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Co-operative Council

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Addenbrooke House Ironmasters Way Telford TF3 4NT

BUSINESS AND FINANCE SCRUTINY COMMITTEE

Date	Tuesday, 10 May 2022	Time	6.00 pm
Venue	Addenbrooke House, Ironmasters Way, Telford, TF3 4NT		

Enquiries Regarding this Agenda

Democratic Services	Sam Yarnall	01952 382193
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<u>Committee Membership:</u>	Councillors E J Carter, N A M England, J E Lavery, A Lawrence, I Preece, S J Reynolds (Chair), G C W Reynolds and K S Sahota, Co-optees R Williams
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AGENDA

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| 1. Apologies for Absence | |
| 2. Declarations of Interest | |
| 3. Minutes of the Previous Meeting | 3 - 8 |
| 4. Business Support Programme (Scene Setting)
To receive an update from the Director - Housing, Employment & Infrastructure, Housing Solutions. | Verbal Report |
| 5. Chair's Update | |

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BUSINESS AND FINANCE SCRUTINY COMMITTEE

Minutes of a meeting of the Business and Finance Scrutiny Committee held on Wednesday, 16 March 2022 at 6.00 pm in Addenbrooke House, Ironmasters Way, Telford, TF3 4NT

Present: Councillors J E Lavery, S J Reynolds (Chair) and K S Sahota.
Co-optees: R Williams

Also Present: Councillors R C Evans (Cabinet Member: Finance, Governance and Customer Services.

In Attendance: A Lowe (Associate Director: Policy & Governance), R Best Team Leader: Procurement Places, and, S Yarnall (Democracy Officer (Scrutiny))

Apologies: Councillors E J Carter, N A M England and G C W Reynolds

BFSC47 Declarations of Interest

None.

BFSC48 Minutes of the Previous Meeting

RESOLVED - the minutes of the meeting on the 24 January 2022 have been signed by chair.

BFSC49 Procurement Update - Social Value

The chair invited the Team Leader: Procurement Places to present the report on Procurement: Social Value to the committee.

The SV Act was established in 2012 which required Public Sector Bodies to consider social value and benefit to the community in its procurement activities. It was explained that social value can be made up of financial factors and less tangible factors such as “voluntary hours” being given to a specific cause, or support being provided to a particular sector of the community.

The Team Leader explained how social value is delivered through ‘pledges’ made by those providing goods or services to the Council – these pledges are made during the tender process and would be delivered throughout the lifetime of the contract.

Members received an update on the social value pledges that had been offered during 2021/2022, and the pledges that had been delivered. Some case studies were presented to the Committee demonstrating the different ways in which social value can be delivered and the impact and outputs that

social value can deliver. The Team Leader also shared what the Council was doing to maximise social value throughout 2022 including the creation of a social value website where contractors could support each other by “swapping” social value needs and offers. .

Members heard that the Procurement team sought social value from all tenders relating to contracts with a value above £10k It was explained that championing social value requirements is a one-team effort with all officers being aware of the need to seek social value when they procure goods, works and services but that overall oversight sits with the procurement team. Each year, officers summarise the pledges received so that they can be recorded and monitored to ensure delivery.

The Team Leader: Procurement Places was interested in scrutiny’s comments on how the system could be improved. Areas that were discussed were how to further define social value and what suppliers can provide to support life aspirations.

Following the presentation from officers there was a discussion, with Members posing a number of questions:

Was the integrity of suppliers looked at before awarding contracts?

The Associate Director for Policy & Governance explained that the integrity of suppliers was a fundamental part of the due diligence that the authority undertook as part of any procurement activity. This included considering whether or not a prospective contractor’s ethos and values were reflective of those of the council.

When awarding contracts to suppliers out of the Borough, was any assessment undertaken to evaluate the economic impact of awarding contracts outside of the Borough?

The Associate Director: Policy & Governance explained that contracts had to be awarded through a procurement exercise and the authority could only contract with an organisation who had submitted a tender. However, when contracts were awarded outside of the Borough, suppliers are encouraged to work with the Council to see how they could support people in the Borough for employment in these organisations and how social value will be delivered within the Borough.

As part of the procurement process for contracts were environmental impacts considered?

It was confirmed that one of the ‘asks’ from any prospective supplier was that they contribute to the Councils goal of carbon neutrality by 2030. Specifically, suppliers were asked how to be carbon neutrality and, if they were unable to do so, asked how they intended to offset their carbon emissions.

Do long-term contracts provide sufficient flexibility for the Borough?

It was explained that the appropriate length of a contract was dependent upon the service being procured. The mobilisation period can often be lengthy for complex services and there are also periods of adjustment whenever a new contract was awarded and it was necessary to maintain service consistency for residents. However, contracts always include break clauses to provide regular opportunities to review efficacy of the contract.

How did the procurement for social value from contracts impact care leavers?

The Team Leader: Procurement Places explained that suppliers pledge and commit to provide what they can for care leavers in the Borough. A local supplier who does driving lessons has pledged to teach care leavers how to drive at no cost. It was said that the importance of initiatives such as this were to enable care leavers to gain greater independence and access other opportunities without relying on public transportation. It was also noted that for financial contacts they worked with banks to provide financial life skills for care leavers, such as how to budget effectively.

What progress had been made with the ongoing Station Quarter in terms of procurement and social value?

The Team Leader: Procurement Places said that they were currently engaged with potential tenders to see how social value could best be provided to the area.

From the report it was not clear the specifics of social value and the impact it can have?

It was explained by the Team Leader: Procurement Places and the Associate Director: Policy & Governance, that even though the social value criteria were not specific it was proportionate to the services that they provided and how they added value to the community. One example was how suppliers have worked with the local job centre to get local people back into work. Another was how some suppliers have been flexible with childcare to provide opportunities for those that would otherwise not have accessed them. It was said that social value was widespread and that they ask how they brought value to the Borough.

When a contractor offered apprenticeships did we know how many, and how much money was funded into these apprenticeships?

As part of the contract monitoring, suppliers will share information regarding the number of apprenticeships they have employed. With regards to money being funded into apprenticeships, most employers have access to the Apprenticeship Levy which would pay the cost of the training – this is the government fund that almost all employers have to pay into.

Apprenticeships have changed over time and are now in many sectors of the job market, did we ask the suppliers for percentage turnover of employment for apprenticeships?

The Apprenticeship Levy for employers was intended to fund a specified number of apprentices for each employer. It was highlighted that apprenticeships were a minimum of two years to provide experience of a working routine and working in that organisation. In some cases it provided them further opportunity to progress in their organisation or to move onto other opportunities.

Members asked for further explanation on the ongoing work for procurement-Social Value for 2022?

The Team Leader: Procurement Places said that there was ongoing development on the Live Well Telford portal which included the three main council priorities of environment, economic and social priorities. It was said that they were in discussion with the Telford Business Board to contact local suppliers to have a presence on the portal, and this would be reviewed over the next six to eight months. Members heard that they intended to use this as part of the tender process and that if suppliers did not have their own social champions, this portal would help them partner with third parties to deliver social value.

As part of the procurement process were people with disabilities acknowledged?

A standard part of the procurement process required prospective contractors to confirm that they would commit, and sign up, to the Disability Confident Employer Scheme. This scheme provided assurance that employers take steps to make the workplace more accessible to those with disabilities; this could be things such as the recruitment and retention policies of the organisation or making changes to the physical environment.

Following the discussion it was **RESOLVED that –**

The Committee:-

- 1. Notes the update with regards the social value pledges from successful suppliers tender submissions through the procurement process from across Council activity.**
- 2. Notes the ongoing development of social value delivered in 2021.**

BFSC50 Chair's Update

The Chair updated the committee on the upcoming items for the 10 May 2022 meeting and that scrutiny are currently working on the next municipal years'

work programme. The Chair suggested that if members have any suggestions for the next years scrutiny work programme to get in touch with Democratic Services.

The meeting ended at 7.25 pm

Chairman:

Date: Tuesday, 10 May 2022

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