreement is awarded to one or more suppliers following a competitive tender. It does not guarantee any level of expenditure but sets the terms under which goods and services can be called down when they are required. They are usually in place for a period of not more than four years. The rules for establishing and using framework agreements are covered by the European Procurement Directives.

As part of its procurement process, the Welsh Assembly Government lets a number of framework contracts every year to support its business activity.

The decision to let a framework is normally identified at the outset of any procurement exercise when a procurement strategy is discussed and developed. Framework agreements are often used where there is a large degree of repetitive contracting for similar goods or services within a specific commodity.

Framework agreements provide the following benefits:

- Business process savings. Letting a framework frees the Welsh Assembly Government and suppliers from the time and effort of repetitive tendering and allows goods or services to be easily called down.
- Business efficiency. With a framework in place even large scale procurement requirements can be swiftly supplied ensuring a flexible and dynamic response to citizen and business needs.
- Maximising the Welsh pound. By consolidating requirements in a framework the Welsh Assembly Government is able to obtain greater value for money by generating a more competitive response from the market-place.

Welsh Assembly Government also makes use of framework agreements established on an all-Wales or UK basis, where these provide value for money and do not discriminate against Wales-based suppliers.

Examples of frameworks let or used by the Welsh Assembly include agreements for furniture, travel bookings, business start up support, research, engineering, events management, stationery, IT consumables and print services.

In line with commitments made at the Economic summits in 2009, frameworks let by the Welsh Assembly Government are designed to ensure Welsh SMEs have every opportunity to win the business in fair and open competition. Aggregation of demand does not require aggregation of supply and careful consideration is therefore given to letting frameworks in a manner that does not discriminate against SMEs. This may include splitting the requirements into regional or product 'Lots'.

To ask the Minister for Children, Education, Lifelong Learning and Skills

Jenny Randerson (Cardiff Central): Will the Minister make a statement on the implications for Wales of the Research Excellence Framework as introduced by the English Funding Council. (WAQ55403)

Answer issued on 22 January 2010

The new arrangements for research assessment – the Research Excellence Framework (REF) – are being developed on a UK-wide basis by the four UK higher education funding bodies. The funding bodies collectively consulted on proposals for REF on a UK-wide basis in the period up to mid-December, and they are currently analysing the responses. Welsh higher education institutions took full advantage of this opportunity to put their views forward across a wide range of research matters pertaining to Wales.

The arrangements for REF will be finalised in Spring 2010 in the light of the consultation responses. The Higher Education Funding Council for Wales is fully involved in this process, and will continue to liaise with WAG officials.

To ask the Minister for the Economy and Transport

Nick Bourne (Mid & West Wales): What assessment has International Business Wales made of the prospects of the Emirate of Dubai as a source of trade and inward investment in light of the financial crisis in the Emirate. (WAQ55401)

Answer issued on 22 January 2010

In 2009, in response to a client feedback exercise, many of our clients told us that they consider Dubai, a significant host of trade fairs for companies from across the globe, and the wider United Arab Emirates to offer opportunity as a market and as a hub.

Nick Bourne (Mid & West Wales): What assessment has the Minister made of the success of International Business Wales' attendance at the construction fair called 'Big 5 Trade Fair' in Dubai from 21-27 November 2009. (WAQ55402)

Answer issued on 22 January 2010

Immediate business reported for companies from Wales at the end of the event totalled £172,000 and further opportunities were identified.

Nick Bourne (Mid & West Wales): What does International Business Wales aim to achieve from its forthcoming visits to Dubai in January and February 2010 to visit the Arab Health Trade Fair and Gulfood events. (WAQ55404)

Answer issued on 22 January 2010

Both events will provide a platform for companies from Wales to showcase their products, enhance their reputation in the market and win new business.

To ask the Minister for Environment, Sustainability and Housing

Nick Bourne (Mid & West Wales): Does the Minister have any plans to implement a scheme in Wales similar to the UK Government's Boiler Scrappage Scheme. (WAQ55400)

Answer issued on 22 January 2010

The Welsh Assembly Government is considering introducing a similar boiler scrappage scheme in Wales, and we are currently working up a series of proposals taking into consideration the impact on those in fuel poverty, the relative carbon savings and value for money. If a boiler scrappage scheme is introduced to Wales, there is likely to be more emphasis on targeting fuel poor households under a Welsh scheme. The Assembly Government hopes to make a final announcement on this issue in the near future.